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Review: "A Catechism for Business"

Michael Sean Winters | Mar. 4, 2014 Distinctly Catholic

Andrew Abela and Joseph Capizzi have just published ?A Catechism for Business: Tough Ethical Questions & Insights from Catholic Teaching.? The book is much better than I feared. (More on the substance of the fears anon.) It consists of quotes drawn from the Church?s teaching on issues of business and economics and one can only hope that many Catholic businesspeople will better acquaint themselves with that teaching via this medium. They certainly would be inclined to change some of their business practices and, what is more important, the whole way business is conceived in our hyper-commercial U.S. culture.

Lord knows, and any honest cultural critic will affirm, that America?s current class of business leaders should long ponder the words of Pope Paul VI, quoted on page 5 of this catechism: ?No one may appropriate surplus goods solely for his own private use when others lack the bare necessities of life. In short, ?as the Fathers of the Church and other eminent theologians tell us, the right of private property may never be exercised to the detriment of the common good.?? The Good Lord, in His Providence, brought Paul VI home before the movie ?The Wolf of Wall Street.?

And, our Tea Party friends should contemplate this quote, on page 7, from Pius XI: ?When the State brings private property into harmony with the needs of the common good, it does not commit a hostile act against private owners but rather does them a friendly service; for it thereby effectively prevents the private possession of goods, which the Author of nature in His most wise providence ordained for the support of human life, from causing intolerable evils and thus rushing to its own destruction; it does not destroy private possessions but safeguards them; and it does not weaken private property rights, but strengthens them.?

Our friends at the Acton Institute and some of their fellow travelers are fond of quoting portions of Pope John Paul II?s *Centesimus annus*, but they authors, or editors, happily pose the question ?What is the role of the state in the economy, and how should it perform that role,? and turn to this same encyclical and among several quotes include this one which, I dare to suggest, challenges much foolishness written about subsidiarity: ?The State must contribute to the achievement of?.[unemployment support, adequate wage levels, humane working conditions] both directly and indirectly. Indirectly and according to the principle of subsidiarity, by creating favorable conditions for the free exercise of economic activity?.Directly and according to the principle of solidarity, by defending the weakest, by placing certain limits on the autonomy of the parties who determine working conditions, and by ensuring in every case the necessary minimum support for the unemployed worker.? Funny, in the two books by the Acton Institute?s Samuel Gregg?s that I have read, I do not recall him wrestling with that text. And, I ask my Republican friends to defend, on Catholic terms, the current unwillingness of their party to enact an extension of long-term unemployment benefits and their hostility to raising the minimum wage in light of this text.

The author-editors also frankly state the Church?s teaching on the rights of workers to form labor unions in all its splendid lack of ambiguity, from Leo XIII through Vatican II and John XXIII and on to John Paul II. They also bring together a fine collection of texts to address issues such as marketing, pricing and a host of other concerns which rarely are cast in the light shed by the Gospel as understood and interpreted by the Church?s

social teaching. This is all to the good.

The book is not without difficulties. For example, On page 56, the authors pose the question: ?Should we take an employee?s personal circumstances into consideration when deciding his compensation (e.g., should a married man with a large family receive greater compensation than a single man, if both are doing exactly the same job)?? Here, they supply an ?editor?s note,? that reads: ?The ideal would seem to be to pay everyone a family wage, and then pay more to those who contribution is above average. In current conditions, where market conditions make it difficult for many firms to pay a family wage, differences in family circumstances could be addressed through benefits, e.g., through health and educational benefits that are of greater value to employees with families.?

On the whole, this is sound advice, but I am bothered by the phrase about ?market conditions.? Do adverse market conditions remove or significantly modify the obligation of an employer to pay a family wage? Can an appeal to the ?laws of the market? trump a precept of the moral law? Can you imagine the authors suggesting that the moral teachings of the Church about, say homosexuality, can be trumped the moment a scientist finds the genetic indicator for homosexuality, that is, when the ?laws of nature? find themselves at odds with the moral laws of the Church?

I use the example of homosexuality advisedly because a few pages later, the authors pose the question: ?Is it morally acceptable to extend spousal healthcare benefits to homosexual partners of our employees?? The authors provide the following statement from a statement from the Congregation for the Doctrine of the Faith: ?In those situations where homosexual unions have been legally recognized or have been given the legal status and rights belonging to marriage, clear and emphatic opposition is a duty. One must refrain from any kind of formal cooperation in the enactment of application of such gravely unjust laws and, as far as possible, from material cooperation on the level of their application. In this area, everyone can exercise the right to conscientious objection.?

Now, this is not the place to rehearse the inadequacy of the Church?s theological treatment of homosexuality. But, I am curious why the authors did not insert an ?editor?s note? here. They might have pointed out that in countries (actually country, as I think we are the only country that does this) where employment is the principal avenue for acquiring health insurance, and access to health care is a basic human right, the issue posed by the question is not so cut-and-dried. They might have called attention to the Levada solution when, in the 1990s, faced with a city ordinance that would require all contractors with the city to bestow same-sex partner benefits, instead of merely objecting, then-Archbishop William Levada negotiated an agreement that allowed an employee to designate anyone who was legally domiciled with the employee to receive the benefits in question. It could as likely be an unemployed cousin as a same-sex partner. I do not know if the Levada solution works in all places or at all times. In Puerto Rico, a similar approach was adopted by the Catholic Church when that commonwealth?s legislature addressed the issue of same-sex unions. At the very least, the editor?s note could have noted that the words ?as far as possible? in the CDF statement allow an appropriate, necessary wiggle room.

I said at the beginning that I was happily surprised by this volume. I have not read Professor Capizzi?s work, but I have heard him speak on a couple of occasions and we have had some very entertaining conversations at the Institute for Policy Research & Catholic Studies, where he is a fellow and I am a visiting fellow. I find him very impressive. I have read some of Professor Abela?s work, including his recent unfortunate essay at the Wall Street Journal [1] defending the gift of $1 million from the Koch brothers to the new business school of which Abela is dean. (The article was unfortunate because it was defensive.) I do not quibble with the gift, but in that essay, Abela suggested that the Church has not addressed itself to the precise issue of public sector unions, and so critics of the gift who cite the Koch brothers? support for Wisconsin Governor Scott Walker?s successful abrogation of the rights of public employees in that state is an issue upon which thoughtful Catholics can

disagree. I do not understand the logic. In the absence of any teaching differentiating public employee unions from private employee unions, you would at least have to presume that the Church?s unqualified endorsement of the rights of workers to unionize extends to all workers. Holy Mother Church has also not differentiated between different types of sexual acts that we lump together under the headings ?fornication? or ?sodomy.? Are we to conclude that thoughtful Catholics are free to make the case that this lack of differentiation allows for disagreement about certain of those acts? I will grant that public sector unions raise some issues that private sector unions do not, but the issue deserves more than a throwaway line in an op-ed at the WSJ.

Abela also contributed a particularly obnoxious article to ?The Journal of Markets & Morality,? [2] in which he sought to undermine the Catholic case for better minimum wage legislation by invoking the principle of subsidiarity. He defines the principle thus: ?that a higher association should not interfere with the legitimate functioning of a subordinate association.? But, as the quote above from *Centesimus annus* above indicates, and as the Latin root of the word suggests, subsidiarity is about help, assistance, between the different levels of social action. Yes, the higher levels should not subsume the just autonomy of lower levels, but those higher levels must help them and, in a case like the minimum wage, unless one wants to invite a ?race to the bottom? among states offering lower and lower wages, sometimes the higher authority must step in because the lower levels of society have failed to achieve the moral good required. It would be lovely if every employer took seriously the responsibility to pay a living wage. It would be lovely if every state enacted a living wage law. But, they haven?t. It is painful to read this essay and it is well nigh to impossible to conclude that it does anything but throw some Catholic sand into the eyes of those who are only too willing to find a reason to pay less than a living wage.

Abela?s essay also includes this unfortunate passage:

One could argue that because the investor is earning money through the efforts of workers who are not being paid justly, that investor has a duty to

correct that injustice. However, the investor is not obliged to invest in any particular firm and may be doing more good by investing there than by withdrawing

his investment and placing it elsewhere. If the lack of just wages is caused by external downward pressure on prices, for which the investor is not responsible, it

would seem to be unreasonable to demand as a matter of justice that the investor

compensate from his own resources for the injustices of others.

How quick to make excuses for the investors, no? And, as in the case of the ?editor?s note? in the catechism mentioned above, why this deference to the laws of the market ? ?external downward pressure? ? in the face of a clear moral norm?

I am reluctant too comment at length by a recent essay Abela contributed to *Communio* because that article is not available on-line. I will say that he is clearly trying to reconcile his economic learning with Christian anthropology and he is to be commended for the effort and, even there, I discerned a reluctance to question the laws of the market when confronted with a moral norm and a reliance on gauzy invocations of human creativity as if that solved the matter when the nature of Christian creativity is the heart of the question. The results, in short, have not yet born much fruit, but these things take time. Certainly, the *Communio* essay is better than the *Morality & Markets* essay. But, what is missing in the few things I have read from Abela is the most disturbing: There is no outrage at the fact of widespread poverty. Regular readers will recall that when Catholic University announced it was starting a Business School, I suggested they call it the Dorothy Day School of Business. I do not expect Abela to conclude that our current economic system is a ?filthy, rotten system,? but I think a

Christian whose eyes are open must have some of Day?s horror at the persistence of poverty and that horror should come through in anything written about economics and the Catholic faith.

This Catechism is a worthwhile project and I hope it will be widely distributed and read. And, I believe the conversation between traditional advocates of Catholic social teaching and economists like Abela should continue, if only to convert him from his evident devotion to the fuzzy free-market thinking we associate with the Austrians not the Apostles. But, Abela is sincere, not sinister and his collaboration with Capizzi in producing this Catechism has yielded a fine compendium of Church teachings which, if taken seriously by the business community, could result in a far more humane economy than the one those businessmen have erected on their own.

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