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SOCIAL JUSTICE IN THE CHANGING ECONOMIC ENVIRONMENT: ENCOUNTER OR CONFLICT. THE AMERICAN EXPERIENCE AND THE CHRISTIAN SOCIAL DOCTRINE

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I. INTRODUCTION



CHRISTIAN EXPERIENCE AND CHRISTIAN DOCTRINE HAVE ALWAYS HAD A SOCIAL dimension. As a consequence there has always been a Christian social teaching, being nothing else than the attempt of men to live the occurrences of their everyday life in the social and economic sphere according to Christian faith and morality.

Nevertheless it is perhaps not entirely correct to say that there has always been Christian Social Doctrine.

As you know, it is a widespread claim that Christian Social Doctrine began with the great encyclical of Leo XIII *Rerum Novarum*, whose centenary was celebrated by John Paul II with the new encyclical *Centesimus Annus*.

Christian Social Doctrine is not immediately the same as Christian Social Teaching. The doctrine is rather a specific, scientific elaboration of the teaching. It is developed when the application of the teaching to a changing and more and more complicated reality becomes problematic. The foundations of Christian social teaching lay in the Gospel of Jesus Christ and in Christian anthropology. They are rooted therefore in the very trinitarian life of God and are not subject to change.

On the other hand in the doctrine there is not only this Christian anthropology (which is at the same time a philosophical and a theological anthropology) but also a relation to a more or less clearly defined historical and social situation.

Now this situation may change in time; some aspects which were in a certain time secondary and scarcely deserved to be mentioned, may with time become principal; others, which were decisive, may become less important. Our understanding of a situation, under the impulse of the very activity of Christians engaged in worldly affairs, may grow.

For these reasons the doctrine may change while the teaching in itself does not change. We must never forget, moreover, that the Social Magisterium of the Church presupposes always in modern time a social doctrine, but has not a primarily scientific preoccupation. It does not expose organically the social doctrine in all its details but rather stresses pastoral priorities, aspects and values that deserve a particular attention because they are particularly threatened.

II. CHRISTIAN SOCIAL DOCTRINE

John Paul II has revindicated recently the theological nature of Christian Social doctrine. This means that the core of this doctrine is the human person, with his dignity and rights, with his specific structure, as he becomes known to us through Revelation, through the person of Jesus Christ. Jesus is an individual, he possesses an individual human substance. At the same time he lives for both communion with other men, and above all for communion with God. In this *communio*, mediated by his obedience to truth and to the Father, he accomplishes his destiny. As son of God and God Himself Jesus continually receives His Being from the Father and exists as a free gift of Himself to the Father.

Also the destiny of all men, who accept the regeneration through grace, is to participate in the inner life of God, through their incorporation into the Body of Christ, realized through a free act of self-giving to Christ through their brothers. All of this is of course Christian theology and non-Christians are free not to believe it. Nevertheless they should not dismiss all of it as sheer nonsense. There is at least a part of it that makes perfectly good sense also from a purely philosophical point of view. The concept of the person, originally developed in order to understand the relation of Christ to the Father and the intertrinitarian relations of divine Persons, has also become a cornerstone of human philosophy. It seems that this concept, even if its root remains theological and its deeper meaning can be disclosed only by theology, can nevertheless be brought to evidence with the means of pure phenomenological philosophy. We may say that, philosophically considered, the person has two sides. On the one hand a person is an individual substance and like all individual substances, it aims at self-preservation. On the other hand the person possesses a rational nature, that is, it can grasp the objective truth and the truth about the good. It is therefore called to realize its own specific good within this framework of the universal objective good and may even be free to sacrifice itself for the objective good. The person, indeed, realizes itself through the free gift of itself in truth and love.

To make a free gift of oneself one needs, first of all, the possession of oneself, that is *liberty*. Only a free being can give his property, or his life, or himself. This is the reason why Christianity (all temptations of clericalism notwithstanding) is essentially a religion of freedom.

Freedom is not, however, the highest value, at least if we understand freedom exclusively as the faculty to choose between alternative options. The highest value is love or, rather, *communio* as the free encounter of individual liberties in love or freedom accomplished and perfected in love.

III. LIBERTY AND PROPERTY

Man is, however, endowed with a human body, which does not only belong to him but is himself, enters into the essential constitution of his substantial being. The body can subsist only in a relation of organic exchange with nature and the environment. This relation is mediated by human labour. We work in order to live and to be able to satisfy our needs. It belongs to the teleology of work that we should possess the product of our work or its equivalent.

Our freedom implies the possibility to satisfy through our activity our basic needs. In order to be free we need a certain measure of control over our environment. In the language of law this control over ourselves and over our environment is called “property”. Hegel once wrote that property is the external sphere of realization of freedom and, whatever we may think of Hegel’s philosophy in general, in this definition there is much truth. If we have no money in our pocket, our freedom to fly to Rome, or even just to take the bus, must remain unrealized.

A man completely dependent upon others lives every moment relying on their grace, and therefore is not free. There is of course an interior dimension of freedom, which is quite independent of the exterior conditions of human existence. Man is however a being joining in himself an exterior and an interior dimension. Human freedom stands therefore as a rule at the junction of interior and exterior freedom and these two dimensions of freedom in man condition each other so that, as a rule, one of them cannot develop itself or even subsist without the other. As we have seen, the exterior dimension of freedom is property. For these reasons property has always been seen by the Christian Social Doctrine as a natural right of man. Under normal conditions a man deprived of all property cannot be free. In order to act according to his own judgment (and this seems to pertain to the essence of freedom) he must possess a certain amount of property. It is therefore not difficult to find a personalistic justification of private property.

This connection between personalistic philosophy, Christian religion, private property and entrepreneurial spirit has been very clearly explained by K. Marx.

In his *Economical-Philosophical Manuscripts* Marx explains that it is very difficult to erase from the consciousness of an empirical human being the idea of God, because the empirical subject always adopts as a starting point for his thought his own empirical existence. He is worried about the salvation of *his soul*, about the meaning of *his* life, about the origin of *his* being.

He does not see things from the point of view of the Absolute in itself, or of the human essence as such.

This is the reason why religion does not seem to suffer very much under the attack of the Hegelian Left, for instance of Feuerbach. In his own existence as an individual every man finds the starting point of his search for God. My existence is particular and contingent; I do not find in myself the necessary foundation of my being; I am therefore compelled to admit of a similar ground for my existence outside of myself, and that is God. The necessity of this argument, and its evidence, derives from the fact that my particular existence is not existence in general. Marx links this state of consciousness with a specific social and economical situation. Since he lives in a society in which he must take care of himself through his own work, applying his force to those instruments which belong to him; and since he is made responsible for the success of his work and for his own survival and that of his family, man is compelled to develop a personal-individual consciousness. The real demonstration of the atheist thesis cannot therefore take place through theoretical argumentation. Only a drastic change in the economic structure can produce a new kind of man, who does not experience himself as individual but rather immediately as a collective universal being, because he has no property, does not exercise any individual responsibility, and his individual conscious existence has an immediately social character.

This thesis is of course directly linked to a general presupposition of Marx' system: the dependence of consciousness upon the forms of economic organization.

The thesis maintains however a certain value, even if we reject its systematic foundation in Marx' thought.

Even if we refuse to consent that the forms of consciousness are dependent upon the forms of economical organization, we may however admit that the forms of economic organization can make the perception of a certain truth either easier or more difficult.

In our case it seems to be true that a collectivistic system makes it more difficult for men to perceive the unicity and the special value and responsibility of their individual existence. In so far as the individual does not so clearly experience himself as "I" he does not so clearly experience the desire for a personal salvation or for a transcendent meaning of his existence. If it were possible to produce a completely collectivized man, he would have only a collective consciousness and no existential longing for personal salvation or for God.



Our thesis of an essential connection obtaining between free initiative and private property on the one hand and personal, religious consciousness on the other, seems to be confirmed by the testimony of Marx, even if, of course, our evaluation of this matter of fact opposes his. It is not difficult to show how Marx arrives at the idea of socialism starting from the research of a practical atheism. His collectivistic political economy and his atheism cannot be separated from one another so easily as some left wing Catholics suppose, because the abolition of private property is essentially connected to the idea of the abolition of the private person, that is of the subject of a religious feeling and of the search for God.

In the articles published in the German-French Annuals, the same Karl Marx comments upon Alex de Tocqueville explaining that in America there is a full religious freedom and no one confession is supported by the State. Christianity is however very far from disappearing. On the contrary, Americans do not believe that an atheist could be a good man. Not only the bare existence but even the flowering and the vigorous development of religion seem to be fully compatible with a free market society that has completely broken the chains of the feudal system. It seems that the free society requires religion, and more religion than the feudal one.

The man who in a market society takes the risk of

a decision whose outcome he cannot control feels also psychologically that his success depends upon something or somebody whose favour can be reconciled only through prayer and hope. An open society (as we find it in Tocqueville rather than in Popper) seems to presuppose a transcendent rather than an immanent ontology. This is also the reason why Marx expects religion to flourish in a free market society and to perish and to disappear in a socialist society.

IV. THE CHURCH AND FREE ECONOMY

Marx studies the problem of the connection between a free market society and religion through the American example. In European nations the new social system was still weakened by many compromises with the old feudal institutions. Many radical philosophers believed that the complete separation of Church and state would bring about the collapse of the Church and the destruction of Christianity. This was for instance the personal conviction of Auguste Comte. The Church also was afraid of this possible destiny.

The entrepreneurial elite on the European continent was to a large extent dominated by a Freemasonic ideology and religiosity. This elite considered the Church as an enemy and wanted not so much a distinction or even a separation of Church and State, but rather an active struggle waged by the State, in the name of science, against the Church. On the continent the process of industrialization is led to a large extent by the big banking in an alliance with the State, within the framework of a saint-simonian semi-socialist ideology. There is no large middle class of entrepreneurs but rather a small number of banks, closely connected to one another and to the State, through which are financed its deficit.

The first large industrial complexes are financed by the banks and do not imply any real assumption of entrepreneurial risk, because the State will buy at a political price a large part of the production. So for instance the steel industry was created in Italy or in Germany or in France in order to equip a modern army or navy or in order to build state-owned or subsidized railways. The entrepreneurial class was established and grew to a large extent through public money and political support. In the country, the abolition of the feudal system did not lead, in Italy and in Germany, to the foundation of a large class of independent peasants, but rather to the expulsion of labourers who wandered to the large cities

looking for work. The labour market became depressed, and with the qualifications of the workers low, they were forced to accept the wage the working conditions offered to them. In the United States it has been possible for a long while to find a piece of land at a low price or even for nothing, which led to the existence of an independent peasant. This has given the workers a greater chance to obtain good wages and good working conditions because they have an alternative.

In addition to this in the USA, the connection between big banking, State and state-subsidized industrialization was much looser. A large part of the entrepreneurial class arose from the ranks of the free peasants and of the common folk. They spoke the same language as the people, they shared the same religion as the people, they had the same values and felt themselves members of the same community.

In the European situation, due to the property relations obtaining in the country and to the general situation of the labour market, there is no real freedom of contracts. The labourer has to accept the conditions offered by the entrepreneur, if the latter is willing to hire him. There is, on the labour market, an oligopoly on the part of the offerer in the form of a demand which is absolutely rigid, because the labourers must work in order to live and have no alternatives.

In addition to this the entrepreneurs very often did not emerge from the people through an organic process of economic growth. Many of them came from abroad: they may be French or German in Northern Italy, German or Jewish in Poland or in Bohemia, English in Latin America. Even when the majority of the entrepreneurial class still belonged to the country, they tried to appropriate foreign life styles and felt rather like the representatives of the "civilized" (that is industrialized) world in front of their fellow countrymen. Only on the background of this historical situation can we understand the beginnings of Christian Social Doctrine.

Let us summarize what has already been said on this point: one of the distinctive features of a free market economy is that it presupposes free men. The main instrument of this economy is the contract, and the contract is an agreement of two free wills.

This situation does not obtain when there is a too

strong disproportion between the two partners of the contract, as in the case of a monopoly of an offer in front of a rigid demand. In this situation there isn't really a free market but rather a situation of slavery, and this is the situation denounced by Christian Social Doctrine in *Rerum Novarum*. In addition to this, the monopoly capitalism of the European continent at the end of the 19th century was to a large extent dominated by an anti-Catholic ideology, stressing not so much human freedom but rather technics and science. They revindicated the technical nature of economic activity, which is therefore exempt from any ethical or theological control. As a consequence the teaching of the Church concentrates on distribution rather than on production, and underscores the ethical meaning of work as such (production) and of the entrepreneurial activity in it.

This leads to some shortcomings of traditional Christian Social Doctrine, which have been exaggerated by her critics, but which however exist. They can easily be explained with the general situation of the time in which this doctrine was formulated. In an agrarian society the fundamental force of production is the natural fertility of the soil, and this had been considered as the main source of richness of nations by the physiocrats. Just for this reason they concentrated their attention rather on the forms of circulation of wealth rather than on its production. The situation did not change very much with the industrial revolution. With the industrial revolution, the cause of richness was seen rather in the steam engine, in the machine or in the "capital" considered as the whole of the material instruments of economical consideration. It was rather a matter pertaining to engineering, which applies to the productive process the knowledge of the natural sciences.

If we consider this background it is easier for us to understand why the original formulation of Catholic Social Doctrine does not enter very deeply into the problem of the creation of wealth and has not very much to say, for instance, on the function of the entrepreneur. After all, this doctrine was formulated first of all in relation to European continental experience in Belgium, France, Germany and Italy.

I do not mean that the Anglo-Saxon experience remains completely foreign to these developments. It should not be forgotten, however, that the Catholics in England were only a tiny minority. In the United States their number began to grow only at the end of the century, and a certain amount of time was needed before they could be completely integrated into American society and to contribute to the formation of its ruling political cultural and economic elites. There is no reason to be surprised, then, if the capitalism which is mainly considered in the first documents of Christian Social Doctrine is a monopoly capitalism of the European continental type.

V. CONSUMERISM OR THE ALLIANCE BETWEEN FREE MARKET ECONOMY AND LIBERTINISM

We have set forth the thesis of a natural alliance between a free economy, a personalistic metaphysics and the Christian religion. We have derived this from Tocqueville (who supports this alliance) and from Karl Marx (who struggles against it). We tried then to show that the existence of this natural sympathy between the free society and the Christian standpoint is not contradicted by the historical fact of a Catholic "anti-capitalism". We have explained this fact with the historical conditions, in continental Europe at the end of the 19th century and the specific model of monopoly capitalism.

Our thesis seems however to be contradicted by the recent developments of our affluent Western societies. Here it seems that a free economy goes hand in hand with the dissolution of the family and of traditional moral values and with a growing estrangement from Christian religion. This is the well known phenomenon of "consumerism". We must now answer the question: Is consumerism necessarily and essentially connected with a free market economy? If the alliance between free market and libertinism is essentially necessary, then Tocqueville and Marx

were wrong and between the free society and the Catholic Church there must be an opposition in principle. On the other hand, if it can be shown that this alliance is due to particular circumstances and that it can be broken, Tocqueville and Marx may have been correct, and it is



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possible to substitute for the old connection of liberalism and free market a new connection of free market and solidarity.

In considering this problem we must start from a turn in Western political culture in the '60's. In this period, leading cultural circles replaced the idea of a resistance to communism for the sake of a different global idea of man and civilization with the idea of a separation of communism in the sense of the Hegelian *Aufhebung*. In the *Aufhebung*, the adversary is separated in the sense that his main requests are at the same time integrated in a new form of thought and of existence. Now the struggle against communism has not been led so much from the point of view of a Christian civilization but rather from that of a more coherent materialism. The capitalist system is more successful in satisfying material human needs and desires, and in this and exclusively in this consists its superiority to Marxism. This economic success makes moral virtues superfluous; society is not based any more on a certain set of values but rather on the good functioning of the economic machinery and on the fact that individuals are satisfied in their private sphere, well fed and well clothed. The only public values generally acknowledged are vital values, the right to the satisfaction of instinctive drives and impulses. So capitalism is deemed to be superior to Marxism within materialism, because it is economically more effective. The idea of the person, in this context, becomes superfluous.

This new trend is closely linked to the myth of automation. The free market society, as it is described for instance by Tocqueville, is a society of workers and producers. Their ethics is an ethics of work and production. Now it seems that new technical advances will make the old virtues of work and production superfluous. The automatized machines - so it is supposed - will take up all the work and leave to humans the task of consuming the goods so produced.

We have here the transition from a society of producers and of workers to a society of consumers. This has tremendous ideological and sociological consequences. A society of workers and producers stresses the virtues of self-control and self-discipline, that are acquired within a family. A society of consumers does not need these virtues. As H. Marcuse put it, the new society can get along with a weaker ego and allow more scope for instinctive satisfaction and de-responsibilization. The result comes very close to what Marx wanted: the aboli-

tion of the Christian subject and his substitution through a new mass-individual, whose drives and instincts, whose longing and desires are no more unified by a conscious responsible center in the person.

The material bands of this model have been shattered, to a large extent, by the events successive to 1973. The oil crisis and the economic crisis have shown that it is false that we no more need the virtues of work.

In the sixties the social analysts dreamed of an organized capitalism with a limited number of extremely large corporations with almost no internal competition, faced by the problem of underproduction and ready to finance an expanding state expenditure in order to support the demand of their own goods and to avoid social tensions. In this context the utopia could arise of a society without work or with a limited role for human work.

On the contrary, after the oil shock we could survive only by reinstating the old virtues of entrepreneurship and hard work. The big corporations could no more finance social assistance or non-productive jobs in the state machinery. We needed again the productive and responsible individual.

In the cultural sphere, however, we still support an educational revolution producing a kind of man that is not adapted to reality. The educational system aims at the production of men of a consumerist society, whilst we need workers and producers. The result is that many young people today are not just unemployed but rather "unemployable" (D. Rockefeller). They lack not so much the technical skills as the personal structure and the human virtues necessary to work in a world that is becoming more and more competitive.

An answer to the new situation can be found in a certain coming back to rugged individualism in the form of the so-called "guppies mentality". Here an extremely competitive standpoint is combined with moral permissiveness. Self-discipline in one dimension of life is the condition for self-indulgence in the other. This implies an attitude which is conservative in the economic and permissive in the educational and cultural field. But it seems that this mentality does not work. As a rule one cannot stand the stress of struggle for life without the support of a family and of a well established set of moral values. The ethics of the free society is not marked only by competition. Cooperation is an equally important part

of it. Cooperation means rules bringing to a coincidence the interests of the individual and of the larger human group to which he belongs. Without cooperation and rules it becomes difficult (G. Brief) to make a distinction between fair competition and criminal behaviour.

VI. A FEW WORDS ON JAPAN

If the consumerist mentality receives a first blow with the crisis of the seventies, a second more shattering blow is now coming with the growing world competition and the expanding force of Japanese economy.

Even those businessmen, who like to act as uncompromising supporters of a business ethics excluding any state intervention in the field of economy, ask for state support or competition regulation and limitation in front of the tremendous growth of Japanese exports.

The opinion is widely accepted that with the Japanese the competition is impossible today and will also be impossible tomorrow without structural changes in our economics and in our societies. Why?

Japanese competition - says U. Agnelli - is not competition of individuals or of corporations. It is a system competition. I would add: it is a cultural competition.

Japan has fostered a workers' and producers' mentality rather than a consumers' mentality. This does not mean of course that there has not been a tremendous increase in consumption. The fundamental truth has never been forgotten that in order to consume one has to work. This is already a fundamental comparative advantage over societies where the consumerist mentality has prevailed. The educational system educates men who will be responsible for themselves and who will work.

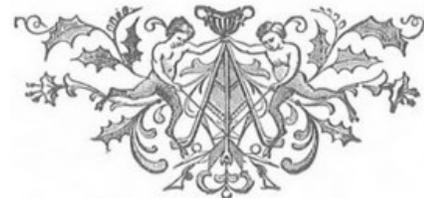
The second comparative advantage is that these men are not rugged individualists. They can cooperate with one another. They have families. They do not want to become rich tomorrow in order to indulge in a life of pleasures. They want to construct on a solid basis the future of their families and of their society. They know that if their individual success ruins their society, in the long run they will pay the price for it together with the others.

Extremely hard competition, then, does not con-

tradict cooperation for a common interest.

In Europe (and to a lesser degree also in the U.S.) a large part of the energy and creativity of the people has not been invested into the productive process, but rather into an attempt to overthrow it or at least to defend against it the rights and the living conditions of the exploited masses. The entrepreneurial class did not succeed in winning the heartfelt cooperation of the workers, or even did not want this cooperation and organized the work in the factories on the principle of control from above rather than on that of cooperation and responsibility. The right balance between competition and cooperation was not found. The result is a tremendous competitive disadvantage in relation to Japan, where the workers' organizations wanted to affirm and not to oppose the integration of the worker in the productive process.

I do not suggest that we should imitate Japan and I do not consider Japan as a model. I do not underrate the present difficulties of the Japanese model, its flaws, the fact that it is not a fixed model but a work in progress whose evolution is not easy to foresee.



I only want to attract attention to the fact that many presuppositions of the consumerist society are shaken, that Japanese competition (and that of the Third World countries entering into the world market) will shake them even more in the future; that we need an ethics of work, connected with an ethics of the free person. If we turn our attention once again to Tocqueville (and to Marx) we see that the ethics of work and the alliance of competition and solidarity are the factors that propelled the development of the United States and later on of all Western economics, and propitiated an alliance of religion and freedom.

VII. CONCLUSION

I have tried to propose some elements of criticism of the thesis of a natural alliance between liberalism and free market economy. I did this by offering an hypothesis on the historical genesis of this connection. I suggested that another alliance is possible, that of free market and solidarity. Just this alliance stands in the cen-

ter of the new encyclical *Centesimus Annus*. In giving due attention to production and to the human virtues implied in the productive action, this encyclical fills the gap between Christian Social Doctrine and modern economics. In pointing out the possibility of a new alliance between free market economy and solidarity, the same encyclical tries to influence future developments. This alliance is a possibility, not a necessity. It is possible to refuse it in the name of the “animal spirits” of capitalism, which will not accept to be limited by any ethical, religious or legal system. Those who refuse this alliance, however, forget that the free market economy is not an omnipotent and self-sufficient natural force. It is an institution of a free society and can grow only in connection with a balanced

growth also of the other institutions, which give to the free market the indispensable anthropological, political and cultural preconditions. The economic sphere alone cannot create these preconditions. Economics develop human rationality in our fundamental sphere of human life, in relation to one fundamental but particular good. The science concerned with the good of man as such is not economics but ethics. Without negating the legitimate autonomy of the economical consideration, the last decision governing the whole system must be ethico-political. Not by chance, according to Aristotle (but also according to A. Smith), economics is a science subordinated to ethics.

