

Government Is Not a Business

Michael Sean Winters | Aug. 31, 2011 Distinctly Catholic

Congressman Eric Cantor, the Majority Leader of the House of Representatives, [indicated that before he and his GOP colleagues would consent to more funding for the Federal Emergency Management Agency](#) [1](FEMA), they would have to make other budget cuts to offset the new funds. FEMA is quickly running out of money and had to divert funds from some rebuilding projects from earlier tragedies to meet the immediate needs of Hurricane Irene.

At one level, Cantor's position is easy to understand. After all, despite the fact that ours is a wealthy nation, Cantor thinks our government takes in too much in taxes, even though tax rates are at historic lows. Cantor is one of those who want to apply a business model to the government budget, to stop spending more than we take in, someone who must have studied double entry accounting and knows that the numbers at the bottom of the ledger need to match. His comments on FEMA is just the latest iteration of an already well articulated stance.

But, while modern business practices are very useful in achieving the distribution of goods and services in our economy, federal emergency assistance is not a commodity. Nor is it really a service. It is a public good required by an act of God. It is easy to determine how much it costs in labor and materials to repair the damage, but how would you determine what you would charge for it? That is to say, there is no "market" for tragedies of such enormity as there are for, say, auto accidents and health care emergencies. Insurance may cover a visit to the hospital. But, government must step in when a flood washes the hospital away.

The problem with many who denigrate government and champion business ? and they exist on both sides of the aisle ? is not merely a problem of categorization. Our culture is trying to reduce the human person to a homo economicus. Our human significance is bound up with our wealth. If you doubt this, read an article or watch a television item about the Kardashians. I would submit, they are not the object of so much attention because of their inner genius. Look at what has happened to a once-great magazine, *Architectural Digest*, which in the 1970s featured articles on cutting edge architecture in schools and churches and hospitals and wineries and factories, but is today a kind of pornography for those who are both filthy rich and filthily acquisitive. Look at Mitt Romney's trumpeting his years as a businessman to chide Rick Perry, who has spent almost all of his life serving as a politician. "You are what you eat," the health commercials used to say. Now, almost everywhere you look our culture tells us, "You are what you own."

Pope Benedict XVI referred to the anti-Christian nature of much of contemporary culture when he addressed seminarians at the Cathedral of La Almudena in Madrid during World Youth Day:

"Relying on his love, do not be intimidated by surroundings that would exclude God and in which power, wealth and pleasure are frequently the main criteria ruling people's lives. You may be shunned along with others who propose higher goals or who unmask the false gods before whom many now bow down. That will be the moment when a life deeply rooted in Christ will clearly be seen as something new and it will powerfully attract those who truly search for God, truth and justice."

I agree with the Holy Father that wealth has become a false god, but we needn't go that far in our political

indictment. Wealth and business acumen are false analogies for much of what government is called upon to do, precisely because contemporary business culture can only see things through the lens of goods and services and much that government does is not really either one.

Take health care. Yes, we can determine how much it costs. Yes, in many ways it is like a service. But, running a hospital is not like running a hotel. Caring for the sick is required by standards of human decency and is now codified by law. A hotel can refuse a patron but a hospital cannot refuse a patient. There is a difference between being a patron and being a patient. An Army may be able to usefully employ business models to some of their activities, but when the Churchill took the reins of government in May 1940, and inherited an intricate system of procurement, balanced by the need to conserve their gold-based currency over several years, he thought the moment required a different approach, writing, "we followed a simpler plan, namely, to order everything we possibly could and leave future financial problems on the lap of the Eternal Gods." This is, admittedly, an extreme example, but it makes the point. A government that is most concerned with following certain business practices may fail in its other, more essential, duties.

Labor, too, is not a commodity that can be simply regulated by the forces of supply and demand. Bl. Pope John Paul II, in the greatest of his social encyclicals (and his personal favorite as well) *Laborem Exercens*, wrote:

"In the modern period, from the beginning of the industrial age, the Christian truth about work had to oppose the various trends of materialistic and economic thought. The danger of treating work as a special kind of "merchandise", or as an impersonal "force" needed for production (the expression "workforce" is in fact in common use) always exists, especially when the whole way of looking at the question of economics is marked by the premises of materialistic economicism." (*Laborem Exercens*, No. 7)

The materialistic "economicism" of classic communism may be dead, but in an ironic twist, it has been passed on to today's libertarian economists who invoke Hayek and von Mises and Rand. They, too, misunderstand human nature and Pope Leo XIII and every subsequent pope has recognized the need for the Church to take a stance in opposition to both.

Government is not a business. Models that work for the one are inexact at best and highly distorting at worst when applied to the other. Majority Leader Cantor may not recognize the difference, but the rest of us grasp it. In the wake of the devastation wrought by Hurricane Irene, or by Wall Street greed, or by the failure of private markets to provide all Americans with health insurance, the government must step in. We need not leave our financial circumstances to the "Eternal Gods." But, if we worship the false gods of the market, we will fail to understand the proper role of government in the life of our society.

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