GLOBALISATION AND THE CHURCH

REFLECTIONS ON CARITAS IN VERITATE

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The Context of *Caritas in Veritate* in Catholic Social Teaching

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Pope Benedict XVI's new social encyclical has been long and keenly awaited. As the fuller title has it, *Caritas in Veritate* is addressed not just to Catholics but to 'all people of good will' *On Integral Development in Charity and Truth*. It deals with burning social issues confronting us today – financial crises, hunger, poverty, and the environmental crisis – and hence one would expect it to be extremely newsworthy. Yet at least in Australia the encyclical has attracted surprisingly little media attention or public debate and risks being quickly forgotten. Even the title *Caritas in Veritate* is somewhat puzzling. I would have preferred that the other half of the title, *On Human Development*, had been highlighted, to better communicate its content.

Many commentators have found the document difficult and dense in places, reflecting the Pope's own philosophical concerns. In addition, the length of the encyclical, at 30,000 words, makes it almost five times as long as Pope Paul VI's famous 1967 encyclical, 'Development of Peoples' (*Populorum Progressio*). It may have made the message more accessible to a wider public if the new encyclical had been issued as several smaller documents. The question is how can we help make it come alive and be a real motivating force for social transformation.

**Problems of framework and interpretation**

In Melbourne in late 2009, the ecumenical advocacy organisation, Social Policy Connections, organised a forum at which three speakers gave personal reflections on *Caritas in Veritate*. They were Melbourne's Anglican Archbishop, Dr Philip Freier; Dr Rufus Black, Master of Ormond College; and Ms Julie Edwards, CEO of Jesuit Social Services. Julie Edwards did not claim to be an academic but spoke out of a very professional background in social services.
Both Archbishop Freier and Dr Black generously agreed to speak at the forum, which was taped by the ABC radio for a later *Encounter* program, but they were quite critical of the encyclical. Archbishop Freier thought the document was overly referential to earlier popes and Catholic documents, and did not argue its case clearly and strongly for a wider and more secular audience. He said that as an Anglican Archbishop he would develop his argument based on clear evidence and sources from the social and other sciences. Both the Archbishop and Dr Black thought the encyclical overly didactic, and were troubled by what appeared to be neoplatonic notions of truth, seemingly standing outside human experience but demanding allegiance.

Their comments raise concerns about what an encyclical is. Looking back through the encyclical, one can see that it is indeed very heavily reliant on earlier popes and church documents. Indeed, I don’t think there is a single citation to any other sources, apart from Scripture, of course. As Catholics we are used to this genre of literature, but many others are not, even theologians and church leaders from other Christian traditions, who may rarely read an encyclical. They bring their own interpretative framework to such a reading, and if we find this encyclical difficult, they find it more so. In short, the encyclical is not very likely to win close attention from an ecumenical or secular audience. Moreover, it was not immediately clear who, other than Pope Benedict, was involved in the writing of the encyclical. No doubt the details on the writing of the encyclical will appear in time. There does not seem to have been wider consultation with episcopal conferences around the world.

Catholic readers likely know that encyclicals appear in the context of wider debates within the church and beyond, and need to be interpreted with that context in mind. For instance, we know that the Pontifical Academy of Social Sciences has staged regular conferences with leading world authorities on various aspects of globalisation, and published them in book form and also made them available for download on the net. Leading names like Kenneth Arrow and Joseph Stiglitz have presented papers for discussion.¹

We are also aware that the personnel in the Vatican’s Secretariat of State and the Pontifical Council for Justice and Peace are also reading the literature and consulting leading thinkers and activists. As well as the many other statements by the Pope himself and church officials in international agencies, there are the wider professional conversations in international forums, the media and journals. It requires extensive knowledge of current events and political debates to read encyclicals accurately.

Julie Edwards gave what I thought to be an insightful comment on her interpretative framework for the encyclical, a comment which I suspect would be true for many reasonably well informed Catholics. She found that she could not understand some sections of the document, particularly some of the theological sections, but she took from the encyclical quotes and sections that she thought helpful for her work.

These preliminary comments reinforce the impression that few people appear to be reading the encyclical. It will be up to commentators and educators to draw value from it and make it more generally accessible. This encyclical in particular is built up with complex layers of debates not only in philosophy and theology, but analyses and responses to specific social problems. The Catholic Church has always placed a high value on consistency in its views, and hence it is to be expected that it would locate current concerns in relation to earlier papal thinking. Given also that the Pope’s statements are for an international audience, one can understand the tendency to avoid entering into the details of debates about social and economic policies in different parts of the world.

To assist readers unfamiliar with the encyclical genre, it would have greatly helped if the encyclical were prefaced with a few paragraphs explaining that these documents do not claim to be infallible, but include various levels of particular relevance: *Summary on Globalization*, 2008; *Globalization and International Justice*, 2007; being the papers given at a conference in Mexico City in June 2004; *Democracy in Debate*, 2005; *The Governance of Globalization*, 2003; *Globalization and Inequality*, 2002; *Globalization, Ethical and Institutional Consequences*, 2001; and *The Social Dimension of Globalization*, 2000. These can be downloaded from [http://www.vatican.va/roman_curia/pontifical_academies/acadsci/own/documents/rc_aedsci_doc_20001003_publications_social_en.html](http://www.vatican.va/roman_curia/pontifical_academies/acadsci/own/documents/rc_aedsci_doc_20001003_publications_social_en.html).

¹ Among the publications resulting from these consultations are the following, which have
teaching authority, from statements of basic moral principles through to quite detailed suggestions that are clearly not matters of faith and are open to debate and revision. The US and Australian bishops have included such explanations in some of their major social statements in recent decades. Such an explanation in encyclicals would help their readers as well.

‘Development of Peoples’

The new encyclical commemorates ‘Development of Peoples’ but goes much further and extends it as the key social document for our times, considering it as ‘the Rerum Novarum of the present age’. This is a very welcome initiative of Pope Benedict, as ‘Development of Peoples’ has been somewhat overlooked in church circles in recent years. Benedict now makes it the centrepiece for Catholic responses to issues arising from globalisation.

This does not mean that the tradition around Leo XIII’s groundbreaking encyclical of 1891, Rerum Novarum, is being downplayed. It is remarkable how the concerns of Rerum Novarum remain central to current debates about the morality of forms of capitalism. Think of debates about wage rates, taxation policy and the distribution of wealth, the role of public authorities, privatisation versus public ownership, the rights of workers and trade unions, debates about trade policies, along with critiques of the underlying philosophies behind capitalist and collectivist economic programs or ideologies.

Clearly the historical situation has changed greatly since Leo’s time, yet in the context of Catholic social teaching, Pius XI’s Quadragesimo Anno of 1931 also contains much that is relevant in the current economic crisis. Issued in the middle of the Great Depression, Quadragesimo Anno critiqued the failures of capitalism and urged greater social justice, though it did less well with its clumsy rejection of socialism, which was far too sweeping, failed to distinguish among the many forms of socialism, and gave opportunities for right-wing political groups in Europe and elsewhere to exploit Pius’s views.²

³ CV, n. 8.

² See Bruce Duncan, The Church’s Social Teaching (Melbourne: CollinsDove, 1991), 119 ff.

Pope John XXIII undertook a profound reshaping of Catholic social thought, especially in his two encyclicals, Mater et Magistra of 1961, which has continuing importance for rural development in particular, and Pacem in Terris of 1963. They called for a more concerted effort by Catholics in dealing with the rising issues of globalisation, development and peace, political ideology and action. These documents profoundly influenced the Second Vatican Council, especially Gaudium et Spes of 1965. In the view of many, this remains the most comprehensive social document in the whole 2000-year history of the Catholic Church. These documents emphasised not just a better distribution of wealth and opportunity, but extending people’s ability to shape their own lives in both political and economic spheres. The documents termed this the ‘right to participate’, or, in more technical language, we could say the right to exercise ‘agency’ and greater control in one’s life and society.

Pope Paul VI embraced these documents wholeheartedly. He was particularly influenced by the philosophical views of the great French social activist and scholar, his friend, Jacques Maritain, along with the fresh thinking articulated in the Second Vatican Council.

It is no accident that Paul VI issued his first encyclical Ecclesiam Suam (‘On Dialogue’) in 1964. He was disturbed by the conflict in the church during and after the council, and wanted to establish rules for differing but conscientiously held views to be debated with courtesy and respect. He inculcated an attitude of listening in the church, especially to people alienated from or foreign to Catholics. Paul VI also called for a civilisation of dialogue to break down barriers of misunderstanding and distrust among peoples and ideologies. He wanted the church to be a learning church as well as a teaching church.

Pope Paul VI was keenly aware of the economic and social problems arising from hunger and poverty, the process of decolonisation, numerous civil wars and ethnic conflicts, not to mention the Vietnam War, and the ever looming threat of nuclear war between the superpowers. He was determined to do his utmost to bring the inspiration of the Gospel and the resources of the church into a much closer engagement with these great social issues.
Among his many initiatives was ‘Development of Peoples’, which responded specifically to difficult new questions like rapid population growth and the use of violence to confront tyranny and injustice. ‘Development of Peoples’ had an immediate and profound impact on Catholic social movements, particularly in Latin America and many other developing countries. The document was a rousing and urgent call to tackle the current problems of poverty and social injustice, giving enormous impetus to Catholic social movements worldwide.

Pope Paul kept insisting that the task of social transformation was not foreign to evangelisation, and was part of the church’s mission. He spelled out the political implications of this further in his 1971 document, Octegetimo Adventi, and integrated the new social emphasis into a broader vision of evangelisation in Evangelii Nuntiandi (1975), with an emphasis on human liberation in its many dimensions. At the same time, the liberation theology movements in Latin America grew out of the YCW ‘see-judge-act’ methodology, challenging the fatalism of much popular religion in developing countries, and mobilising Catholics and others to embrace efforts for social justice as part of their faith commitment. Caritas in Veritate is not likely to have the same immediate impact. ‘Development of Peoples’ was very crisp and precise in its clarity. It was almost racy in style compared with Benedict’s new encyclical.

However, by highlighting the centrality of ‘Development of Peoples’, Benedict has stressed the urgency for the church, and indeed the world, to engage much more tenaciously with the great social problems we face, especially from poverty, hunger and economic inequality. Many also feel growing alarm about worsening indications of global warming with the risks of extremely damaging effects on climate and food production. And this is occurring after we have squandered a decade when the world could have made much more significant inroads into hunger and eradicating poverty. The result will likely be higher population growth in poorer countries, placing extra pressure on global resources. The issues are most urgent, and it is obvious that many millions of lives hang in the balance.

Benedict reaffirms the duty of ‘responsible solidarity’, not just with the poorer countries, but with future generations as well. He calls for new efforts to ‘worthily accommodate and feed the world’s population. On this earth there is room for everyone’. He writes that ‘the protection of the environment, of resources and of the climate obliges all’ to help, and promote ‘solidarity with the weakest regions of the planet’.

He is in no doubt about the threat from climate change:

The church has a responsibility towards creation and she must assert this responsibility in the public sphere. In so doing, she must defend not only earth, water and air as gifts of creation that belong to everyone. She must above all protect mankind from self-destruction.

These are very strong words. We are moving into uncharted waters and face totally unprecedented risks on a global scale.

A decade too late?

This new encyclical Caritas in Veritate comes eighteen years after John Paul II’s Centesimus Annus. This may seem an inordinately long time between major social encyclicals, but it is worth remembering that John Paul II used the Great Jubilee 2000 to highlight the social implications of the Jewish jubilee and its interpretation by Jesus as the central motif in Luke’s Gospel. John Paul saw his entire pontificate as a journey to the jubilee year, emphasising the social implications of faith and attempting to mobilise the social consciences of Catholics and others, as well as making apologies for past errors in social action in the Church. Inexplicably, these social aspects of the jubilee were at times downplayed in some countries.

It is also worth noting how the Vatican, Caritas and other church agencies have been active in movements for peace and development (for example, supporting the UN Millennium Development Goals [MDGs], Micah Challenge, the jubilee debt remission campaigns). However, I think it is true to say that it has taken Pope Benedict some time to adjust to the need

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4 CP, n. 50.
5 CP, n. 51.
for him as Pope to respond vigorously to today’s urgent social challenges. He has had to familiarise himself with social debates in areas that had not preoccupied him in his previous role in the Congregation for the Doctrine of the Faith.

I imagine that a younger John Paul II would have been far more involved in support of international efforts such as the MDGs, and perhaps intervened more directly in discussions like that at the G8 Summit meeting in Gleneagles, Scotland, in 2005. Though Benedict has been very articulate in diplomatic circles, he has been moving cautiously on some issues, understandably for a man of his age who is writing on a wide range of other issues. His encyclical is then an endeavour to regain momentum on global social concerns and highlight the urgent moral issues involved.

Will the encyclical succeed in its aims? This will depend greatly on how we extract momentum for the vast social transformation needed. We are going to have to put a great effort into making the encyclical work for us. The danger now is that it will drop like a stone and disappear as a significant instrument to mobilise public opinion and commitment to global human development.

Benedict argues that the current crisis obliges us to re-plan our journey, to set ourselves new rules and to discover new forms of commitment… The crisis thus becomes an opportunity for discernment, in which to shape a new vision for the future.6 He recognises that ‘the explosion of worldwide interdependence, commonly known as globalization’ has occurred at a ‘ferocious pace’. It could represent a great opportunity, but could also ‘cause unprecedented damage and create new divisions within the human family’.7 He highlights the ‘unprecedented possibility of large-scale redistribution of wealth on a world-wide scale; but he is aware that ‘if badly directed’, such efforts ‘can lead to an increase in poverty and inequality, and could even trigger a global crisis’.8

Benedict’s talk of a large-scale redistribution of wealth is unlikely to be well received in developed countries, since it may be interpreted as demanding that people in wealthy countries will be forced to lower their standard of living if others are to be helped. Here Benedict’s appeal could have been phrased much more positively by citing authorities who argue that redirecting even a small percentage of the increase in wealth of richer countries into aid programs, or redirecting a small percentage of military spending into aid, could help meet the funding gap to eliminate hunger and the worst poverty in poorer countries. Such transfers would not mean a drop in living standards for richer countries, but a less rapid increase in income.

In his important book, A Blueprint for a Safer Planet, Nicholas Stern, former Chief Economist at the World Bank, has estimated the costs not only of funding the MDGs but also of the emergency adjustment funding needed to limit the adverse effects of climate change in developing countries. He argues that richer countries need to deliver on their commitments to provide 0.7 per cent of the GDP to fund the MDGs, which would provide about $300 billion, compared with the current $100 billion. In addition, to help redress climate change, he estimated that a further $130 billion a year (around 0.3 per cent of rich-country GDP) would be needed. He continues: ‘To say that we cannot afford it is nonsense’, as this represents about 1 per cent of government expenditure. “The returns in terms of climate security compare very favourably, in my view, with security benefits provided by defence budgets, which typically run at ten times this figure, around 10% of government expenditure in rich countries.” The Pope could have drawn more cogently from such studies to indicate how the world could in practice meet these challenges.

Curiously Benedict does not mention the Millennium Development Goals explicitly or enumerate the goals, perhaps because of recent calls from Jeffrey Sachs9 and others for greater population controls. But Benedict talks of what are in fact some of the aims of the MDGs, noting ‘high rates of

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6 CV, n. 21.
7 CV, n. 33.
8 CV, n. 42.
infant mortality in many regions but also ‘practices of demographic control, on the part of governments that often promote contraception and even go so far as to impose abortion’. Curiously, there is no mention of efforts to control HIV/AIDS or other infectious diseases, or of gender education issues which are so central to successful development.

Nevertheless, Benedict reserves some of his sharpest words for the worsening situation of hunger in many countries, which could become worse: ‘hunger still reaps enormous numbers of victims among those who, like Lazarus, are not permitted to take their place at the rich man’s table ... Feeding the hungry is an ethical imperative for the universal Church’. As a partial response to such poverty, Benedict calls for a ‘serious review’ of our Western lifestyle ‘which, in many parts of the world, is prone to hedonism and consumerism’.

The church’s social mission

Pope Benedict endorses the social dimensions of the church’s mission very forcefully: ‘Love — caritas — is an extraordinary force which leads people to opt for courageous and generous engagement in the field of justice and peace. It is a force that has its origin in God’. He also reaffirms that ‘Man’s earthly activity, when inspired and sustained by charity, contributes to the building of the universal city of God, which is the goal of the history of the human family. We are called to ‘shape the earthly city in unity and peace, rendering it to some degree an anticipation and a prefiguration of the undivided city of God’.

Far from social action being an optional extra for Christians, Benedict writes that ‘In the notion of development, understood in human and Christian terms, [Paul VI] identified the heart of the Christian social message’.

Pope Paul emphasised ‘that the whole Church, in all her being and acting ... is engaged in promoting integral human development’, and that it has a ‘public role over and above her charitable and educational activities’.

Though these passages do not say anything that has not been said before, they are nonetheless very important since there are tendencies in parts of the Church to downplay social justice as if it were almost a rival to prayer, devotion or doctrine. Benedict is reiterating the traditional Catholic emphasis on ‘both—and’, social commitment as well as strong religious belief.


Critique of neoliberalism

Other papers in this volume are addressing the reaction to the encyclical by Catholic conservatives and neoconservatives in the United States and elsewhere. Still other papers will address the Pope’s engagement with contemporary economics and politics, as well as globalisation and international governance, so I will try not to intrude overly into their areas of commentary.

11 _CV_, n. 28.
12 _CV_, n. 27.
13 _CV_, n. 51.
14 _CV_, n. 1.
15 _CV_, n. 7.
16 _CV_, n. 13.
17 _CV_, n. 11.
18 _CV_, n. 9.
20 _CV_, n. 9.
21 _CV_, n. 15.
However, I did want to mention Benedict’s strong critique of neoliberalism in this encyclical, though he never uses that term. I presume that is because he does not want to antagonise those US citizens who identify to some extent with the rhetoric of neoliberalism.

What is clear is that Benedict critiques the main platforms of the neoliberal canon, much of which was identified by Joseph Stiglitz and others under the label of the ‘Washington Consensus’, and based on a philosophy of competitive individualism. Hence the Pope opposes the attacks on unionism; deregulation of the labour market and pressure to reduce wage rates; the maximising of short-term profits at the expense of the long-term viability of companies; excessive financial speculation with the corruption of credit markets and banking; the downsizing of social security systems; unfair tax reductions for higher income groups; the outsourcing of production and services to low-wage areas; insistence by some international financial institutions for governments to cut social spending; the conduct of some multinationals; inequitable trade relations that favour powerful countries over the weak; and policies that redistribute wealth to higher income groups (see especially nn. 21 and 40). Benedict rejects a philosophy or ideology which considers it has absolute freedom without placing itself at the service of genuine human wellbeing. For ‘when the sole criterion of truth is efficiency and utility, development is automatically denied’.

Against the ideological attacks on the very notion of social justice, Benedict writes that:

... the social doctrine of the Church has unceasingly highlighted the importance of distributive justice and social justice for the market economy, not only because it belongs within a broader social and political context ... Without internal forms of solidarity and mutual trust, the market cannot completely fulfill its proper economic function. And today it is this trust which has ceased to exist ...

Reference:

23 CP, n. 70.
24 CP, n. 35; emphasis in the original.

In the light of the global financial crisis, many people were expecting a much stronger attack on this ideology of economic neoliberalism. Benedict himself has been very critical of capitalist ideology in the past. And, more significantly, there is a long historical critique of this type of economic ideology in the encyclicals.

We recall that Pope Paul VI in Populorum Progressio summarised the papal critique of what he called ‘economic liberalism’ or ‘liberal capitalism’—a system which considers ‘profit as the chief spur to economic progress, free competition as the guiding norm of economics, and private ownership of the means of production as an absolute right, having no limits nor concomitant social obligations’. Nevertheless, Pope Paul supported private initiative when it served the common good and fostered a just distribution of goods and services. ‘Indeed, competition should not be eliminated from trade transactions; but it must be kept within limits so that it operates justly and fairly, and thus becomes a truly human endeavor’, which requires a certain ‘equality of opportunity’ in international trade.

Pope John Paul II took this critique further in many of his writings. In Centesimus Annus he wrote that Leo XIII’s attack on ‘unbridled capitalism’ was still relevant, especially in developing countries. He warned that after the collapse of communism, a ‘radical capitalist ideology could spread’, blindly entrusting problems to market forces. In Latvia on 9 September 1993, he reiterated that Catholic social doctrine is not a surrogate for capitalism, and that the church had always distanced itself from capitalist ideology, holding it responsible for grave social injustices.

Cooperatives

What then are practical alternatives to such forms of capitalism? A constant thread in papal social thought has been the search for ways to associate labour
more closely with ownership of capital. Initially this was viewed as a way to avoid class war as envisioned by classical Marxism-Leninism. But since the collapse of the Soviet Union and the decline of Marxist social thinking, Catholic thinking has focused more upon the personalist arguments about the development of one's human agency and sense of responsibility.

Pope John Paul II put it famously in his 1981 encyclical, Laborum Exercens, when he argued for the reform of capitalism by workers sharing in the ownership and management of their firms:

We can speak of socializing only when the subject character of society is ensured, that is to say, when on the basis of his work each person is fully entitled to consider himself a part-owner of the great workbench at which he is working with everyone else.

For John Paul, it was not only a matter of a just wage, but of sharing in the ownership of the means of production. He wanted to link work, ownership and personal wellbeing more closely together.

As we know, the church has long supported cooperative forms of ownership. Some have been fabulously successful, notably Mondragon in Spain. Historically, the Young Christian Workers Movement (YCW) and other Catholic or religious groups have vigorously promoted cooperatives of various forms: housing co-ops, marketing and consumer co-ops, producer co-ops like those of dairy farmers, and credit unions. Yet in Australia as elsewhere in recent years some leading cooperatives, or mutuals, have been privatised, with the then directors walking away with huge bonuses.

Pope Benedict is encouraging us again to consider cooperative forms of ownership as a way of spreading ownership and agency, and breaking up the concentration of wealth in the hands of wealthy owners or a managerial class. 'Alongside profit-oriented private enterprise and the various types of public enterprise, there must be room for commercial entities based on mutualist

principles and pursuing social ends to take root and express themselves.' He also wishes to see strengthened micro-finance and micro-credit schemes, along with nonprofit social businesses, such as those being promoted by the Focolare movement. Hence the Pope talks about an economy of 'gratuitousness and communion'. This latter form of enterprise requires extensive investigation to determine if it is a viable option in different economies.

Lest we think cooperatives are quaint relics of a bygone age, consider that the British Cooperative Wholesale Society consists of 500 supermarkets and stores employing 35,000 people. Fully half the population in Finland and Singapore belong to a cooperative, one person in three in New Zealand, Canada and Norway, and one in four in the USA, Malaysia and Germany. Worldwide, cooperatives have 800 million members in over 100 countries. Credit unions serve 177 million people. India boasts 100,000 dairy co-ops. In New Zealand, 22 per cent of its GDP is produced by cooperatives. The local control in cooperatives helps ensure jobs and profits are preserved for the local economy. Thus cooperatives provide real alternatives to neoliberal models of capitalism, and can also work very well in developing countries.

Unfortunately Caritas in Veritate gives only passing mention to other great questions of war, violence, disarmament and nuclear weapons. But one document could not deal with everything. Perhaps we should look forward to a commemoration of John XXIII’s Pacem in Terris shortly to fill out the picture.

In conclusion, perhaps Pope Benedict should have the last word: 'As we contemplate the vast amount of work to be done, we are sustained by our faith that God is present alongside those who come together in his name to work for justice'.

31 Cf., n. 38.
32 Cf., n. 65.
33 Cf., n. 39-40.
35 Cf., n. 78.