Professor’s Michael Novak’s analysis and discussion of Centesimus Annus in his writings has been a good one, by and large. Professor Novak understands well such crucial aspects of the encyclical as Pope John Paul II’s Christian anthropology - i.e., seeing man as a creator, fulfilled and dignified by his work, - his stress on the value of the market, his criticism of both totalitarianism and the Western-style welfare state, and his explication of the intrinsically flawed character of socialism.

Nevertheless, there are some important particular points on which I judge Professor Novak’s understanding of the Pope to be questionable or erroneous or in need of clarification. I must also raise questions about the ease with which he tends to identify church social teaching - especially John Paul II’s teaching - with liberal ideas and institutions; about the way he seems to regard a social encyclical; and about his belief about the “new” direction Centesimus Annus points to.

Let us first consider the matters of liberal ideas/institutions and the supposedly new points in the encyclical. The influence of liberal ideas/institutions on the Church is a point that Professor Novak stressed in his main work on Catholic social teaching, Freedom With Justice. What’s more, he implies, and in places in his recent writings clearly asserts, that American thinking, specifically, has been responsible for influencing the development of the social teaching of the Church. For example, Professor Novak wrote in National Review that Centesimus Annus “capture[s] the spirit and essence of the American experiment in political economy” and that “Pope John Paul II has brought economic liberty (plus democracy) into Catholic social teaching, just as Vatican II brought religious liberty.”

Professor Novak is incorrect on all three counts: religious liberty, democracy, and economic liberty. He mentions the first of these in passing, so I shall respond to it briefly. I shall just note that a number of prominent Catholic writers have convincingly argued that Vatican II does not represent a substantive doctrinal change in the church’s teaching on religious liberty. In fact, the main promoter of the Church’s embracing of the American idea of religious liberty and church-state relations, Father John Courtney Murray, S.J., was said to have been unhappy that the Vatican II Fathers did not fully go in the direction that he wanted.

As far as democracy is concerned, the Church’s acceptance of it was made clear by Pope Leo XIII in his encyclical Libertas Praestantissimum. This was later reemphasized by Pope John XXIII in Pacem in Terris, whose openness to democracy as the preferred modern form of government can easily be inferred from his stressing of the need to protect human rights, the importance of the rule of law, and the right of the people to take an active part in public affairs (all of which, of course, are closely identified with democracy). So, there is nothing new about the Church’s endorsement of democracy - i.e., popular or representative government - as a governmental form compatible with,
and in fact commendable from the perspective of, the Christian view of man. To say that this is originally or uniquely a liberal idea is, in my judgment, also mistaken. We know that the notion of the many rightfully taking part in governance is at least as old as Aristotle, who commended the kind of political order known as the polity. The roots of the idea of popular government are in the Natural Law itself, in the notion of consent. The argument was well made, as Father Thomas J. Higgins, S.J. notes, by many Scholastics that the consent of the multitude is the efficient cause of every state - it was the proximate cause of the state and political authority, as God was the ultimate cause. They held that since the people can seldom feasibly carry out the “actual function of sovereignty” directly, they ought to vest it in some person or group and establish institutions for its exercise. Thus, Father Higgins says, Lincoln’s claim about democracy that “government is of the people, by the people, and for the people” really applies to government in general. Once one sees the essentiality of consent for government, it is not a far jump to the embracing of the particular form we call popular or representative government.

So, perhaps it was liberalism that followed the Church on this instead of the other way around. Indeed, that seems even more likely when we consider that virtually all of the traditional rights of men defended in the liberal tradition - I’m not talking about the new ersatz “rights” claimed by contemporary liberalism, such as that to abortion - are held by Pacem in Terris to be derivable from the Natural Law. This also indicates, contrary to what Professor Novak indicates, that it was the Natural Law synthesis that shaped important aspects of the American democratic tradition, not the other way around. That means too, of course, that Father John Courtney Murray, S.J. and Russell Kirk were correct in their conclusions.

Even if we were to concede Professor Novak’s claim that the Church has embraced ideas and institutions for the social order that originated with liberalism, it would still be difficult to argue that she simply has given her complete support to democracy. As Pacem in Terris puts it - and this is coming from a pope that Professor Novak says specifically saw “the practical necessity for liberal institutions” - “[i]n determining the structure and operation of government which a state is to have, great weight is to be given to the historical background and circumstances of the individual peoples.” This contrasts with the position taken traditionally, implicitly or explicitly, by liberalism since the time of Locke: that democracy in some sense (i.e., representative government) is absolutely the best form of government. 

The same is true of economic liberty. The papal defense of the right of private property, including productive property, has been consistent and unflinching. The Church has never treated this right as absolute: man must use his property not only for self-interested ends, but also to further the common good (i.e., private ownership, “common” or “social” use). This right of private property ownership, of course, is clearly grounded in the Natural Law; its origins are definitely not in modern liberalism. True, Professor Novak does not make this specific claim. Still, there one thing he has written recently about the connection between liberalism and the Church on the subject of property which is troublesome. He says that there is “some affinity” Christian teaching on private property and “Locke’s liberal doctrine.” Professor Novak speaks specifically here about the notion supposedly shared by both that common abundance of nature was given to man by God so he could partake of it - appropriate it - to satisfy his needs, and that this was the basis for private property. He accepts at face value, it seems, Locke’s claim that men should avoid taking more of the abundance of nature than they need. My own careful textual analysis of Locke’s Second Treatise, however, has led me to conclude that the argument of Professor Richard H. Cox is correct: that Locke’s theory of property, in spite of a Christian guise, provides a justification for hoarding. This is hardly a Christian notion! I do not know how far Professor Novak goes when he speaks of “some affinity,” but it is clear that at least some crucial aspects of Locke’s theory of property are problematical as far as Christianity is concerned.

The Church has also long defended private economic activity for many of the same reasons she has defended private property ownership. This is expressed clearly in Pope John XXIII’s encyclical Mater et Magistra.

Experience ... shows that where private initiative of individuals is lacking, political tyranny prevails. Moreover, much stagnation occurs in various sectors of the economy, and hence all sorts of consumer goods and services ... are in short supply. Beyond doubt, the attainment of such goods and services provides remarkable opportunity and stimulus for individuals to exercise initiative and industry.
Like private property, the right to private economic initiative, then, helps guard against political tyranny. What the above passage also acknowledges, however, thirty years before Centesimus Annus, is that private economic initiative is needed for economic efficiency and to satisfy peoples’ temporal needs and desires. This certainly is strongly stressed by Centesimus Annus, but it was recognized by the popes long before it. What the above passage also indicates is that the pursuit of self-interest in economics is legitimate (i.e., it is the hope of attaining desired consumer goods and services that motivates people to undertake effort and economic initiative). Without using the word, Pope John endorsed the very character of entrepreneurship that John Paul II applauds so loudly and specifically in Centesimus Annus.

Nor was John XXIII, a supporter of liberal ideas in Professor Novak’s estimation, alone. Two other popes, who Professor Novak specifically holds to be critical of such ideas, Pius XI and Paul VI, are also clear in their endorsement of economic liberty. When the former criticizes the position that competition should be the ordering principle in economic life, he also says that “[f]ree competition ... is justified and quite useful within certain limits.” Pius XI also shows his support of such (in the context of condemning certain actions on the part of both labor and management) for three pillars of what Professor Novak calls “liberal economics”: private economic initiative and ownership, the legitimacy of profit, and the value of the entrepreneurial function. He says that “[b]y ... the principles of social justice one class is forbidden to exclude the other from a share in the profits,” and that “the propertyless class ... are wrong in ... attacking and seeking the abolition of ownership and all profits deriving from sources other than labor.” Elsewhere in Quadragesimo Anno, he specifically suggests that “workers and executives ... participate in some way in the profits” and instructs that if a “business makes a smaller profit on account of bad management, want of enterprise or out-of-date methods, this is not a just reason for reducing the workingmen’s wages.” By speaking here of the obligations that go along with profit and the rejection of an exclusively labor-theory-of-value justification for it, Pius implicitly indicates that profit is justified. This spurning of the labor theory of value and the reference to “sources [of profit] other than labor” implicitly acknowledge the entrepreneurial function. These passages generally illustrate the recognition of the legitimacy of private economic initiative.

Paul VI acknowledges that there is a right “of free commerce,” saying (like John Paul II) that like “[a]ll other rights” it must give way when its exercise causes other men’s human dignity to be affronted. He, too, shows that he values the entrepreneurial function, when he says that as man’s “self-mastery increases” - one of the aspects of the true human development he speaks of - “he develops a taste for research and discovery, an ability to take a calculated risk [and] boldness in enterprises.” He does not dispute the validity of profit and competition, but merely says they cannot be the “supreme” considerations in economics. Paul VI even accepts the value of another traditional “pillar” of liberal economics: free trade. (I am not sure even this had its origin in liberalism, however. The argument for it from the Natural Law would go something like this: Since nations are made up of a multitude of men, their relations are governed by the same principles of the Natural Law that individual men are. Individual men have economic freedom, and so then must nations. An aspect of the former is freedom of exchange, so an aspect of the latter is free trade.)

The other area that Professor Novak claims is new in Centesimus Annus involves the limitation of the power of the state and John Paul’s rebuke of the welfare state. He says that the encyclical includes “the papacy’s strongest language ever about limitations on state power.” I shall not make an evaluation about the forcefulness of papal rhetoric, but I will again insist that no new teaching or principles are presented. All popes have made the Natural Law principle of subsidiarity the basis for their teaching about the proper role of and limits on the state. It was Pope Pius XI who first clearly enunciated and defined this principle in the famous passage in Quadragesimo Anno. “It is an injustice and at the same time a grave evil and a disturbance of right order, to transfer to the larger and higher collectivity functions which can be performed and provided for by lesser and subordinate bodies.” How much more of a limit on state power can we speak about than that, without undercutting the rightful tasks and prerogatives of the state? Furthermore, whenever the papal social encyclicals have recognized some aspect of the state’s role in economic and social welfare matters, they typically have included language which has qualified and limited its power. For example: Rerum Novarum says...
that in the matters of worker-owner relations and working conditions, “there can be no question but that, within certain limits, it would be right to invoke the aid and authority of the law.” Quadragesimo Anno stipulates the following about the state’s power to regulate private property: “Provided that the natural and divine law be observed, the public authority, in view of the common good, may specify more accurately what is licit and what is illicit for property owners in the use of their possessions ... [but] the state may not discharge this duty in an arbitrary manner." Populorum Progressio insists that when it comes to development, “[it] pertains to the public authorities to choose ... the ends to be achieved, and the means for attaining these. ... But let them take care to associate private initiative and intermediary bodies with this work.”

As far as the welfare state is concerned, there has been no doubt about the papacy’s rejecting it since the time of Rerum Novarum. There, Leo XIII attacked the notion that “a system of relief organized by the state” should be allowed to supplant the traditional charitable role of the Church. The Church has always rejected the welfare or paternalistic stress that the state has a larger social welfare role under the Natural Law than most of American conservatism has conceded.

In short, the major new principles that Professor Novak claims to see in Centesimus Annus are really not new at all. They have been there all the time. What is new and, in my judgment, unprecedented is the strong emphasis given to such among them as economic liberty, the value of the market, and the danger of the welfare state.

Next, there are questions to raise about several particular points Professor Novak has made about Centesimus Annus. The first concerns his claim, based partly on a passage in John Paul’s previous encyclical Sollicitudo Rei Socialis and partly on his reading of Centesimus Annus, that the Church is no longer seeking a “third way” in economics. In response, it must be said that the former encyclical was not saying that the Church is no longer looking for an alternative to liberal capitalism, on the one hand, and socialism and Marxist collectivism on the other - in fact, it took pains to emphasize how neither is acceptable - but merely was attempting to make clear how the Church’s social teaching must not be viewed as merely another perspective or ideology. Rather, it is the application of Christian truths to problems in the social order; it is part of moral theology.

Further, one should not be so ready to conclude that Centesimus Annus abandons the quest for a “third way.” Clearly, as Professor Novak himself acknowledges, John Paul outrightly rejects a certain notion of capitalism - which essentially means what popes since Leo XIII have called “liberalism” - along with his rejection of the various varieties of socialism. The above indicates that he makes very clear in Sollicitudo Rei Socialis that he believes that liberal capitalism, as practiced, remains flawed, and the fact that Centesimus Annus speaks about “alienation” and “consumerism” in the West shows that he hasn’t changed his mind about that. Indeed, he states that “[i]n spite of the great changes which have taken place in the more advanced societies, the human inadequacies of capitalism and the resulting domination of things over people are far from disappearing” and that “it is unacceptable to say that the defeat of so-called ‘real socialism’ leaves capitalism as the only model of economic organization.”

What, then, is the “third way” that John Paul II holds out for economic life (which, in fact, he refers to as the “alternative” to both “state socialism” and, in effect, liberal capitalism)? It is “a society of free work, of enterprise and of participation, built around the notion of dignified labor” that he develops so well in the encyclical.

Second, I am unclear how Professor Novak has concluded, in one of his recent writings, that John Paul holds in Sollicitudo Rei Socialis that “the right to personal economic initiative” is “second only to the right to religious liberty.” While it is true that the this right is recognized by the encyclical - as it was also, as noted, by previous popes - the next section of the encyclical (after the one in which this right is mentioned) seems to indicate that, while important (like all rights) it is not in the “especially” important category of rights listed by John.
Paul which includes the right to life, the rights of the family, religious freedom, and one other economic right: "justice in employment relationships."  

Next, a few points that Professor Novak has written about *Centesimus Annus* stand in need of clarification, in my judgment. One of these concerns his understanding of the state's role in employment. While it is true, as he says, that the encyclical contends that the state "could not directly ensure the right to work for all its citizens unless it controlled every aspect of economic life and restricted the free initiative of individuals," it does specify a number of activities the state can or even should undertake to address the danger of unemployment.  

The important term here is "directly." This part of the encyclical (Section #48), along with Section #15, could best be understood as further detailing what John Paul meant in *Laborem Exercens* when he spoke about the responsibilities of the "indirect employer" (most commonly, the state). In the latter encyclical, he spoke only about the "indirect employer's" general obligation "to act against unemployment," and specific obligations "to provide unemployment benefits," and to "make provision for overall planning" and "rational coordination" of the economy. He also said that "unemployment in all cases is an evil."  

*Centesimus Annus* does not repeal what *Laborem Exercens* said about these aspects of the state's role in employment; in fact, four of these latter specific assertions are explicitly reiterated in *Centesimus Annus*. There is no question that *Centesimus Annus* holds that the state has a substantial role in dealing with the employment question - what in contemporary American parlance we would call an "activist" role - even if it does not have to guarantee a job for everyone.

Clarification is also required about what Professor Novak understands about the Pope's call to bring personal interest and "the interests of society" into harmony, and what he meant when recently writing that John Paul "assum[es] a more subtle view of the common good than was possible in a less pluralistic past." (Novak contends that nowadays determining what the common good actually consists of is more difficult than in past times.) What John Paul means should not be confused with an "invisible hand" idea, or even a distant facsimile of it. If the latter is what Novak thinks, he is incorrect. On the other hand, Professor Novak is correct if he interprets the Pope here as meaning that there is a tendency for society to benefit from economic freedom similar to that which Father Higgins says results from political freedom (i.e., Higgins argues that the state which grants and protects its citizens' civil rights will create a kind of spirit and commitment in its citizens which will redound to its own benefit). We should note that John Paul tells us that achieving this harmony requires that personal interest be "transcended" even while it is being adhered to. To do this, one must continually struggle to lead the good moral life - whether in economic affairs or any other - which is something which does not happen in the automatic manner associated with the notion of the "invisible hand."

As to the common good, it remains for John Paul what it has always been for the Church and the Catholic philosopher: the good of the individual and of society at large, which really has the purpose of helping each individual member of society attain his rightful end - his "due perfection" - which is eternal salvation. If Professor Novak is saying that John Paul believes that the common good of a particular society is somewhat shaped by the accommodation of different private interests, he is correct - if only because beyond the level of basic moral principles, political and economic policies are not governed by any set law but admit of different, perhaps equally valid, opinions which necessitate compromise. As John Paul says, "the Christian faith does not presume to imprison changing sociopolitical realities in a rigid schema." If, on the other hand, Novak is saying that the common good is something other than what the Church has always said it is (above), or that a common good can be forged for a particular society that involves an ignoring or compromising of any Natural Law principles, or that a particular society's common good is derived merely by accommodating different interests, he is incorrect. Once again, we should consider John Paul's words:

"The Christian faith does not presume to imprison changing sociopolitical realities in a rigid schema."
Related to the above, Professor Novak seemed guilty of overstatement when he recently wrote that John Paul believes that “capitalist virtues and institutions, whatever their faults, are the best available protection for democracy.” While I agree that a message of Centesimus Annus is that the market or free economy is particularly conducive to a participatory or democratic condition, the Pope never says what Professor Novak indicates. Rather, he seems to single out as crucial in protecting “authentic democracy” such other factors as the existence of the rule of law and the “correct conception of the human person” (which depends on a political society’s acceptance of transcendent truth).

Finally, I shall make these two points. As I read through Professor Novak’s commentaries on Centesimus Annus, I got the sense, in spite of his indicating otherwise, of too much emphasis being placed on systems and the reform of institutions, and his belief that this receives a stronger emphasis by this pope and the Church than I believe it does. While it is true that the Church regards these as important, what is in the hearts and minds of men is the most important. For example, recent encyclicals and ecclesiastical documents have spoken about the reality of “structures of sin,” but they have always emphasized that these reflect actual individual human sin. So, individual men must reform and undergo conversion. As Centesimus Annus puts it, “The world today is ever more aware that solving serious national and international problems is not just a matter of economic production or of juridical or social organization, but also calls for specific ethical and religious values as well as changes of mentality, behavior and structures.”

I find also in Professor Novak’s writings about Centesimus Annus and previous social encyclicals to much personalizing, that is, seeing them too much as the product of the individual man in the papal office instead of the Vicar of Christ. This is very apparent in his book Freedom With Justice, when he discusses the putative influences on the various popes, and in his readiness (discussed above) to see departures from previous teaching and inadequate recognition of the continuity of social doctrine. I am troubled by the fact that he speaks so much about Centesimus Annus embracing liberal ideas and different popes being more or less open to such ideas - in effect, making perspective or ideology stand out so prominently that it seems to be the main point. The social encyclicals are not primarily works of political philosophy; they are, as Etienne Gilson reminds us, statements of the ordinary magisterium which seek to diffuse and defend infallible teachings of the Church and apply them to particular present social problems. They are written by men, but men who are guided by the Holy Spirit. Again, we must remember the words of Pope John Paul II: “The Church’s social doctrine … belongs to the field, not of ideology, but of theology. …”

NOTES

4James Likoudis, noted author and President of Catholics United for the Faith, recalled for this writer a conference he had attended at Georgetown University in 1966 at which Murray spoke. At the conference Murray expressed unhappiness that the Council Fathers did not go further in the Declaration on Religious Liberty to disallow the Catholic or confessional state. He singled out the Irish constitution for particular criticism in this regard.
5Pope Leo XIII, Libertas Praestantissimum, sec. 44.
6Pope John XXIII, *Pacem in Terris*, pt. I (the statement about the right to take part in public affairs is in Sec. 26); pt. III, sec. 68 (hereinafter: “PT”).


8 See Thomas J. Higgins, S. J., *Man As Art: The Science and Art of Ethics*, chaps. XXIV and XXV.

9 Ibid., p. 452.

10 See PT, pt. II.


12 Novak I, p. 133.

13 PT, II, 68.


16 QA, II, 1, 45.

17 See Higgins, chaps. XVII and XVIII.


21 QA, III, 1, 108.

22 Ibid., II, 2, 57.

23 Ibid., II, 4, 65; II, 4, 72.


25 Ibid., I, 3, 25.

26 Ibid., I, 3, 26.

27 Ibid., II, 2, 58.

28 PT, III, 86-89.


30 QA, II, 5, 79.

31 RN, 36. Emphasis added.

32 QA, II, 1, 49. Emphasis added.


34 RN, 30.


38 Ibid., VI, 41.


40 CA, 4, 41.

41 Ibid., 4, 33; 4, 35.

42 Ibid., 4, 35.


44 The passage Professor Novak seems to refer to states the following: “Peoples or nations too have a right
to their own full development ... including the economic and social aspects ...” (SRS, IV, 32). Emphasis in the encyclical.

45SRS, IV, 33.
46See CA, 2,15; 5, 48.
48Section 15 of Centesimus Annus says that the “just reforms” which “Rerum Novarum points the way to ... imply that society and the state will both assume responsibility, especially for protecting the worker from the nightmare of unemployment.” This not only reaffirms the general obligation of the state to act against unemployment, but also, in effect, restates that character of unemployment as evil. The point about unemployment benefits is also reiterated in this section when it is held that the state must “ensur[e] in every case the necessary minimum support for the unemployed worker.” The fact that John Paul still is calling for the state to engage in “rational coordination” of the economy is seen in his saying it has the “task ... of overseeing and directing the exercise of human rights in the economic sector” and also “harmonizing and guiding development” and that it should “help coordinate” private economic activity “with activities of the rest of society, always with a view to the common good” (sec. 48). The only one of the five assertions from Laborum Exercens which is not restated in Centesimus Annus is the one about “overall planning.” Nothing said in the latter encyclical indicates that this is not still valid, however. In fact, it implies that this is needed, in some sense, both in what it says about the state having to keep economic activity directed toward the common good and in the fact that it speaks favorably about how, historically, national “economic policies aimed at ensuring balanced growth and full employment” were one of the ways the worker was protected from unemployment (sec. 15).

49Novak II, pp. 9, 10. The quote from CA is from 3, 25.
50See Higgins, pp. 526-527.
51CA, 3, 25.
52See Higgins, pp. 355-356.
53CA, 5, 46.
54Ibid., 5, 47.
55Novak II, p. 11.
56CA, 5, 46.
57Novak II, p. 4.
58See, e.g., ibid., pp. 4, 24.
60CA, 6, 60.
62SRS, VI, 41.