that appealed to the nation "by combining biblical and republican themes in a way that included, but transformed, the culture of individualism."[188] Secondly, the success of *Economic Justice for All* and the earlier pastoral *The Challenge of Peace* suggests that Catholics may influence national debate more by voicing biblical values and themes than by retreating behind the religious neutrality of natural-law argumentation alone. This culture may retain at least a residue of biblical moral language which could broaden the public discussion of justice beyond "equality" and "opportunity" to "preferential option for the poor." At the same time, the moral discourse forged in the American republican experience could point to legitimate safeguards for individual rights and due process in the Church.

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THE PASTORAL ON THE ECONOMY: FROM DRAFTS TO POLICY

The process of preparing and adopting the pastoral letter *Economic Justice for All: Catholic Social Teaching and the U.S. Economy* has occupied the U.S. Catholic bishops for three years and was recently concluded with the acceptance of the final form of the letter at the annual meeting of the bishops' conference in Washington in November 1986. The acceptance marked the end of what all observers agree was an important step in the establishment of a new relation of U.S. Catholicism, the nation's largest and most prominent religious group, to American society and its major institutions; in the creative application of Catholic social teaching; and in the development of the teaching role of the bishops' conference.

While the process was modeled on and influenced by the earlier process of preparing *The Challenge of Peace*, the pastoral letter on war and peace, there are some important differences between the two letters that help to account for the different levels of interest that the final stages of the two processes evoked. First, Catholic social teaching on the economy is more extensive and consists of an array of norms which allow for considerable flexibility in the design of institutions and in the formation and implementation of policies. Those positions that are clearly proscribed (totalitarian control of the economy, abolition of private property, radical individualism and libertarianism, complete neglect of the problems of the poor and the marginal) have almost no supporters in the Catholic community. As in most secular debates about economic policy in general, the debate around the pastoral and around the application of

[188] *Habits of the Heart* 249.

Catholic social teaching to the U.S. economy had to do with decisions about more or less, about trade-offs between competing values and efforts to reconcile values and interests, and about directions for the long term. Second, the debate over the pastoral on the economy did not have a single dominant issue comparable to the question of nuclear deterrence in the peace pastoral. Nuclear deterrence is both a cornerstone of U.S. national-security policy and a perplexing and painful topic for moral reflection. It raises political and ethical issues of the first magnitude, and positions taken on it may have the most serious consequences. It is a natural subject for impassioned and dramatic debate; and it is, in the historical context of the Church's moral teaching, a relatively new question that cannot be regarded as settled. No issue in the pastoral on the economy was capable of provoking contradictory responses which would both manifest intense commitment and also have profound impact on public policy. Third, the important differences in moral analysis and judgment on the topics which the pastoral addresses are not found within the conference of bishops but rather between the conference with its supporting constituencies that are concerned about problems of poverty and unemployment and family farms on the one hand, and the business leadership and those economists and shapers of public opinion who are sceptical of solutions to these problems that rely on government intervention. As a result, most of the bishops' responses took the form of piecemeal modification and clarifications along with more extensive revisions aimed at shortening the letter and presenting its more important points more clearly and vigorously.

This observer could not detect on the part of the bishops either a critical point of decision or any strong tendency to re-examine first principles. (This, I should add, is said by way of description, not criticism.) The later states of the process were, then, not marked by any sustained or suspenseful conflict. As a result, the literature generated by the pastoral moves fairly easily from the first stage of critical scrutiny of the document and the details of its argumentation along with the proposal of alternatives to a second stage of reflecting on the historical sources and long-term implications of the letter.

If this general view of the course of the debate on the economic pastoral is correct, it is reasonable to divide the literature under review into two circles. The first or inner circle deals with the process of the pastoral and with specific evaluation of the various drafts. The second or outer circle consists of those articles and essays that explore themes found in the pastoral letter and connections between the pastoral letter and other presentations of Catholic social teaching. But even in discussing the first circle, my interest will not be in the history of shaping the pastoral, but

in the light that the document and the discussions around it shed on the method and substance of Catholic teaching on the economy and social justice. So there will not be a rigid boundary between the two circles.

The Inner Circle

It is appropriate to begin our view of the first circle with some authoritative characterizations of the pastoral from hierarchical sources. Archbishop Rembert Weakland, O.S.B., the chairman of the *ad hoc* committee of the bishops' conference charged with preparing the letter, presents it as a response to an injunction of Paul VI in *Octogesima adveniens* (1971), where he urged the bishops of the world "to take Catholic social teaching and apply it to their particular nations." The archbishop of Milwaukee views the task of application as requiring a rethinking of the body of Catholic social doctrine, which he regards as "less a unified and perfectly constructed whole than a series of repeated attempts to answer precise world problems in very definite historical contexts."[189]

Weakland points out that, while the proper academic category for the context of the letter is "economic philosophy," it should be seen primarily in terms of its form as a pastoral. The pastoral is, in his view, addressed to the Catholic laity of the U.S., "now very diversified in terms of social strata and interests," to the various nations of the world because they are affected by our economic system, and to those from other religious and philosophical traditions "who share our concerns, are interested in the same issues, and are searching along with us for solutions."[190] Weakland here underlines the necessarily provisional and incomplete character of the pastoral and the way in which it is intended to serve a continuing process of reflection and social transformation.

A somewhat different but complementary interpretation of the sources of the pastoral is offered in a significant double presentation given by Cardinal Joseph Bernardin, the archbishop of Chicago, and Cardinal John O'Connor, the archbishop of New York, at the University of Notre Dame in October 1985. Cardinal Bernardin stresses the specific roots of the pastoral in Vatican II's Pastoral Constitution on the Church in the Modern World, *Gaudium et spes* (1965). There he finds the theological method of looking to "the signs of the times" and using an empirical starting point, the ecclesiological foundation for the Church's social

[189] Archbishop Rembert Weakland, O.S.B., "Foreword," in *The Deeper Meaning of Economic Life*, ed. R. Bruce Douglass (Washington, D.C.: Georgetown Univ. Press, 1986) vii. He is referring to *Octogesima adveniens*, no. 6.

[190] Ibid. x.

ministry in the world, and the pastoral spirit of social leadership.[191] In his view, the two recent pastoral letters of the American hierarchy could not have been written without the foundations provided by *Gaudium et spes*. Cardinal O'Connor puts his emphasis on the bishops' desire to "stir up a sense of the moral urgency" which is appropriate when we confront the poignancy of human need.[192] He points to the address of John Paul II at Yankee Stadium in New York in October 1979, when he spoke "in the name of the solidarity that binds us all together in a common humanity,"[193] and he compares the function of the letter to the parable of Dives and Lazarus in breaking through our inattention to the needs of others. This is an approach which emphasizes the practical thrust of the pastoral and its existential roots in human need along with our religious duty to be open and responsive to the needs of other human beings.[194]

Another general presentation of the pastoral coming from a bishop, but this time from an external observer, is by Archbishop Marcos McGrath of Panama. He offers an "unqualified vote of enthusiasm."[195] He points to the more biblical and more empirical approach of the letter in comparison with earlier church defenses of the rights of workers, a difference which he traces to the influence of *Gaudium et spes*. On the policy side, he is struck, as the U.S. bishops are, by the declining generosity of our dealings with developing nations; and he urges his brother bishops in the U.S. to examine the reasons for what he calls "this persistent, anachronistic, and sometimes angry isolationism of the American public and its government."[196]

Theologians have also been active in commenting on the pastoral as it has gone through its various stages of development. Thomas Schindler, S.S., of St. Mary's Seminary in Baltimore, found the second draft a disappointment and concluded that the bishops were unwilling to move beyond reformist solutions to the fundamental challenge to the U.S. economy which is required by the radical criteria of evaluation which

[191] Joseph Cardinal Bernardin, " 'The Pastoral Constitution on the Church in the Modern World': Its Impact on the Social Teaching of the U.S. Bishops," *Notre Dame Journal of Law, Ethics & Public Policy* 2 (1985) 9.

[192] John Cardinal O'Connor, "An Analysis of the Recommendations of U.S. Catholic Social Teaching," ibid. 17.

[193] Ibid. 18.

[194] A more extended treatment of the sources and social context of the pastoral is given by John Langan, S.J., "The American Context of the U.S. Bishops' Pastoral Letter on the Economy," in *The Deeper Meaning* (n. 189 above) 1–18.

[195] Archbishop Marcos McGrath, C.S.C., "The Pastoral Letter on the Economy: A Latin American Church View," *Notre Dame Journal of Law, Ethics & Public Policy* 2 (1985) 55.

[196] Ibid. 65.

they employ.[197] James Hug, S.J., of the Center of Concern, pondered the possible impact of the pastoral and concluded that while it was too soon to expect any significant impact on legislation, we should focus on the pastoral's effects on U.S. culture and on the Church. For Hug, the letter contributes to a desacralization of contemporary cultural attitudes with regard to the economy, legitimates alternatives aimed at avoiding the destructive effects of the present system, and stimulates creativity and the utopian imagination. The major effects of the letter on the Church arise from its insistence that there is "a great deal wrong with the socioeconomic system in which Catholics live and generally profit from" and that "our choices, values, lifestyles, policies, and institutions often run counter to the spirit of Jesus."[198]

The reactions of Hug and Schindler are instructive examples of assessments of the pastoral by the numerous religious thinkers and social activists who welcome the prospect of the transformation of American society and economy in such a way that it will be egalitarian, participatory, nondiscriminatory, less dependent on military force for its security, more respectful of the environment, and comparatively austere in its consumption patterns. Such a position is conservative with regard to some older practices and institutions (family farming, trade unions, opportunities for local self-determination, the processes of representative democracy) and critical with regard to others (traditional restrictions on the roles open to women, large corporate structures, the unregulated market economy). Unquestionably, the elements of this particular constellation of social values are present in the pastoral, though there are contrary tendencies as well, notably with regard to preserving traditional family and gender patterns. This qualification is particularly important in the light of a point that Elizabeth McKeown makes in her interpretation of the place of this pastoral in the development of the social teaching of the bishops in this country. She observes: "It is evident that the family-centered approach to public policy involvement on the part of the bishops has been consistent throughout the existence of the national episcopal conference. It is indeed their 'seamless garment.' "[199] She regards the priority according to the preservation of the family as fully consonant with papal teaching but as "in increasing tension with the

[197] Thomas Schindler, S.S., "The Bishops' Pastoral: Draft II Disappoints," *Christian Century* 103, no. 2 (Jan. 15, 1986) 38–39.

[198] James Hug, S.J., "Measuring the Shock Waves: The Economic Pastoral," *New Catholic World* 229 (1986) 211.

[199] Elizabeth McKeown, "The Seamless Garment: The Bishops' Letter in the Light of the American Catholic Pastoral Tradition," in *The Deeper Meaning* 128.

realities of life in rapidly changing societies."[200]

Proponents of what can loosely be called the "Catholic left" position differ in the weight they accord to contrary interests and needs and in their estimate of the necessity and legitimacy of accommodations to "realism." Accordingly, they are free to interpret the pastoral either as a harbinger of a process of comprehensive and radical transformation or as a broken and incompletely articulated statement of a new direction, which shows evidence of a failure of nerve produced by contrary pressures from the currently powerful. It is thus interesting to observe that the Canadian theologian and socialist Gregory Baum praises the second draft both because its treatment of the Christian vision of economic life is "much less scholastic-abstract and more biblically and ethically concrete"[201] and because "in a culture with inequality, and the new selfishness, they [the bishops] have been faithful to the new orientation in Catholic social teaching."[202] This appraisal is in line with Baum's earlier interpretation of the theology of the pastoral as part of a shift in the presentation of Catholic social teaching from a rationalistic approach which separates social justice from spirituality and which conceives the mission of the Church in purely religious terms. Baum praises John Paul II for teaching a form of humanism which treats people as subjects of society but faults him for failing to enhance "the subject character of the ecclesiastical community."[203] For Baum, human beings are limited as subjects; but God is "the liberating subject of human history."[204] This is a position which promises a reconciliation of the social and religious humanism of John Paul II, especially in *Laborem exercens*, and the aspirations of liberation theology. Baum goes on to present a particularly lucid and helpful exposition of the different types of option for the poor. He recognizes five: (1) compassionate, shown in almsgiving; (2) ascetical, shown in simplicity of life; (3) missionary, shown in the apostolate of worker priests; (4) pastoral, shown in the use of church resources; (5) the preferential option for the poor, which serves not merely as a principle of social ethics but also as an expression of solidarity with the marginalized and contributes to the development of the subject character of society.[205]

Elucidation of the option for the poor in the pastoral is the specific topic of an essay by Anthony Tambasco, a theologian with strong

[200] Ibid. 133.
[201] Gregory Baum, "The Second Draft," *Ecumenist* 24 (1986) 60.
[202] Ibid. 61.
[203] Gregory Baum, "The Theology of the American Pastoral," *Ecumenist* 24 (1986) 21.
[204] Ibid. 20.
[205] Ibid. 22.

interests in both Scripture and liberation theology. Tambasco contrasts the function of this notion in the pastoral letter with the widespread belief among liberation theologians that the option for the poor implies a hermeneutic privilege of the poor in the understanding of their own situation and of Scripture. He comments that in the pastorals "the heaviest emphasis seems to be doing the works of justice *to* the poor and *for* the poor, rather than justice being done *with* the poor and *by* the poor."[206] But he later modifies this by acknowledging that the bishops "have learned from what the poor themselves see in the Bible."[207]

Tambasco admits that "the poor cannot interpret their situation and the implications for justice purely out of the raw experience of material poverty."[208] In order to do this, liberation theology relies on dependency theory. Acceptance of dependency theory requires dismissal of the North American economic system, and this is not a course that the U.S. bishops wish to follow in any explicit way. But they show a concern about the dependence of the poor on the rich in both national and international contexts; they recognize the need for structural change in society and for "the poor to take possession of their own destiny."[209] The general development of Catholic social teaching in this century, according to Tambasco, has been to proceed from its strong emphasis on the communal character of human existence in the direction of a relatively egalitarian theory of justice, a more conflictual model of justice, and a greater tendency to subordinate the economic to the political.[210] Tambasco's interpretation of the pastoral appraises it favorably in direct proportion to its similarity to liberation theology. In my view, this is a position that fails to take seriously what makes North American society different from and more economically effective than developing countries. Greater egalitarianism, acceptance of class conflict, and government domination of the economy do not resolve the problems of poverty in either Marxist or anti-Marxist countries. Too much has happened in China, in the burgeoning economies of East Asia, in the manifest economic stagnation of the Soviet empire to make the analyses and the policy recommendations associated with dependency theory a reliable guide to the future.

A provocative use of liberation theology is proposed by Robert Rodes, a professor of law at Notre Dame. He is struck by the inadequacy of both liberal and Marxist societies in dealing with poverty and in failing to

[206] Anthony Tambasco, "Option for the Poor," in *The Deeper Meaning* 38; emphasis in original.
[207] Ibid. 44.
[208] Ibid. 44–45.
[209] Ibid. 48.
[210] Ibid. 51–52.

overcome class domination. He affirms that "a people who lack the minimum conditions for a decent and contributing life must be afforded those conditions regardless of the cost in social amenities for everyone else."[211] Standard approaches to law and jurisprudence which aim at impartiality have not helped us in solving the problems of the poor. The option for the poor has to be brought into the making of policy. In Rodes's words, "The preferential option for the poor is not a principle of justice, but we cannot hope to do them justice without it."[212] Our aim in adopting such a principle is not to reshape human history, as many Marxist and liberation theologians have hoped, but to accomplish "bits and pieces of justice."[213] Rodes's piece is an interesting example of an effort to take a norm usually linked with ambitious social theories and to use it in a pragmatic spirit to deal with some very troubling concrete problems.

Criticisms of the pastoral from the left are concerned that its theorectical stance and its policy recommendations will not be strong enough to bring real improvement to the lives of the poor. Critics on the right are anxious lest it weaken our economic system and perhaps the poor themselves by teaching that the poor, along with the rest of us, have economic rights to those goods that provide a decent minimum for life in an advanced industrial society. Two strong attacks on the notion of economic rights come from Walter Block and Walter Williams.

Block, who is an economist at the Fraser Institute in British Columbia, offers an assessment of the pastoral letter which is both scrupulously fair and highly critical. Block's fairness comes out in his commending the moral courage of the bishops, their concern for the poor, and their awareness of exploitation in the present U.S. economy, which he characterizes as "a mixed welfare state, one from which the rich gain in innumerable ways."[214] He takes a firm stand against those who would bar the bishops from the public dialogue. But his own position is at odds with the pastoral on several key points. The most fundamental is his rejection of positive economic rights, a notion which is a key element in the bishops' argument from their general understanding of economic life to their policy recommendations, especially with regard to the poor and the unemployed. Block offers no less than 13 arguments against the notion of positive economic rights to such things as food, housing, health

[211] Robert Rodes, "Law, History, and the Option for the Poor," *Logos* 6 (1985) 68.

[212] Ibid.

[213] Ibid. 69.

[214] Walter Block, "Neglect of the Marketplace: The Questionable Economics of America's Bishops," *Notre Dame Journal of Law, Ethics & Public Policy* 2 (1985) 139.

care, and employment. Some of these arguments indicate real differences between positive and negative rights, such as the dependence of positive economic rights on natural and environmental factors for their fulfilment and the uncertainty about such questions as the subjects who have the obligation to satisfy these rights and the degree to which the rights are to be satisfied. Many of these are points that require both a fuller development of the theory of economic rights and an acknowledgment that the notion of rights is being used analogically. But they do not require abandonment of the notion of positive economic rights, a notion which conveys both moral urgency and the legitimacy of government action. It is this double function of the language of positive economic rights which renders it attractive and useful for the bishops and repellent to Block. Some of Block's arguments manifest a deep fear that talk of economic rights will lead via enlarged state activity to totalitarianism or to radical egalitarianism or perhaps to both. This fear has flourished among conservatives and laissez-faire theorists since the days of Friedrich Hayek's *The Road to Serfdom* (1944). Once government intervention and redistribution is accepted as legitimate for the attainment of economic objectives or social justice, then there seems to be no logically unassailable limit beyond which government activity is not to go. It seems to this observer that such an approach is profoundly unhistorical. In the case of the pastoral letter, it ignores both the pragmatic temper which the bishops share with most other Americans and their deep commitment to civil and political rights, rights which have been strongly affirmed in the Catholic tradition over the last quarter century and which are logically incompatible with both totalitarianism and the more drastic forms of egalitarianism. Block also registers his opposition to unions, which he regards as coercive and unfair to the poorest, to minimum wage laws, and to the bishops' characterization of income distribution in the U.S. as unjust.

A further attack on the notion of economic rights is found in an article by Walter Williams, "Good Intentions—Bad Results: The Economy Pastoral and America's Disadvantaged." Williams regards the bishops' advocacy of economic rights as a violation of the spirit of the U.S. Constitution and terms it "as thorough an attack on private property and personal liberty as any envisioned by a dictatorial regime."[215] Williams would restrict legitimate government functions to those which benefit all citizens, such as the provision of national defense. He opposes the policy recommendations of the bishops on the ground that they will

[215] Walter E. Williams, "Good Intentions—Bad Results: The Economy Pastoral and America's Disadvantaged," ibid. 184.

have negative effects on the poor, since they restrict competition. Williams also warns against the dangers present in the bishops' letter of punishing the productive and honoring the nonproductive, a warning which is only intelligible on the assumption that the present system or some idealized variant of it distributes goods according to merit.

A critique of the pastoral letter that takes a complacent view of the present state and future prospects of the U.S. economy comes from the Lay Commission on Catholic Social Teaching and the U.S. Economy, chaired by William Simon, the former Secretary of the Treasury, and Michael Novak, of the American Enterprise Institute. Their report on the third draft (June 1986) of the pastoral, *Liberty and Justice for All*, was issued on November 5, 1986, several days before the bishops gathered for their annual meeting, at which the final version of the document was approved. While the lay commission still finds some passages of the letter to be "excessively concrete and excessively opinionated,"[216] it accepts the legitimacy of the bishops' general project in the pastoral, praising the bishops for "opening up this crucial argument of our times and for proceeding in an open way."[217] The specific criticisms that the commission makes of the pastoral begin with an insistence that the Third World should give greater freedom to private enterprise, especially small business, in the task of development. The commission accuses the bishops of a "preferential option for the state"[218] and of an inadequate appreciation for economic activism, especially among the poor. It also finds the letter's description of the contemporary U.S. economy to be unbalanced with regard to such key topics as the problems of poverty, the distribution of income and wealth, the treatment of the wealthy in the tax system, and the problem of unemployment. The commission argues against the pastoral's recommendation that the welfare system be nationalized and takes issue with the pastoral's opposition to current levels of defense spending.

The main theoretical interest of the report, however, lies in its attack on the letter's use of the notion of economic rights. In the first place, the commission's report argues, there is a difference in papal social thought, specifically in Pope John XXIII's encyclical *Pacem in terris* (1961), between welfare rights, which are intimately related to the right to life, and economic rights, which "protect citizens in their *activism* and in their *active* contributions to society."[219] The commission points to the defects

[216] Lay Commission on Catholic Social Teaching, "Liberty and Justice for All," report of Nov. 5, 1986, p. 3, scheduled for publication in *Crisis*, Dec. 1986.

[217] Ibid. 5.

[218] Ibid. 8.

[219] Ibid. 11; emphasis in the original.

of state welfare programs, which are normally coercive and impersonal, which encourage dependency, and which involve redistribution with unknown effects. It is concerned that talk of "economic rights" in "our highly legalistic society" will lead to state paternalism and "a new soft despotism." The commission does, however, acknowledge that "to protect the truly needy, welfare programs are necessary in any good society."[220] The commission's particular anxiety is that people will be encouraged to expect the goods necessary for life and "the proper development of life"[221] from the state, rather than relying on government programs as a last resort for those who are unable to provide for themselves. This is in some ways an understandable concern, but it misses several key points. First, as the bishops point out in the pastoral, the empirical evidence shows that the great majority of welfare recipients are willing to work if they have an opportunity to do so.[222] Second, the language of economic rights serves to remind us that what is provided by an affluent society for the basic needs of the poor is provided as a matter of right and justice, not as a matter of charity. Third, while it is true that private agencies and givers can handle persons with greater flexibility and sensitivity, there is also a continuing need to protect alien, assertive, or unattractive members of the class of the needy from arbitrary treatment. Fourth, the significant alternative to dependence on the state for most of us is not self-reliance with its strong overtones of individualism, but entry into a more or less complex form of social co-operation which provides us with income and financial security.

One of the dangerous myths about this whole subject is that meritorious individuals create wealth by their work, while the state redistributes the fruit of their toil to the idle and improvident who have failed to become self-sufficient. Redistribution is then regarded by libertarians and such proponents of the minimal state as Robert Nozick as the moral equivalent of theft. While it is true that the state does not generate wealth, we are simultaneously dependent on and responsible for shaping a social network that makes productive work possible and that provides goods and services. For individuals, even successful and effective individuals, to think of themselves as self-sufficient producers of their own wealth is to enter into a condition of self-deception which is a denial both of our dependence on complex and variable forms of social co-operation and of our fundamental solidarity as human creatures. In this regard, it is interesting to note that the lay commission takes a dim view of the

[220] Ibid.

[221] Ibid. 10, citing John XXIII, *Pacem in terris* 11.

[222] *Economic Justice for All* 193 (*Origins* 16 [1986] 431).

language of "solidarity," which it regards as unduly European and inappropriate to our pluralistic society.[223] To this one can reply that insistence on human solidarity may be particularly important for a heterogeneous population whose political life is shaped by powerful and often selfish interest groups and whose ideological perspective is marked by strong elements of individualism and national exceptionalism.

Brian Benestad of the University of Scranton argues that the pastoral should stress conversion and virtue rather than policy and rights.[224] He holds that as a matter of principle the bishops should avoid focusing on policy issues unless this is required by Catholic social teaching or by the need to combat manifest present evils. The bishops would be likely to reply that these conditions are met not merely with regard to the widespread practice of abortion in our society but also by increasing inequalities in wealth and income and persistent problems of poverty and employment in the U.S. economy. Benestad also blames the bishops for the more specific fault of a liberal bias in their consultations and for advocating what he regards as partisan political opinions. He attributes to the bishops a "seamless garment of mostly political opinions," which he would like to see replaced by a "seamless garment of Catholic doctrine on faith and morals."[225]

Benestad's criticisms touch on a sensitive and difficult area. We should bear in mind the distinction between logical aspects of generality and implication in practical judgments and the social fact of whether a particular norm or principle is subject to partisan dispute. There are, as Aristotle and Aquinas saw long ago, very good reasons for distrusting a surely deductive approach to practical judgments about cases. The Church's teaching of general norms cannot displace casuistry or the moral analysis of particular situations. As both the present pastoral and its predecessor on peace acknowledge, there is no desire or capability on the part of the bishops to impose policy recommendations with the binding force of religious authority, since these recommendations rest on complex factual and analytic considerations, on which there is very often legitimate disagreement, as well as on general moral principles which the Church teaches. Policy recommendations, then, are significantly similar to case resolutions, and involve a step beyond the statement of moral norms. The question of whether principle or a policy recommendation is

[223] Lay Commission on Catholic Social Teaching, 14.

[224] J. Brian Benestad, "The Bishops' Pastoral Letter on the Economy: Theological Criteria and Criticisms," *Notre Dame Journal of Law, Ethics & Public Policy* 2 (1985) 173–74.

[225] Ibid. 177.

an issue in political dispute is another matter. It is generally unwise for the Church to become closely identified with partisan political movements, not least because such movements usually involve a plurality of interests and goals with varying degrees of moral character and urgency. Intimate involvement with such movements with their agendas and trade-offs often brings not a practical application of moral principles but a subordination of moral concern and witness. Also, such identification makes it likely that divisions that are often painfully acute in civil society will be brought into the Church in a damaging way. But these general points do not require that the Church refrain from taking stands that give political offense. Care in making the judgment that such a stand is necessary and due respect for the rights and beliefs of others are clearly required, but the freedom of the Church to proclaim the gospel and to point out its bearing on the problems of contemporary society should be affirmed and exercised. Just how specific the Church should be in doing this is a matter about which good and wise people can and will disagree, and for which there is no one general solution. It has seemed to many observers that the American hierarchy has in its recent letters done an exemplary job in making the judgments about what can appropriately and effectively be said in our open and pluralistic society.[226]

The Outer Circle

An appropriate place at which to begin a review of recent literature in the second circle, that is, the circle of those pieces that are mainly concerned with analysis of the long-range implications of the pastoral, is an article by Charles Wilber, "Economics and Ethics: The Challenge of the Bishops' Pastoral Letter on the Economy." Wilber, an economist at Notre Dame, sees the letter as a continuation of the Catholic criticism of economic theory which "embodies an individualist philosophic position that both damages its credibility as a science and frequently places it in opposition to the very idea of social goals."[227]

Wilber summarizes the key points of the laissez-faire tradition in economic theory in the following terms: (1) people are motivated primarily by self-interest; (2) a free-market economy converts self-interested behavior into the common good; (3) it requires freedom of choice; (4) problems are the result of governmental interference or of physical and human nature; (5) public authorities enforce the rules of the game and provide goods that private sector cannot; (6) the market is inherently

[226] For a fuller treatment of this problem, cf. Langan, "The American Context" 10–16.

[227] Charles Wilber, "Economics and Ethics: The Challenge of the Bishops' Pastoral Letter on the Economy," *Notre Dame Journal of Law, Ethics & Public Policy* 2 (1985) 107.

stable and equilibrium will be at full employment.[228] In contrast to this picture of the beneficent workings of the market according to laissez-faire economics, Wilber points to three major problems of economic life that the theory does not handle well: (1) the development of monopolies controlling markets; (2) externalities, such as environmental damage, which are not included in economic calculations; (3) unequal opportunity for people to participate in the economy. More positively, Wilber argues that the Catholic tradition of social thought "sees society as more dense and complex than a simple aggregation of individuals."[229] He argues that, contrary to the views of Milton Friedman and his disciples, the economy has to be directed to social goals. He borrows from his Notre Dame colleague Denis Goulet a listing of three goals: life sustenance, esteem and fellowship, and freedom, which he regards as embodying "the core of Catholic social thought."[230] Freedom in this approach includes not merely consumer sovereignty with regard to the purchase of goods but also worker sovereignty with regard to the choice of meaningful jobs, and citizen sovereignty. When freedom is conceived in this way, it is no longer the liberty of atomic individuals, but is bound up with particular roles in a structured society. Wilber also proposes three moral values to guide our economic attitudes: (1) stewardship, which keeps the use of private property subordinate to the common good; (2) jubilee, which restrains competition and acquisitiveness; (3) subsidiarity, which acknowledges our need for smaller institutions. He concludes with an affirmation of the necessity of planning on all levels to "ensure full employment, stable prices, and the implementation of social policy."[231]

Wilber was the Weakland committee's main staff consultant with professional expertise in economics. His piece is a revealing combination of the antilaissez-faire elements in Catholic social teaching with the government activism favored by Democrats since the New Deal, along with a few secondary modifications to respond to environmental and sectional concerns. While Wilber makes it clear that he finds little to applaud in the Reagan economic agenda, and that he looks back on 1961–67 as the golden age in guiding the economy to social goals, he shows little concern over the factors in the national and the world economy that may well make such a golden age irretrievable. The Wilber paper is significant both because of the range of topics it covers and because it serves as an example of criticism of the U.S. economy inspired by

[228] Ibid. 109–10.
[229] Ibid. 116.
[230] Ibid. 120.
[231] Ibid. 124.

optimism and generosity rather than by anger or ideological rigidity.

Gerald Mara, a political theorist at Georgetown, offers a deeper reading of the difficulties that liberal society has in dealing with poverty. There is no effective option for the poor either in liberalism as a political theory or in the utilitarian moral theory that has been so intertwined with liberalism in the English-speaking world. Thus, aiding the poor may not increase the general happiness or utility; or it may involve a restriction of the property rights of individuals; or it may not be accepted by a democratic majority. Even the theory of John Rawls with its "difference principle," which requires that inequalities be justified by being shown to the advantage of the least well off, is preoccupied by the question of "How shall I fare?" (whereas the pastoral letter asks "What shall I do?").[232] Rawls's theory is weakened by his unrealistic dismissal of benevolence. The pastoral letter does not offer a comprehensive theory of justice in the economy, since it is more concerned to denounce injustice. It affirms both the rights of individuals and the values of community, a combination which Mara would incorporate into an Aristotelian view of the polis, in which economic activity is to be moderated by virtue in a way that does not require us to assume universal benevolence.[233]

Victor Ferkiss, a political scientist at Georgetown and the author of *Technological Man*, offers a critique of the pastoral which shares many of the values and social aspirations of the bishops but is marked by a considerably more pessimistic reading of the present tendencies and future possibilities of the U.S. economy. Ferkiss writes in a spirit reminiscent of the great Austrian economist and social theorist Joseph Schumpeter. He stresses that "all social change is painful."[234] He chides the bishops for their lack of a systemic view of the U.S. economy, for their dated assumptions about the independence of the U.S. economy, and for their tendency to equate standards of living with levels of monetary income. Ferkiss is also concerned about political obstacles to the bishops' program, notably our continuing defense priorities, the factors that make foreign aid ineffective in reaching the poor, and low levels of political participation among the poor. Ferkiss' article provides a politically sober and ideologically temperate account of why the bishops' goals for U.S. society will be very hard to realize. It also raises some important questions about how Catholic social teaching is to be adapted to meet the needs and the ethos of a postindustrial society.

[232] Gerald Mara, "Poverty and Justice: The Bishops and Contemporary Liberalism," in *The Deeper Meaning* 165.

[233] Ibid. 176–77.

[234] Victor Ferkiss, "The Bishops' Letter and the Future," in *The Deeper Meaning* 140.

A more specific question about a particular element in the bishops' program is raised by Joseph Jackson, an economist from Scotland writing in the *Clergy Review* on "What Is the Future for Full Employment?" Jackson writes with a particular concern for the situation in the United Kingdom, where unemployment rates have been almost double those in the U.S.; but the impact of technological change and international competition on traditional manufacturing has not been totally dissimilar in the two countries. Unemployment has negative effects on trade unions in both countries and serves to combat inflationary pressures. Jackson's own view is that a return to the full-employment conditions of the 1950s and 1960s is not possible—"the jobs are not there."[235] He acknowledges the difficult task that any program for the relief of unemployment has in finding a balance between preserving the incentive to work and protecting an adequate standard of living for the unemployed and their families. He argues for more education and for family choice on the question of whether mothers of young children are to work. But in the end he has to admit that "there is a limit to job creation and equity requires a sharing of available work."[236] This last point suggests that in the long term advanced industrial or postindustrial societies, if they are unable to provide meaningful employment at a living wage in standard patterns, should turn to more flexible and more imaginative approaches which would preserve for as many people as possible the opportunity for significant participation in economic life. The patterns of the work day and the career respond to real social and personal needs and build up certain vested interests. But they should not be accorded effective priority over universal human needs for self-respect and for effective participation in the work that sustains and shapes society.

Another author who stresses the fundamental difficulties confronting the bishops is Norman Birnbaum, a sociologist and university professor at the Georgetown University Law Center. Birnbaum's general view is not unfriendly to the pastoral, but he believes that "the bishops' argument is incomplete . . . in the connection of moral discourse to political interests and to material ones."[237] Like a number of conservative critics of the letters, he is puzzled over the connection between the classic Christian commitment to "a materially ascetic ideal" and the demand for redistribution of the goods of this world in favor of the poor. He believes the

[235] Joseph M. Jackson, "What Is the Future for Full Employment?" *Clergy Review* 71 (1986) 336.

[236] Ibid. 338.

[237] Norman Birnbaum, "The Bishops in the Iron Cage: The Dilemmas of Advanced Industrial Society," in *The Catholic Challenge to the American Economy*, ed. Thomas M. Gannon, S.J. (New York: Macmillan, 1987) 160.

bishops "underestimate the invisible dimensions of social existence"[238] and fail to pay sufficient attention to historical and ideological factors that antedate the consensual politics of the 1945–65 period with its very ambitious domestic and international agenda. The bishops need to think more consistently in structural terms and to move beyond "that individuation of morality that is, indeed, the bane of a version of American Protestantism."[239] For Birnbaum, a fundamental limitation in the moral appeals that the bishops rely on to change persons and institutions is that our society lacks moral consensus. Yet the conception of economic rights that the bishops offer, particularly with its emphasis on the rights of the poor, minimizes appeals to the interests of the rest of society and requires the dominance of "a moral or moralizing politics."[240] Birnbaum applauds the letter for "its resolute, if somewhat unarticulated, struggle against conventional notions of social possibility."[241] His essay provides a fascinating reading of what the letter might have been if it had aimed to rival the social concreteness and historicity of Marx and Weber, a task that was beyond the vision and the capability of the bishops and their staff. It is probably beyond the reach of most intellectuals as well, at least until a liberal Catholic counterpart of Daniel Bell appears on the scene. At the same time, it provides an important link between the categories of the pastoral and those employed by secular intellectuals for the interpretation of our society.

Michael and Kenneth Himes, in a creative essay in *Commonweal*, link the debate over economic rights to fundamental issues in both systematic theology and social theory. They work with an understanding of political theology as an elucidation of the public meaning of theological symbols. For them, the symbol of the Trinity presents us with an understanding of God as self-giving love, agape. Accordingly, the notion of the human person as *imago Dei* is to be construed as a likeness in self-giving, which implies a rejection of individualism and of the Hobbesian conception of the free human being as totally independent. For them, human rights are not unlimited claims but are "ultimately claims of everyone against everyone for some assistance in the establishment of participatory community."[242] They acknowledge room for historical development in our determination of the specific content of human rights and want to avoid an a priori deduction of social policy from theological truths.

[238] Ibid. 166.
[239] Ibid. 165.
[240] Ibid. 176.
[241] Ibid. 178.
[242] Michael R. Himes and Kenneth J. Himes, O.F.M., "Rights, Economics and the Trinity," *Commonweal* 223 (1986) 141.

A position akin to the one taken by the Himes brothers is proposed by Dante Germino, who is mainly interested in the pastoral as an essay in political theory. He holds that the bishops "construct a paradigm of authentic political and social relationships" which is centered on the human capacity for philanthropic conduct.[243] As he correctly points out, this involves a rejection of the egoistic anthropology of Hobbes and of the egoistic premises of academic economists. Morality involves an "opening of the soul," an opening which is also present in the biblical understanding of the condition of the poor. The bishops understand the workings of the market as not simply free but as embedded in a social and political context. Their call for a policy of full employment should not be understood primarily in terms of specific proposals but as a call to *metanoia* or conversion.[244] This interpretation of the letter has hold of a number of valuable points, but it leaves open the question of the extent to which it is possible or even appropriate for a pluralistic polity made up largely of the unconverted to respond to theological recommendations. Morality is not merely a normative guide for those seeking the ultimate good and the holy; it is also intended to regulate the behavior of the selfish and unregenerate in their dealings with one another. Academic economics and contractarian politics have had both practical and theoretical plausibility largely because they capture important and relatively constant aspects of our social experience. This is a point that has to be dealt with seriously, even if the assumptions of such approaches to economics and politics are not merely incomplete but even seriously mistaken.

The Georgetown economist Henry Briefs, in a very thoughtful and penetrating piece, mounts a double criticism of the pastoral. On the one hand, he finds that the pastoral's biblically based insistence on justice threatens to make the common-good analysis of earlier Catholic social teaching a merely subordinate instrument and to diminish the need for the intellectual mediation provided by social philosophy and social economics.[245] On the other hand, the effective model guiding the bishops is "a solidaristic form of democratic syndicalism,"[246] which emphasizes the social responsibilities of economic agents and institutions to their various constituencies and which aims at maximizing participation. As Briefs observes, "the private property language remains, but its content and

[243] Dante Germino, "The Catholic Bishops and the Political Theory of Philanthropy," *New Oxford Review* 52 (1986) 15.

[244] Ibid. 18.

[245] Henry Briefs, "The Limits of Scripture: Theological Imperatives and Economic Realities," in *The Deeper Meaning* 71–72.

[246] Ibid. 65.

meaning are to be replaced by something very different."[247] The argument of the pastoral then encounters two main difficulties. First, given the effective guaranteeing of the economic and social rights of all would "require a government of far- and deep-reaching powers."[248] But such a government would have to be restrained from abuse of its extensive powers by an active and virtuous citizenry and their organizations. "The true principals in the struggle to guarantee basic justice are the faithful in their various communities."[249] According priority to basic justice over the common good will drive the bishops toward a new Christian commonwealth, which would require a much more radical transformation of American society than they seem prepared to envision. Second, the participatory ideal of economic society will, according to Briefs, impose transaction costs which will be incompatible with economic efficiency in a modern social setting. Contemporary economic life is shaped by organizations in which there is a mixture of hierarchical and peer arrangements, neither of which is effective alone. Briefs concludes that "only in idealized pastoral or craft-tending settings is full-dimensioned sharing of daily life compatible with productive effectiveness."[250] It should be clear to all that a serious decline in productivity or economic efficiency brought about by commitments to participation and redistribution will have negative consequences for the poor and the unemployed, as well as for American society at large. Briefs himself urges a return to the traditional common-good approach, which he interprets as encouraging a pragmatic attitude and a recognition of the complex consequences of economic activity.[251]

A defense of the pastoral against Briefs's argument can be made by presenting the bishops' communitarian ideals not as a proposal for designing a new economic order but as a set of corrective norms for an imperfect order which will continue developing in terms of its own logic. This might be seen as a dilution of the bishops' teaching, but it would be in accord with the pragmatic element in their presentation of Catholic social teaching and in their policy recommendations. This would not solve all the problems of consistency either in the document itself or in efforts to apply it to the American economy. Briefs's paper is a valuable example of what a trained economist with a feeling for philosophical and theological issues can contribute to the assessment of the pastoral. His

[247] Ibid. 69.
[248] Ibid.
[249] Ibid. 66.
[250] Ibid. 87.
[251] Ibid. 90.

lucid explanation of the importance of transaction costs and his treatment of the organizational aspects of contemporary economic life are particularly helpful. He has given us one of the most important guides to the deeper issues in the pastoral.

Two of the major themes in Briefs's paper are taken up in separate essays in *The Catholic Challenge to the American Economy*, a volume edited by Thomas M. Gannon, S.J., of the Woodstock Theological Center. In the first of these, Manuel Velasquez, a professor of moral philosophy and a specialist in business ethics at Santa Clara University, in his essay "Ethics, Religion, and the Modern Corporation" argues that the pastoral in its assessment of the U.S. economy focuses on government and distribution rather than on the corporation and productivity.[252] He believes that the bishops have correctly identified the distributional defects in the U.S. economy and that these defects cannot be corrected by the workings of markets but require government action. The letter, he observes, "correctly identifies the groups that must be helped in modern economies (those without salable labor and those without capital), it correctly links those groups to the 'preferential option for the poor' that is the core idea of distributive justice in scripture and tradition, and it correctly identifies the fundamental institution on which modern societies must rely in meeting the needs of these groups—government."[253] But the letter fails to appreciate "the immensely fruitful creativity that the socialized production of the corporation makes possible."[254] This creativity should be the basis of a "corporate spirituality," which should not, however, be developed in "an uncritically ideological manner."[255] Velasquez himself holds that when measured against the ethical criterion of self-determination, the U.S. economy, dominated as it is by large corporations, does not fare well. He concludes:

> In myriad ways, the economy's core institution—the large-scale corporation—uses its considerable power to determine the behavior of consumers and to manipulate the political process. Within the corporation, a well-defined class—the managerial class—controls the corporation and puts its assets at the service of profit and growth, even to the detriment of the interests of other corporate constituencies. Workers in particular can be at the mercy of the unilateral decision-making power of the managerial class, as the recent spate of plant closures has revealed.[256]

[252] Manuel Velasquez, "Ethics, Religion, and the Modern Business Corporation," in *The Catholic Challenge to the American Economy* (n. 237 above) 69.

[253] Ibid. 64.

[254] Ibid. 69.

[255] Ibid.

[256] Ibid. 74–75.

Valasquez does not regard these failures as inherent in the nature of the corporation but as "social patterns that are amenable to change." He does not, however, have a definite agenda of reforms to offer. But one suspects that he would have to move to a position between the participatory ideal which Briefs criticizes and a *status quo* which does not provide sufficient protection and power for vulnerable constituencies.

Another author in the Gannon volume who, like Velasquez, aims at combining the productivity of the existing corporate structure of America and the social goals of the pastoral, especially with regard to poverty and unemployment, is Thomas Johnson, president of the Chemical Bank of New York. Johnson's basic thesis is "that in the long term, greater aggregate growth will serve all groups and that policies must be designed, therefore, to facilitate both growth and social justice rather than set in terms of tradeoff between these two goals."[257] Johnson stresses the importance of even small gains in economic growth over time in providing greater resources for helping the poor and in lowering levels of unemployment. He points out our failure to direct the government's "social spending" programs to the poorest. He argues for programs specifically targeted at the needs of the poorest and for "long-term minimum income maintenance—a negative income tax."[258] With regard to transitional unemployment, mainly found in our declining smokestack industries, he argues that government should not impede the transition to more competitive and productive directions and that we should acknowledge society's responsibility to help on a "no-fault" basis those individuals who are adversely affected by this transition. He concludes with a statement of objectives for our management of the economy and of our social-welfare programs.[259] He is highly critical of the government's management of our economy during the period since 1965, particularly our recent massive deficits; and he calls for a commitment "to regain mastery over our economic future and share the fruits of our productivity willingly, happily—because it is right—with our less fortunate brothers and sisters."[260] Johnson's paper is an encouraging example of a thoughtful and compassionate business leader with considerable experience and responsibility responding to the fundamental concerns of the bishops' letter in a way that affirms both the value of the American institutional structure and the need to modify policy directions and outcomes in a way that is

[257] Thomas S. Johnson, "An Agenda for Economic Growth and Social Justice," in *The Catholic Challenge* 188.

[258] Ibid. 198.

[259] Ibid. 205–6.

[260] Ibid. 206.

responsive both to moral criticism and to the actual difficulties that we run up against in our common and personal history. Even though Johnson's policy recommendations may not be politically feasible, his essay is the most impressive example in the current literature of what taking the bishops' values and concerns seriously would mean for the shaping of economic policy.

Given the continuing pressures for change in a competitive environment and the numerous unresolved problems in economic policy connected with the federal budget deficit, the U.S. trade deficit, the debts of Second and Third World countries, the incomplete deregulation of international financial markets, the intractable unemployment found in so much of the black community, the pressing needs of new immigrants to the U.S., the constant development of new technologies, the need for legal and moral assessment of many of the practices connected with mergers and acquisitions, it would be a great mistake to regard this pastoral as a definitive statement on the moral dimensions of the U.S. economy. Rather, it will serve as a central reference point for more systematic theoretical reflections and for debates over policy in the next decade. The bishops have seemed to many observers to be moving against powerful forces in the U.S. economy and polity. It is likely, however, that these forces have already passed the peak of their influence and that we will be moving into a period of reassessment, in which the possibility of social and political reform to aid the poor and to achieve greater equity in American society will gain renewed vitality and attractiveness. These reform efforts are likely to be more careful and more modest than the programs of the Great Society. They may depend to a great extent on reactions both to Japanese exports and to the activities of Mr. Ivan Boesky, but their character is very likely to be shaped to a significant extent by the pastoral and the critical discussion which it has generated. In that case the bishops will have functioned not as legislators of a new program but as heralds of a new stage in the self-critical renewal of American society.

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