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VALUES ECONOMICS, THEOLOGY AND LEGITIMACY: CATHOLIC SOCIAL THOUGHT AND ITS IMPLICATIONS FOR LEGAL REGULATORY SYSTEMS

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ABSTRACT. The dominant system of global private economic ordering, grounded in classical liberal economic theory and based on robust private markets and a limited state regulatory role, has come under attack. That attack has been sharpened over the last several decades as the development of many poor states has failed to accelerate and as a consequence of the economic crisis of developed states that began to be felt in earnest in 2008. Like legal systems, economic systems grounded solely on rational activity without a foundation in normative value systems, are either incomplete or subject to perversion. This paper focuses on the values of substantive economics developed recently through application of Catholic theology. It focuses on the Catholic critique of consumerism, its understanding of a necessary labor policy and its sense of just global economics. It will suggest a number of places where socio-economics and theology share common ground, and even something of a common framework of analysis, and that consequentially, there may be some force to arguments that some values may be trans-religious, as well as trans-cultural. The paper starts with a short consideration of the approach of economics in its modern globalized context, and the contribution of socio-economics to that approach. It then briefly suggests the contours of an economic critique of that modern approach, using as a foil for that purpose Fidel Castro's attacks on economic globalization and arguments in favor of Marxist alternative global economic models. It then considers Catholic social thought as an alternative to both. For that purpose the paper focuses on Catholic social thought as it touches on the issues raised by global economic activity in three respects: materialism, labor rights and globalization. It ends with a consideration of an

important criticism of conventional economics in Catholic social thought: that the dominant system is likely to fail because it lacks a legitimate ethical framework. For that purpose, the paper considers a recent revival of an article written by Benedict XVI in the 1980s when, as Cardinal Ratzinger, he suggested that the current dominant system would collapse for lack of a legitimate moral base, a base that could only be provided by Religion.

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1. Introduction

At its core, classical economics, whether in its free market or Marxist forms, focuses on issues of scarcity and ownership. Wealth maximization is the foundation around which most systems of economics are built. Each posits economic actors who act rationally to maximize wealth, and tends to ignore the possibility of foundationally different characteristics of people as holders of capital or people as contributors of labor. Systems built on this normative preoccupation with tangible and intangible objects and their exploitation (that is in materialist systems) focus on the attainment of the foundational object (material maximization). They tend to be indifferent to the means to those ends, except to the extent that the means are more or less efficient in the attainment of that objective. Like the great 19th century systems of constitutional law, these systems privilege process and not the normative values that underlie them. They look to Rechtsstaat and not Sozialstaat constructions of value, efficiency, and the right.

These lacunae suggest that economic systems founded solely on rational activity without a grounding in normative systems of values, like process based legal systems, are either incomplete or subject to perversion. Just as in constitutional law, value systems provide the critical element in constructing legal systems, so in the law of economics, normative systems are vital for the construction of those values that necessarily infuse rationality. Economics itself, in the West, has sought to engage in these notions. Among the more vibrant of the responses, at least within the contemporary legal academic community, are notions of socio-economics, and particularly the binary economics of Louis Kelso. These seek to find a values

hierarchy within economics, in general, and to re-examine the place of labor within the labor capital matrix, in particular.

But the search for a normative structure within which to frame economics has not been limited to those who carefully guard the field boundaries of that social science within the academy. Theology, too, has much to contribute in those areas of economics left open by economic theory. This article focuses on the development of substantive values in economics within Catholic social thought. It focuses on the Catholic critique of consumerism, its understanding of a necessary labor policy and its sense of just global economics. The article suggests a number of places where socio-economics and theology share common ground, and even something of a common framework of analysis. That connection adds weight to the notion that some values may be trans-religious, as well as trans-cultural.

The article starts with a short consideration of the approach of economics in its modern globalized context, and the contribution of socio-economics to that approach. It then briefly considers the contours of an economic critique of that modern approach, using as a foil for that purpose Fidel Castro's attacks on economic globalization in favor of Marxist alternative global economic models. The section that follows turns to the development of Catholic social thought as it touches on the issues raised by global economic activity in three respects: materialism, labor rights and globalization. For that purpose it will examine carefully at two encyclicals separated by almost 15 years. The first is Benedict XVI's encyclical, *Deus Caritas Est* given December 25, 2005.¹ And the second is John Paul II's encyclical, *Laborem exercens*, given September 14, 1981,² with a glance at two others.³

The article ends with a consideration of one of the important criticisms of conventional and Marxist economics developed within the values based economics of Catholic social thought – that the dominant system is likely to fail because it lacks a legitimate ethical framework. For that purpose, the paper considers a recent revival of an article written by Benedict XVI in the 1980s when, as Cardinal Ratzinger, he suggested that the current dominant system would collapse for lack of a legitimate moral base, a base that could only be provided by religion. Socio-economics has taught that values matter, even in economics. Religion reminds us that values and economics also matter in religion. All share in the search for values, and the

application of those value systems to the relationship between people, things, the production and distribution of wealth.

2. Traditional Economic Foundations of Economic Regulation and Its Critique

Classical economics focuses on wealth or welfare maximization. Maximization of either sort must occur both at the level of the individual (and the firm), and in the aggregate, at the level of the community (and ultimately the globe). Like any system focused on production, its students tend to privilege efficiency as the value par excellence of any system of wealth maximization at both individual and aggregate level. But privileging efficiency suggests less concern with the means instituted to attain wealth maximization. Despite this indifference, there is a sense that systems of open, transparent and flexible markets, where the aggregate actions of individuals and organizations, all equally situated, together tend to produce the greatest production of wealth for the greatest number of people for the longest period of time. This idea is based on the great postulates of the system: that people act rationally in a world of perfect information, that income distribution will reflect marginal productivity under conditions of perfect competition, and that personal preference is exogenous to the appropriate functioning of a system focused on the production of wealth (that is, to each her own). Economics, thus, is a function of objects and process. In the long run all individual profit, but that profit (material things) rather than the human being, serves as the center of system focus.

These ideas have significant regulatory consequences. They suggest that governments seeking to maximize wealth for the greatest number of its inhabitants should regulate only in a manner that facilitates the efficiency required for long-term wealth production of the greatest sort. Disclosure, maintaining the integrity of markets, facilitating economic transactions across borders, and reducing the transaction costs of economic activity would suggest themselves as the highest forms of state political regulatory activity. The care and augmentation of capital becomes the greatest good of state policy. Success is measured in the ability of the state to reduce allocation of resources to ameliorate the effects of short-term market dislocations or failures at the personal or institutional level. In a perfect world all would have more than enough to meet their needs.

Socio-economics seeks to privilege the human element. Along with classical economics, it accepts materialism as the founding principle of human activity. But it rejects the possibility of attainable conditions of perfect competition, perfect markets and rational behavior. As such, the system of economics must, of necessity, have built into it the unfairness of structurally permanent market failures and faulty income distribution. As a consequence, there can be no hope of optimally allocating resources or maintaining perfectly functioning markets. These failures, a product of human imperfection, are borne, of necessity, by people, and might be augmented by a stubborn insistence on privileging capital over labor. In this imperfect system, human preferences are endogenous, and the state is necessary to provide a necessary correction or at least amelioration to the failures that are an inevitable part of any human based system of interaction. For an economics that privileges individuals, values must matter. But, like classical economics, it is substantially indifferent among value systems. It recognizes the importance of values in charting (ir)rational behavior but refrains from imposing its own set as an aspirational basis for human behavior.⁴ These ideas, too, have significant regulatory consequences. They suggest that governments seeking an appropriate role in the amelioration of the dysfunction of economic wealth maximization and allocation systems must regulate in a way that levels the privilege of capital and labor in ways that are consistent with aggregate value systems of the people for whose benefit regulation is maintained.

One famous elaboration of these ideas can be found in Louis Kelso's binary economics.⁵ The binary in Kelso's theory referred to the human and non-human elements into which all factors of production can be grouped. "The central tenet of binary economics is that, through the property (or ownership) principle, these two 'independent variables' can link marketable outputs from the labor-capital mix directly to incomes distributed according to market quantified values of all 'labor' and all capital' inputs."⁶ Under principles of binary economics, economic justice is privileged as a form in which wealth optimization must occur (that is one in which human values are endogenous) and regulation along lines meant to achieve such economic justice (as wealth maximization) must be based on a more aggressive and pointed system of positive political regulation. According to some, that regulation must be based on four key principles: (1) the democratization of capital and universal access to capital, (2)

universal access to and protection of rights to property for exploitation and wealth production, (3) positive regulation to achieve the aims of individual and institutional social justice based wealth maximization, and (4) the promotion of the free and open markets which serve as the start (but are actually the goal) of classical economic theory.⁷ Lastly, economic justice is conceived as participatory, distributive, and harmony inducing.⁸

Marxism's dialectical materialism also speaks to social justice and also focuses on the individual – that is the labor component of the production of wealth. But Marxist theory relies on collectivization rather than a regulatory environment for the perfection of individual activity, to achieve its vision of a social justice based system of optimal wealth maximization and allocation. For Marxist economics, individual perfectibility is rejected in favor of the perfectibility of the collective, to which the individual must defer, and to the values of which the individual must assimilate. But like classical economics, Marxist economics also focuses on wealth maximization and the optimal allocation of resources. Capital retains its privileged position within theory. But the individual, and individual power to direct capital, is substantially curtailed in favor of the collective. Marxism is values based to some extent. Collective values are endogenous. Economic justice is a critical component of Marxist economics. And in its post-Soviet phases, this includes anti subordination and pluralist value notions. But values do not include substantive notions of individual rights. These rights, like the power to direct, are bound up in the collective and its more perfect wisdom.⁹ And of course, democratic centralism, and the privileging of the collective in its relationship with capital has had significant regulatory effects. Socialism, totalitarianism, and other forms of collective ownership by the instrumentalities (the apparatus) of state organization, under the guidance of the Communist Party (or its equivalent), of the means of production (capital) merges the economic with the political. And all of this is the service of wealth maximization and optimal resource allocation for the benefit of the collective.

Still, Marxist values based economic analysis also has some significant consequences for the parameters of regulation in the global economy. Some of the most influential work has been in the area of global public finance. Castro effectively makes the case that loans profiting the lender but not the borrower (in a public-debt context)

must by nature constitute a class of debt that is odious, as that notion is classically understood.¹⁰ Four principal characteristics of this systemic hypercycle produce an unavoidable need for developing states to borrow, and their perpetual inability to repay those loans outlined by Castro was described in earlier studies.¹¹ Labor specialization, overproduction, capital migration, and consumerism produce a global system that compels poor states to borrow for the benefit of developed states.¹²

The modern system of private orderings, of global capital in the service of undefined global markets, it is argued, serves to benefit creditor states to the ruin of borrower states.¹³ “In effect, developing states acquire as a debt obligation a portion of the wealth that represents the required subsidy of global production at the heart of the neo-liberal system. Thus the spiral deepens.”¹⁴ In this way, the system of sovereign lending manages to reinforce the old international-law system that sought to legitimize colonialism and the unequal treatment of states without invoking the old imperialist norm system directly. Fidel Castro nicely distilled this insight in the 1980s: “we have analyzed all of the variations suggested to resolve the problem of state debt ... the result of all of these analyses is that sovereign debt, like an enormous and monstrous cancer, ... tends to reproduce itself and grow without limit.”¹⁵ Unable to tax sufficiently to repay prior loans, “States must borrow additional sums of money to pay the portion of prior loans which are unpaid while meeting continuing need, or sell their wealth (in the form of natural resources or other wealth) in an effort to pay their loans.”¹⁶

3. Catholic Social Thought as an Alternative Framework of Economic Regulation

Castro’s vision finds an equally important echo in the Catholic social thought of the late 20th century.¹⁷ Since its rejection of so-called liberation theology in the 1980s,¹⁸ Catholic social thought has stressed many of the objectives identified by Castro, and has criticized aspects of market based globalization, and the resulting system of unsustainable state debt, attacked by Castro. At the same time it embraced the form of the critique, the Roman Catholic Church has been careful to reject what it calls the secularism inherent in any form of Marxist-Leninist program of opposition to market globalization.¹⁹ The Roman Catholic Church has thus developed, under

the leadership of John Paul II, an extensive catalogue of criticism of the modern global market system that stressed development and charity, within a Catholic context, that paralleled Castro's opposition to neo-liberal globalization, within a Marxist-Leninist context.²⁰ Both understand sovereign debt as a piece of the larger problem of the nature of the organization, and the character of the normative structure, of the emerging global governance system. If for no other reason, Castro's vision of global governance and sovereign debt is worth extracting and considering.

But the Church's approach is based on an application of a now almost century old development of Catholic theology and expressed through an increasingly sophisticated system of Catholic social thought. It is thus grounded on a very different basis than Marxist systems, or the free market systems Marxists criticize. Indeed, Catholic theologians and others have engaged deeply, on a theoretical basis, not only the basis of Marxist theory but that of free market globalization as well. The foundational difference can be seen in the differences between these systems in their understanding and privileging of capital and labor, and in their understanding of the nature of labor and its social place within legal orders.

An important source of Catholic social thought, and its relationship to economic theory, can be found in the encyclical, *Deus Caritas Est*.²¹ The encyclical presents a complex, sophisticated and subtle analysis that requires a bit of exposition. The basic premise is the centrality of love, the core of traditional Jewish faith.²² The commandment of love, in essence a dual whole made up of love for God and for one's neighbor) is now also a response to the gift of love through the incarnation of the divine.²³ It is in the interplay of a series of dualisms that one can construct a theology of both charity and economic substantive norms. These dualisms have as their core the love of God for humanity, and the love of individuals for their neighbors. From the love of God for humanity will be derived "the ecclesial exercise of the commandment of love of neighbour."²⁴

Benedict starts with a long and complex development of the speculative duality of love. That development first sketches the distinctiveness of divine love in both God and humanity (agape) and an appropriate physical love (eros).²⁵ Both, together, are constructed as necessary connecting the physical with the spiritual and humanity with God.²⁶ "We have thus come to an initial, albeit still somewhat generic response to the two questions raised earlier. Fundamentally,

“love” is a single reality, but with different dimensions; at different times, one or another dimension may emerge more clearly. Yet when the two dimensions are totally cut off from one another, the result is a caricature, or at least an impoverished form of love.”²⁷ That, Benedict suggests, is the great Biblical innovation that distinguishes it from its predecessor systems of understanding and faith, built on the unity of the dual systems of human and divine.²⁸ This harmonization of the duality of love can be seen in the nature of the love of God for man,²⁹ and of the nature of the physical love of humanity through marriage,³⁰ and is, for Benedict, bound up in the incarnation of God, giving physical reality to the combination of divine and human love – love for God and for one’s neighbor – through the physical presence of God on earth.³¹

The stage is now set for the connection between this more or less esoteric discussion of love and its theology and charity. Benedict starts by drawing a parallel between love of God for humanity and the love between individuals through the symbolism of Communion.³² But Communion is not limited to a love of fellow Christians. “The concept of ‘neighbor’ is now universalized, yet it remains concrete. Despite being extended to all mankind, it is not reduced to a generic, abstract and undemanding expression of love, but calls for its own practical commitment here and now.”³³ Love of neighbor, as a physical manifestation of the love of God, and a necessary part of the whole, can be manifested as charity – the practice of love.³⁴

“Love of neighbour, grounded in the love of God, is first and foremost a responsibility for each individual member of the faithful, but it is also a responsibility for the entire ecclesial community at every level: from the local community to the particular Church and to the Church universal in its entirety.”³⁵ The individual and institutional nature of charity (as love of neighbor) adds another aspect to the layers of duality which serves as the foundation of Catholic theology as a sort of values economics. That institutionalization has significant regulatory aspects – evidenced by legal regulation of Church charity from the 4th century.³⁶ Benedict, at last, draws what he calls two essential facts from the discussion, critical to the development of a theological set of values economics. The first that charity is “not a kind of welfare activity which could equally well be left to others, but is a part of her nature, an indispensable expression of her very being.”³⁷ The second is that within the family of God on

earth *caritas agape* extends beyond the frontiers of the Church, within which “no one ought to go without the necessities of life.”³⁸

This charity has a strong social justice dimension. Responding to a Marxist critique of the Church’s charitable activities, Benedict asserts that *caritas*, as developed since the 19th century has a strong social justice component,³⁹ which since the maturity of the Industrial Revolution, has been bound up with the relationship between capital and labor.⁴⁰ The Church’s response, Benedict relates, was slow at first, and then decisive.⁴¹

The social justice values derived from the Church’s notions of love of neighbor and its obligation to charity, Benedict offers, can serve as the foundation of a universal set of values for constructing a just society.⁴² That foundation, like the development of a theology of social values in economic theory, arises from the unity of a set of dualities. Benedict posits that the basis of Church notions of social justice as universal arises from an understanding that the just ordering of society is primarily the responsibility of politics.⁴³ But politics must have as its objective the achievement of justice, that is through the implementation of a social ordering based on ethics.⁴⁴ The connection comes in the form of faith – for faith, according to Benedict, is the key to justice.⁴⁵ The ethics inherent in faith leads to the possibility of universalizing values beyond a particular faith system.⁴⁶ Faith can thus serve as a proper basis for constructing a just social order among many faiths.⁴⁷ This is a journey from faith to universal morals and ethics.⁴⁸ That ethics is based on the notions of love, and of the charity (now social justice) obligations that flow from that love.

Thus Benedict constructs a theology of social justice values on a foundation of resolved binaries: Religion-politics, love of God-love of humanity, faith-reason, spiritual-concrete, theology-economic values. And it also suggests an important caveat that separates Church theology from classical or Marxist economic values theory – the Church does not posit the possibility of constructing systems that produce (eventually) a perfection that makes values regulation irrelevant. Instead, Benedict posits that the striving for a just society on the basis of Church values will not lead to human social perfection.⁴⁹ Instead, Benedict asserts, the obligation to charity – now social justice – reflects an eternal obligation to express the love of God for humanity, and of individuals for their neighbors.⁵⁰

The social justice concerns that form an integral part of the social project of the Church, and a necessary project mandated by Church theology, still remains somewhat esoteric. But the Church has been able to translate this theology of social justice into more concrete terms in three specific areas of economic regulation: consumerism (materialism), labor rights, and globalization.

A. Consumerism: The phenomenon of consumerism is characterized as the expression of a godless materialism that demeans humanity and leads it away from an ethical life. John Paul II fleshed out these values in his encyclical *Centesimus annus* 1991:

A given culture reveals its overall understanding of life through the choices it makes in production and consumption. It is here that the phenomenon of consumerism arises. In singling out new needs and new means to meet them, one must be guided by a comprehensive picture of man which respects all the dimensions of his being and which subordinates his material and instinctive dimensions to his interior and spiritual ones. If, on the contrary, a direct appeal is made to his instincts – while ignoring in various ways the reality of the person as intelligent and free – then consumer attitudes and lifestyles can be created which are objectively improper and often damaging to his physical and spiritual health. Of itself, an economic system does not possess criteria for correctly distinguishing new and higher forms of satisfying human needs from artificial new needs which hinder the formation of a mature personality. Thus a great deal of educational and cultural work is urgently needed, including the education of consumers in the responsible use of their power of choice, the formation of a strong sense of responsibility among producers and among people in the mass media in particular, as well as the necessary intervention by public authorities.⁵¹

Among the consumption patterns that are permitted through the materialism of a consumer culture are cultures of drug use.⁵² “It is not wrong to want to live better; what is wrong is a style of life which is presumed to be better when it is directed towards ‘having’ rather than ‘being,’ and which wants to have more, not in order to be more but in order to spend life in enjoyment as an end in itself.”⁵³ The sense is that the promotion of consumption for consumption’s

sake bespeaks a hedonism that privileges the physical over the spiritual, and thus reduces the wealth maximization – and value – of production, for the individuals. This is evidenced by a sense of alienation.⁵⁴

B. Labor: The development of the Church’s labor values is perhaps its most specific elaboration of its understanding of social justice as a component of its mission to *caritas*, the lynchpin of which is the relationship between labor and capital.⁵⁵ The great elaboration of these policies within the context of Church social justice norms was in John Paul II’s encyclical, *Laborem exercens*. The basis of a theology of labor, like that of the function of economic activity, was based on the relationship between God and humanity.⁵⁶

John Paul II starts by placing work in the context of faith and reason.⁵⁷ “The Church is convinced that work is a fundamental dimension of man’s existence on earth.”⁵⁸ Humanity is the subject of work both because of the Biblical commandment to assert dominion over the earth and because persons were created in the image of God, an image incarnated in the form of the divine presence on earth for a short time.⁵⁹ Dominion conditions the nature of work, and gives rise to its ethical dimension⁶⁰ – the work of humanity must reflect the work of God, the dualistic parallelism that marked the ethics of charity and social justice in *Deus Caritas est* is at the foundation of the ethics of work in *Laborem Exercens*. That ethics is grounded in the attainment of human dignity through work,⁶¹ and in the way in which work must be the basis for the strengthening of the family and the nation.⁶² “In fact, the family is simultaneously a community made possible by work and the first school of work, within the home, for every person.”⁶³

The centrality of “the human” in the context of work is decisive for the elaboration of an ethics of work in the context of the conflict between labor and capital.⁶⁴ It is in this sphere that the Church took some pains to suggest both the similarities of its applied theology to modern notions of classical and Marxist economics and, more importantly, the differences between the three approaches to understanding the foundations of economic analysis (and thus the foundations for political regulation). The conflict between labor and capital had its modern origins, for the Church, in the shift from self employment to employment of one person by another, which without an ethical dimension, gives rise to exploitation and the loss of human

dignity.⁶⁵ Thus, the critical issue is not the nature of work, but the nature and purpose of ownership. Applying its theology of work, *Laborem exercens* derives a principal of the priority of labor over capital,⁶⁶ elaborates a connection between labor and capital on the basis of this principal of labor priority,⁶⁷ suggests a critique of both classical and Marxist economics,⁶⁸ and provides an ethical grounding for the use and exploitation of property (capital) in the context of the primacy of work.⁶⁹ From this ethics of labor, *Laborem exercens* develops a system of workers rights situated within the context of human rights and grounded in notions of human dignity,⁷⁰ the obligations of employers and the state,⁷¹ the right to work and subsistence (elaborated more completely in *Deus Caritas Est*),⁷² an ethics of just wages,⁷³ the rights of women in the workplace,⁷⁴ rights to unionization,⁷⁵ the importance of agricultural work and work by the disabled,⁷⁶ and the ethics of global economic migration.⁷⁷

The principle of the priority of labor inverts the classical relationship between labor and capital. This is derived from the theology of human dominion over the earth. The things of the earth “*can serve man only through work*” and work links resources (these things of the earth) to ownership; things are taken over “by making them his workbench. He takes them over through work and for work.”⁷⁸ Capital, in effect, in “every phase of the development of his work man comes up against the leading role of the gift made by ‘nature,’ that is to say, in the final analysis, by the Creator. At the beginning of man’s work is the mystery of creation.”⁷⁹ As a consequence, capital is something gifted to persons by God for their use, and must necessarily be treated as an instrument of work rather than as its object.⁸⁰ “All that we can say of everything in the production process which constitutes a whole collection of ‘things,’ the instruments, the capital, is that it conditions man’s work; we cannot assert that it constitutes as it were an impersonal ‘subject’ putting man and man’s work into a position of dependence.”⁸¹

More importantly it suggests two things. First, labor priority suggests that the character of property ownership is ethically charged and values laden.⁸² Second, the relationship between labor and capital is not one of conflict but of hierarchy.⁸³ Christian morals and ethics posits that property ownership is morally charged. As a gift from God, its possession is not absolute and unlimited. Instead, there are a number of ethical parameters limiting the rights of private exploitation of property.⁸⁴ These obligations are not solved by

changing the owner of the property (collective rather than private ownership), but are inherent in the nature of ownership itself.⁸⁵ Essentially, the ethics of ownership suggests that every worker ought to feel herself a part owner of the gift of property made by God to all of his human creatures.⁸⁶ Thus, the problem of ownership is not the right to own or exploit, but the nature or character of that ownership.

From this, *Laborem exercens* derives a critique of classical and Marxist economics. That critique suggests that the tendency of both systems to posit an irreconcilable antimony between labor and capital invert the relationship between labor and capital and leads inevitably to amoral systems of economic regulation in which human dignity and economic justice might not be attained. The focus of the critique is that both classical and Marxist economics wrongly focus on the means of production – the possibilities of the production of material wealth – and ignore the ends of production – the human being and her material and spiritual fulfillment.⁸⁷ In the absence of appropriate values, economics leads to perversion of sorts by elevating the thing over the person. And that elevation of the material over the personal provides the core of the Catholic critique of a non-values based economics. Classical economic theory is critiqued for its materialism – its frenetic search for more and greater things as the beginning and end of “the good.” In this context, the human is reduced to a subordinate position and spiritual well-being is marginalized. Human dignity is threatened.⁸⁸ That dehumanization is expressed in its notions of property ownership.⁸⁹ The right to personal exploitation without ethical limit serves to invert the social order, putting things over people in an unacceptable way, ethically speaking.⁹⁰

Dialectical materialism, though more sympathetic from an ethical perspective, also fails to avoid the materialist trap.⁹¹ And in the case of Marxist economics there is a further trap – the ease with which the collective spirit can suppress individual human dignity. The bureaucratic centralism of collective organization in the absence of ethical limitations, serves merely as an efficient vehicle for the dehumanization of the social order.⁹² Collective ownership, then, like unlimited personal ownership, dehumanizes. Stripping the individual of the right to own and exploit the means of production puts people in a position of denying others the gift of resources that God freely gave all people and thus reduces their individual dignity.⁹³

C. Globalization and Development: The Church's moral economic stance has been most visible recently in its interactions with globalization and global finance. Here there is a similarity in objectives between Catholic social thought and traditional Marxist frameworks. But the foundations of those objectives are quite different. John Paul II suggested that "Christians will have to raise their voice on behalf of all the poor of the world, proposing the Jubilee as an appropriate time to give thought, among other things, to reducing substantially, if not canceling outright, the international debt which seriously threatens the future of many nations."⁹⁴ John Paul II, like Castro, suggests a "critical analysis of the world economic order, in its positive and negative aspects, so as to correct the present order, and that they would propose a system and mechanisms capable of ensuring an integral and concerted development of individuals and peoples."⁹⁵ Like Castro, John Paul II would have sought a recasting of the current global economic system away from markets and toward development and "social justice."⁹⁶ These views are echoed by American prelates as well.⁹⁷ Like Castro, John Paul II was no friend of the consumerism that formed an integral part of the global economic system contributing, in some measure, to the need to borrow by states least able to afford the debt.⁹⁸ In *Laborem exercens*, John Paul II suggested that globalization provided a venue for the indirect exploitation of labor through the elaboration of a transnational classical or Marxist (collective) system of economic exploitation of the individual through the exploitation of capital.⁹⁹

The attainment of the worker's rights cannot however be doomed to be merely a result of economic systems which on a larger or smaller scale are guided chiefly by the criterion of maximum profit. On the contrary, it is respect for the objective rights of the worker – every kind of worker: manual or intellectual, industrial or agricultural, etc. – that must constitute the adequate and fundamental criterion for shaping the whole economy, both on the level of the individual society and State and within the whole of the world economic policy and of the systems of international relationships that derive from it.¹⁰⁰

But within Catholic thought, filtered through these encyclicals, the Church can be understood to view the adoption of this vision as an aspect of conversion to Christian, that is, Catholic, universalism.¹⁰¹

Substantive values, then, are necessarily bent to the ultimate purpose of religious values—the community of the faithful. And so, like Castro, within his system, the Roman Catholic Church must continue to witness its faith in its economic and social justice manifestations. “In the next two years, we plan to do a lot of work on the debt issue. We will continue to press the World Bank, IMF, and US government for more substantial relief for the countries that qualify under the new initiative. We will work with CRS’ partners in Africa and Latin America who want to do their own work on debt. We will also support more exchanges of bishops and clergy from countries that are deeply indebted.”¹⁰²

Like Castro, elements of the Catholic hierarchy have suggested a greater lender responsibility for sovereign debt, especially to less developed states in which the ruling institutions might not be totally free of corruption or entirely legitimate.¹⁰³ The Catholic Church has indicated a willingness to embrace a form of Castro’s subsidy argument about neo liberal global trade and its effects on developing states as borrowers.¹⁰⁴ A Roman Catholic Church official has stated, for example, that “Another reason we care is that the most vulnerable people in society were not responsible for contracting the debt, yet they pay the price for it. Some countries used borrowed funds to finance their militaries or projects benefiting the elites rather than for projects that would have benefited the poor. Poor people suffer the most by the diversion of scarce resources to debt repayments from human development.”¹⁰⁵

At the same time, the Catholic hierarchy has been very careful to curb political expression of its moral stances. The Catholic Church firmly restrained the “liberation theology” popular with Latin American religious during the 1970s and 1980s.¹⁰⁶ The current Pontiff, Benedict XVI, as Cardinal Ratzinger, was crucial in that effort. He made a distinction between Marxist elements of liberation theology – which he considered an error within the traditions of the Roman Catholic faith, though an alluring one¹⁰⁷ – and the traditional, and doctrinally appropriate concern for the poor.¹⁰⁸ And here, perhaps, can be found the best answer to the question posed: at least within Roman Catholic institutional doctrinal thought Castro’s vision in opposition to neo-liberalism exist outside of Castro’s personal Marxist-Leninist ideological framework. Benedict XVI has suggested for years that it can.¹⁰⁹ “An analysis of the phenomenon of liberation theology reveals that it constitutes a fundamental threat to the faith

of the Church. ... [I]n denouncing error and pointing to dangers in liberation theology, we must always be ready to ask what truth is latent in the error and how it can be given its rightful place, how it can be released from error's monopoly."¹¹⁰

4. Religious Economic Frameworks and Legitimacy

In the mid-1980s, the global system of totalitarian Soviet style economic and political organization in Europe was on the verge of collapse, and private economic globalization grounded in principles of classical economics was on the point of emerging triumphant as the dominant system of economic organization. It is ironic, then, that just at that moment, two great alternatives to the rising model became crystallized. One was grounded in religion. The other was grounded on a morally based communal rationalist universalism. Both criticized the soon to be dominant theoretical framework for its "emptiness." Both suggested that the emerging global economic order offered a framework – and process – but no substance, and no ethical or moral grounding. Without that grounding, they suggested, the long-term viability of the framework itself could be threatened. Thus, both suggested that this focus on process and the values consequentialism inherent in that focus, the substantive vacuum, were at the heart of the ultimate failure of that system; a failure evident even at the moment before its global triumph in the following decades.

Today, one of the great proponents of these alternatives lies confined within a hospital complex somewhere in Cuba. The other is being hailed as a great prophet by certain of his adherents in the West. A recent newspaper article thus proclaimed:

Pope Benedict XVI was the first to predict the crisis in the global financial system, a 'prophesy' dating to a paper he wrote when he was a cardinal, Italian Finance Minister Giulio Tremonti said.

'The prediction that an undisciplined economy would collapse by its own rules' can be found in an article written by Cardinal Joseph Ratzinger, who became pope in April 2005, Tremonti said yesterday at Milan's Cattolica University.

German-born Ratzinger in 1985 presented a paper entitled 'Market Economy and Ethics' at a Rome event dedicated to the Church and the economy. The future

pope said a decline in ethics ‘can actually cause the laws of the market to collapse.’¹¹¹

The paper, subsequently published in 1986 and long slumbering, has been unearthed. And others followed the story for a time during the initial stages of the economic collapse of late 2008, with little on the context in which this prediction was first suggested.

Yet at the time he made this “prophesy,” then Cardinal Ratzinger was as much concerned about the rise of liberation theology as a threat to the Church and its role in Latin America, as he was about alternatives to market theory.¹¹² Between the Church and its flock in the Americas stood economic theory, just as between the Church and its flock in Eastern Europe stood that great old enemy – Marxist economic theory. And indeed, as he spoke, and wrote, Benedict might well have had in mind the similar prophesies of Fidel Castro, also delivered in a series of addresses to a wide audience in the mid 1980s, and also suggesting the inevitable collapse of the rising global economic framework for its immoral values.¹¹³

The purpose today is not to argue the relative merits of each position, or even to opine as to the prophetic nature and missions of either man. Instead, the object is to explore the way these issues serve to ground arguments about the legitimacy of the approach to economic regulation sourced within the Church. The greater object is to consider the power and place – the epistemology – of values within economic theory in general as conceived in these prophesies, and the construction, role and power of values-generating and values-guarding institutions (or frameworks) in particular.

Prophesy, it seems, requires a backwards view looking forward. And so Cardinal Ratzinger (now Pope Benedict XVI– the name I will now use here) starts at the end in order to see forward – for economics and for the role of the Church in that enterprise. And that end? He suggests that while the world focuses on the great political and ideological conflict between East and West, the economic tensions between North and South threaten to tear apart the cohesion of the human family”¹¹⁴ as effectively as the military weapons of the United States and the Soviet Bloc. At the core of the great North-South struggles is the failure of economic systems – but principally the private market oriented system of the West – to “guarantee progress and even distributive justice.”¹¹⁵ It is this failure that Benedict addresses – both as to its consequences for economic order and with a mind to its solution in a “new economic idea”¹¹⁶ necessarily

grounded in “new moral impulses. Only at this point is dialogue between Church and economy both possible and necessary.”¹¹⁷

For this purpose, Benedict sets three economic systems in his sights, as well as a rebuttal to the existence of a possible fourth. The three principal economic systems include those grounded in classical economics, those positing a morally driven centralized economy grounded in post-colonial or liberation theory, and Marxist economic systems. Each he judges a failure, and for similar reasons. All three, he suggests, are siblings in the foundations of their failures, and each, in its own way, exacerbates the dysfunction of valueless economics in their power to provide the greatest good for the human family.

There is, for Benedict, a certain power in the fourth – religion – “as a socio-political and hence as an economic-political factor.”¹¹⁸ But even this is rejected, and bent, if somewhat ambiguously, to the service of greater goals. Benedict thus tells his audience that the “Church should not enter into dialogue here as a mere component in the economy, but rather in its own right as Church.”¹¹⁹ He casts aside as a misreading, the objection, said to have arisen from out of the Second Vatican Council that the autonomy of the economic realm is to be respected “above all.”¹²⁰

For Benedict, all three economic models share two fundamental failures in their philosophical foundations. The first is their shared determinism. The second is their “renunciation of ethics as an independent entity relevant to the economy.” The nature of the failure is evidenced by the distance between promise and delivery under any of these systems. “In fact, the misery in the world has increased in shocking measure during the last thirty years.”¹²¹

The determinism of classical economics is an irony. Benedict describes the classical system as one grounded in the ultimate goodness of free process and the impediment of ethics in the attainment of the good.

Following the tradition inaugurated by Adam Smith, this position holds that the market is incompatible with ethics because voluntary ‘moral’ actions contradict market rules and drive the moralizing entrepreneur out of the game. For a long time, then, business ethics rang like hollow metal because the economy was held to work on efficiency and not on morality. The market’s inner logic should free us precisely from the necessity of having to depend on the morality of its participants. The true play

of market laws best guarantees progress and even distributive justice.¹²²

That freedom from ethics hides a determinism that serves as a fatal limit to the success of this theory. The limitations are of two kinds. The first is a false freedom: “in which man is completely controlled by the binding laws of the market while believing he acts in freedom from them.”¹²³ The second is a false belief that process necessarily includes only the attainment of good, or that the workings of process systems like classical economics can only produce the good. “It presupposes that the free play of market forces can operate in one direction only, given the constitution of man and the world, namely, toward the self-regulation of supply and demand, and toward economic efficiency and progress.”¹²⁴

Conceding that the “two presumptions are not entirely wrong,”¹²⁵ individual free choice and welfare maximization, standing alone, cannot be “universally applicable and correct, as is evident by the problems of today’s world economy.”¹²⁶ But the problem is more fundamental than that. Benedict suggests, in a slyly deconstructive manner, that the real problem is that choice is never free of the context in which it is made, personal, national, and the like, and that such contextualism necessarily distorts the freedom of choice and the vectors for the “good” of a process system.

It is becoming ever so clear that the development of the world economy has also to do with the development of the world community and with the universal family of man, and that the development of the spiritual powers of mankind is essential in the development of the world community. These spiritual powers are themselves a factor in the economy: the market rules function only when a moral consensus exists and sustains them.¹²⁷

Yet, for all that, as mere process it produces but is hardly in a position to inevitably produce that which is good. It can as easily be directed toward other goals. That, of course, is the point Castro and the non-aligned movement made at the same time.¹²⁸

And it is to this suggestion that Benedict next turns. Benedict sees something valuable in the liberation theology and related models and their reaction to the values of classical economics. He is drawn to the equivalence in such systems between sin and injustice,

an equivalence made implicitly by Castro and explicitly by the followers of liberation theology.¹²⁹

The result is that broad sectors of the Third World, which at first looked forward to development aid with great hopes, now identify the ground of their misery in the market economy, which they see as a system of exploitations, as institutionalised sin and injustice. For them, the centralized economy appears to be the moral alternative, toward which one turns with a directly religious fervor, and which virtually becomes the content of religion.¹³⁰

Here there appears to be a place for morals within economic systems. The centralized economy would substitute just control and distributive justice for the individual desires of disaggregated economic actors. This is a moral project. Yet, Benedict asserts something more:

the examples adduced thus far are certainly not encouraging, but the hope that one could, nonetheless, bring this moral project to fruition is also not thereby refuted. It seems that if the whole were to be attempted on a stronger moral foundation, it should be possible to reconcile morality and efficiency in a society not oriented toward maximum profit, but rather to self-restraint and common service. Thus in this area, the argument between economics and ethics is becoming ever more an attack on the market economy and its spiritual foundations, in favor of a centrally controlled economy, which is believed now to receive its moral grounding.¹³¹

Benedict, then, characterizes this as religious fervor also inevitably turned to failure. He reasons that under these systems, the individual is subsumed by the community. As a consequence, the egoism of the state serves as a substitute for the aggregate egoisms of individuals. But egoism itself remains central to the system. Yet in a global order in which aggregate human welfare maximization is the goal, even a world of hundreds of economic actors – as centrally planned as they like – even these national aggregations impede the search for a universal framework of the good. It is true that the context in which the good is now considered is broader – but not yet broad enough. “An economic policy that is ordered not only to the good of the group – indeed, not only to the common good of a determinate state –

but to the common good of the family of man demands a maximum of ethical discipline and thus a maximum of religious strength.”¹³²

And thus the problem of determinism from an opposite extreme, a suggestion made clearer as Benedict considers what he views as the more extreme version of the liberation theology, post-colonialist, centralized economic model – that of the traditional Soviet style Marxist states, the “radical antithesis of the market economy.”¹³³ Here the problem of determinism is the inverse of that under classical economics – the individual ceases to exist. “Marxism, too, is deterministic in nature and that it too promises a perfect liberation as the fruit of this determinism. For this reason, it is a fundamental error to suppose that a centralized economic system is a moral system in contrast to the mechanistic system of the market economy.”¹³⁴ This is, for Benedict, a more dangerous and extreme form of determinism than are systems based on notions of classical economics:

for at least the latter recognizes the realm of the subjective and considers it as the place of the ethical. The former, on the other hand, totally reduces becoming and history to economy, and the delimitation of one’s own subjective realm appears as resistance to the laws of history, which alone are valid, and as a reaction against progress, which cannot be tolerated. Ethics is reduced to the philosophy of history, and the philosophy of history degenerates into party strategy.¹³⁵

Determinism, then, is flawed precisely because it reduces human freedom in the service of freedom. In the one case, its focus on individual freedom occults both limits imposed by rules under which such freedom is exercised, and, tied to the individual, it also reduces to insignificance the power of the system to seek to maximize communal and global welfare as distinct from the aggregated choices of individuals. Marxist and centrally planned economies suffer the opposite problem – the elimination of ethics in the service of the state. This is an aggregation that obliterates both the individual and the global community in favor of an aggregate of states that are neither the most basic nor the broadest component of humanity.

What is missing in both is an ethics, now more clearly understood as a meta-framework through which the good can be attained at any given level of choice. And thus the second, and for Benedict the more important failing of all three systems – “the fact that deter-

minism includes the renunciation of ethics as an independent entity relevant to the economy."¹³⁶ And it is a failing not merely systematically, but also for the way in which it reduces religion, and with it the Church, to a passive and reflective element of something greater. "Religion is traced back to economics as the reflection of a particular economic system and thus, at the same time, as an obstacle to correct knowledge, to correct action – as an obstacle to progress, at which the natural laws of history aim."¹³⁷ Religion, indeed, is reduced to a reflection of a passing reality that must be overcome.

For the rest, the entire system lives in fact from the apotheosis of the central administration in which the world spirit itself would have to be at work, if this thesis were correct. That this is a myth in the worst sense of the word is simply an empirical statement that is being continually verified. And thus precisely the radical renunciation of a concrete dialogue between Church and economy which is presupposed by this thought becomes a confirmation of its necessity.¹³⁸

All three systems, then, avoid or reject any framework of ethics existing above the process or other framework rules within which they are constituted. And it is this inversion that both reduce religion to irrelevance and its assertion of a role in framing a meta system of morals to guide in the attainment of the "good" to valuelessness. In effect, morality is reduced to a role as the after-the-fact set of justifications for the systems it is meant to serve.

And the consequence for the Church, and religion, as Benedict suggested, is to be reduced to yet another player in the game of dominance of economic systems. Benedict notes the way both classical economics and Marxism are adroitly reduced the universalist aims of Religion to mere competitor or appendage. And he notes the power of the argument that religion tends to serve the dominant economic master – Calvinism and classical economics for example. He also notes the power of the charge that Catholicism, in particular, "includes no corresponding education to freedom and to the self-discipline necessary to it, favoring authoritarian systems instead – is doubtless even today still very widespread, and much in recent history seems to speak for it."¹³⁹ Yet, the answer does not reside in classical economics, which "we can no longer regard so naively ... as the salvation of the world." Rather, the difficulties posited by

economic criticism suggest a greater clarity in the role of the Church, rather than in the abandonment of its mission.

And thus Benedict comes to his prophesy: Religion without an embrace of the economic sphere, the sphere of social justice, is as incomplete, and flawed, as economics without the universalist moral framework that can only be provided by Religion. "It is becoming an increasingly obvious fact of economic history that the development of economic systems which concentrate on the common good depends on a determinate ethical system, which in turn can be born and sustained only by strong religious convictions. *Conversely, it has also become obvious that the decline of such discipline can actually cause the laws of the market to collapse.*"¹⁴⁰ Religion provides the only framework through which the right goals, at the right levels of generality, can be framed under any system of economic organization. "Today we need a maximum of specialized economic understanding, but also a maximum of ethos so that specialized economic understanding may enter the service of the right goals. Only in this way will its knowledge be both politically practicable and socially tolerable."¹⁴¹

And so Benedict has traveled from the separation of economics and religion to the necessity of religious oversight of the framework through which economics can be correctly understood and deployed. The search for the good is paramount: and religion serves as the only true superior source of the values and morals through which the good can be known. The execution of that good, of course, can be left to the technically proficient, as can the development of those process rules and alternatives. That is of less concern to the Church.

But values must frame all, and the Church must frame values. Benedict starts from an observation of the world – that there is more misery now than there had been in the past. He posits the cause as the systems deliberately imposed on individuals, states and the globe each suggesting that they provide the key to the alleviation of misery, distributive justice and maximum welfare for individuals and the state. He then suggests the causes of that failure: first the determinism inherent in all economic theory not subordinated to universal systems of values, and second the consequence of that determinism as the renunciation of the independence of ethics or its relevance to economic problems. He argues that when religion, and the universal ethical moral principles it serves is reduced to a consequence of the economic systems under which it operates, ethics itself becomes

deterministic. Yet the very failure of any of the three systems considered to alleviate the misery of the many serves to prove the flaws in this inversion. And the continued failure to recognize the fundamental governing importance of religion, and through religion ethics, to serve as a structuring element of economics, will inevitably cause the a-moral laws of the markets to collapse.

Globalization as a globalized economic system, then, requires a global framework. That framework is essential if one is to avoid the distortions of the sources of parochial frameworks. Benedict surveys the current crop of economic frameworks and finds little but distortion. Each of the systems is tied to the local from which it means to generalize its experiences and insights into universals; none of them truly proceeds from the global down. Where liberation theology and Castro would posit the supremacy of the state as representative of the people, and seek to derive moral frameworks from the attainment of the good of those people, Benedict posits the supremacy of morals (and religion as the only true guardian of such morals) as representative of humanity beyond the individual and the state. Classical economics protects the individual; liberation theology and Soviet Marxism the state. But moral values safeguard the global community. Thus, morals and the moral framework suggest both content (what is the good), the frame of reference (with respect to which actors is the good to be considered), and the organization (who is to safeguard the understanding of the good so conceived) of the human communities which both religion and economic system are meant to serve.

Still, there is a small fly in the ointment. Benedict's own solution rests on a great presumption – the presumption of faith in the divine supremacy of the moral system over which he serves in a guardian capacity. It is to the battle among the keepers of universalisms – religious communities, rationalist communities and others – that the values basis of economics, whether classical, liberation theological or Marxist will be contested. Even liberation theology continues to resist utter elimination in Latin America.¹⁴² But that is a fight for another day. “The consequence for the traditional state system appears to be the same, whatever the form of globalization embraced, from the most benign to the most aggressive, and whatever the character of opposition to globalization endorsed. The attachment to a particular nation-state bounded by a finite territory no longer appears to be the critical factor in the debate about globalization.”¹⁴³

5. Conclusion

John Paul II perhaps described the theological intervention in economics best when he noted:

The Church's social doctrine is not a 'third way' between liberal capitalism and Marxist collectivism, nor even a possible alternative to other solutions less radically opposed to one another: rather, it constitutes a category of its own. Nor is it an ideology, but rather the accurate formulation of the results of a careful reflection on the complex realities of human existence, in society and in the international order, in the light of faith and of the Church's tradition. Its main aim is to interpret these realities, determining their conformity with or divergence from the lines of the Gospel teaching on man and his vocation, a vocation which is at once earthly and transcendent; its aim is thus to guide Christian behavior. It therefore belongs to the field, not of ideology, but of theology and particularly of moral theology.¹⁴⁴

In the end, all of these systems seek the good. All of them are based, in large measure on faith. But the faith of each of these systems – those premises from which the vast and complex structures of each of these rational systems of knowledge and order are constructed, are vastly different. Yet all share the same foundational understanding that the rational can only be perfected as a function of something else – of something outside of the systems that are created on their basis. It is from that faith, from those premises, that all else – from law to economics, to culture, to the structure of human organization, arises and is supported. The contest for the soul of a community, then, as the pontiffs so rightly suggest, strike at the core of the ordering of human organization for the coming century. Which faith will triumph, of course, is another matter.

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7. See Ashford, R. and Shakespeare, R (1999), *Binary Economics: The New Paradigm*. Lanham, MD: University Press of America.
8. Id.
9. Marxists have theorized this notion in the political as well as the economic sphere as democratic centralism. For its origins in the construction of Leninist party organization, see Lenin, V.I. (1902), “What Is to be Done,” in Lenin, V.I. (1961), *Collected Works*. Moscow: Foreign Languages Publishing House, Volume 5, 347–530 available at <http://marxists.org/archive/lenin/works/1901/witbd/index.htm>
10. See Backer, L.C. (2006), “Ideologies of Globalization and Sovereign Debt: Cuba and the IMF,” *Pennsylvania State International Law Review* 24: 497 and text accompanying notes 23–52.
11. Backer, *supra* note 10, at 531.

12. Id. Overproduction misallocates resources for the benefit of consumers in the wealthiest states by depressing the price of these goods, making them more affordable in the developed world but beyond the reach of people elsewhere. Free movement of capital makes it harder for developing states to tax consumption or income of the entities producing goods for the global market. Consumerism as an ideology keeps the wheels of overproduction going and fuels a constant if false aspirational hope among those in developing states. Id.

13. “States, without wealth to tax and with critical needs to meet, must borrow. Developing states borrow directly, in the debt markets, and indirectly, through the IMF, from developing states.” Id.

14. Id.

15. Fidel Castro Ruz, Commander in Chief, First Secretary of the Central Committee of the Cuban Communist Party, President of the Council of State and Ministers, Discourse Delivered at the Eighth Summit Conference of Non-Aligned States (Sept. 2, 1986), <http://www.cuba.cu/gobierno/discursos/1986/esp/f020986e> (last visited Sept. 9, 2007) (author’s translation).

16. Backer, *supra* note 10, at 532.

17. For American academic application of the principles of Catholic social thought, see, e.g., Quigley, W.P. (2004), “Prison Work, Wages, and Catholic Social Thought: Justice Demands Decent Work for Decent Wages, Even for Prisoners,” *Santa Clara Law Review* 44: 1159–1174.

18. See Joseph Cardinal Ratzinger, Sacred Congregation for the Doctrine of the Faith. *Instruction on Christian Freedom and Liberation* (1986).

19. See id.

20. See discussion, *infra* at Part III.

21. *Deus Caritas Est*, *supra* note 1.

22. “In acknowledging the centrality of love, Christian faith has retained the core of Israel’s faith, while at the same time giving it new depth and breadth.” *Deus Caritas Est* at ¶ 1.

23. “Jesus united into a single precept this commandment of love for God and the commandment of love for neighbour found in the Book of Leviticus: “You shall love your neighbour as yourself” (19:18; cf. Mk 12:29-31). Since God has first loved us (cf. 1 Jn 4:10), love is now no longer a mere “command”; it is the response to the gift of love with which God draws near to us.” *Deus Caritas Est* at ¶ 1.

24. *Deus Caritas Est* at ¶ 1.

25. *Deus Caritas Est* at ¶ 2-7. “This is due first and foremost to the fact that man is a being made up of body and soul. Man is truly himself when his body and soul are intimately united; the challenge of eros can be said to be truly overcome when this unification is achieved.” Id., at ¶ 5.

26. “Yet eros and agape – ascending love and descending love – can never be completely separated. The more the two, in their different aspects,

find a proper unity in the one reality of love, the more the true nature of love in general is realized." Id., at ¶ 7.

27. Id., at ¶ 8.

28. "This newness of biblical faith is shown chiefly in two elements which deserve to be highlighted: the image of God and the image of man." Id., at ¶ 8.

29. "We have seen that God's eros for man is also totally agape. This is not only because it is bestowed in a completely gratuitous manner, without any previous merit, but also because it is love which forgives." Id., at ¶ 10.

30. "First, eros is somehow rooted in man's very nature; Adam is a seeker, who "abandons his mother and father" in order to find woman; only together do the two represent complete humanity and become "one flesh". The second aspect is equally important. From the standpoint of creation, eros directs man towards marriage, to a bond which is unique and definitive; thus, and only thus, does it fulfill its deepest purpose. Corresponding to the image of a monotheistic God is monogamous marriage." Id., at 11.

31. "The real novelty of the New Testament lies not so much in new ideas as in the figure of Christ himself, who gives flesh and blood to those concepts – an unprecedented realism." Id., at ¶ 12.

32. "Communion draws me out of myself towards him, and thus also towards unity with all Christians. We become 'one body,' completely joined in a single existence. Love of God and love of neighbour are now truly united: God incarnate draws us all to himself." Id., at ¶ 14.

33. Id., at ¶ 15.

34. "As a community, the Church must practise love. Love thus needs to be organized if it is to be an ordered service to the community." Id., at ¶ 20.

35. Id., at ¶ 20.

36. Id., at ¶ 23 (the example of Egypt).

37. Id., at ¶ 25.

38. Id.

39. "Historically, the issue of the just ordering of the collectivity had taken a new dimension with the industrialization of society in the nineteenth century. The rise of modern industry caused the old social structures to collapse, while the growth of a class of salaried workers provoked radical changes in the fabric of society." Id., at ¶ 26.

40. "The relationship between capital and labour now became the decisive issue – an issue which in that form was previously unknown. Capital and the means of production were now the new source of power which, concentrated in the hands of a few, led to the suppression of the rights of the working classes, against which they had to rebel." Id., at ¶ 26.

41. Id., at ¶ 27. "Faced with new situations and issues, Catholic social teaching thus gradually developed, and has now found a comprehensive presentation in the Compendium of the Social Doctrine of the Church published in 2004 by the Pontifical Council Iustitia et Pax." Id.

42. “In today’s complex situation, not least because of the growth of a globalized economy, the Church’s social doctrine has become a set of fundamental guidelines offering approaches that are valid even beyond the confines of the Church: in the face of ongoing development these guidelines need to be addressed in the context of dialogue with all those seriously concerned for humanity and for the world in which we live.” *Id.*, at ¶ 27.

43. “The just ordering of society and the State is a central responsibility of politics. As Augustine once said, a State which is not governed according to justice would be just a bunch of thieves: ‘*Remota itaque iustitia quid sunt regna nisi magna latrocinia?*’.[18] Fundamental to Christianity is the distinction between what belongs to Caesar and what belongs to God (cf. Mt 22:21), in other words, the distinction between Church and State, or, as the Second Vatican Council puts it, the autonomy of the temporal sphere.” *Id.*, at ¶ 28(a).

44. “Justice is both the aim and the intrinsic criterion of all politics. Politics is more than a mere mechanism for defining the rules of public life: its origin and its goal are found in justice, which by its very nature has to do with ethics.” *Id.*, at ¶ 28(a).

45. “Here politics and faith meet. Faith by its specific nature is an encounter with the living God – an encounter opening up new horizons extending beyond the sphere of reason. But it is also a purifying force for reason itself.” *Id.* Faith acts as the *agape* to politics’ *Eros*.

46. “Faith enables reason to do its work more effectively and to see its proper object more clearly. This is where Catholic social doctrine has its place: it has no intention of giving the Church power over the State. Even less is it an attempt to impose on those who do not share the faith ways of thinking and modes of conduct proper to faith. Its aim is simply to help purify reason and to contribute, here and now, to the acknowledgment and attainment of what is just.” *Id.*, at ¶ 28(a).

47. “It recognizes that it is not the Church’s responsibility to make this teaching prevail in political life. Rather, the Church wishes to help form consciences in political life and to stimulate greater insight into the authentic requirements of justice as well as greater readiness to act accordingly, even when this might involve conflict with situations of personal interest.” *Id.*

48. “As a political task, this cannot be the Church’s immediate responsibility. Yet, since it is also a most important human responsibility, the Church is duty-bound to offer, through the purification of reason and through ethical formation, her own specific contribution towards understanding the requirements of justice and achieving them politically.” *Id.*

49. *Id.*, at ¶ 28(b).

50. “In the end, the claim that just social structures would make works of charity superfluous masks a materialist conception of man: the mistaken notion that man can live “by bread alone” (Mt 4:4; . . .) – a conviction that demeans man and ultimately disregards all that is specifically human.” *Id.*

51. *Id.*, at ¶ 36.

52. Id.

53. Id.

54. "This happens in consumerism, when people are ensnared in a web of false and superficial gratifications rather than being helped to experience their personhood in an authentic and concrete way." Id., at ¶ 41.

55. *Deus Caritas est*, supra note 1 at ¶ 26.

56. The encyclical explains that "man "is the primary and fundamental way for the Church," precisely because of the inscrutable mystery of Redemption in Christ; and so it is necessary to return constantly to this way and to follow it ever anew in the various aspects in which it shows us all the wealth and at the same time all the toil of human existence on earth." *Laborem exercens*, supra note 2, at ¶ 1.

57. "She is confirmed in this conviction by considering the whole heritage of the many sciences devoted to man: anthropology, palaeontology, history, sociology, psychology and so on; they all seem to bear witness to this reality in an irrefutable way. But the source of the Church's conviction is above all the revealed word of God, and therefore what is a conviction of the intellect is also a conviction of faith." Id., at ¶ 4.

58. Id., at ¶ 4.

59. "Man has to subdue the earth and dominate it, because as the 'image of God' he is a person, that is to say, a subjective being capable of acting in a planned and rational way, capable of deciding about himself, and with a tendency to self-realization. As a person, man is therefore the subject of work." Id., ¶ 6.

60. "This dominion, in a certain sense, refers to the subjective dimension even more than to the objective one: this dimension conditions the very ethical nature of work. In fact there is no doubt that human work has an ethical value of its own, which clearly and directly remain linked to the fact that the one who carries it out is a person, a conscious and free subject, that is to say a subject that decides about himself." Id., at ¶ 6.

61. "Work is a good thing for man-a good thing for his humanity-because through work man not only transforms nature, adapting it to his own needs, but he also achieves fulfillment as a human being and indeed, in a sense, becomes "more a human being"." Id., at ¶ 9.

62. "Work constitutes a foundation for the formation of family life, which is a natural right and something that man is called to. These two spheres of values-one linked to work and the other consequent on the family nature of human life-must be properly united and must properly permeate each other." Id., at 10.

63. Id.

64. *Laborem exercens*, supra note 2, at ¶¶11-15.

65. "The conflict originated in the fact that the workers put their powers at the disposal of the entrepreneurs, and these, following the principle of maximum profit, tried to establish the lowest possible wages for the work done by the employees. In addition there were other elements of exploi-

tation, connected with the lack of safety at work and of safeguards regarding the health and living conditions of the workers and their families.” Id., at ¶ 11.

66. Id., at ¶ 12.

67. Id., at ¶ 12.

68. Id., at ¶ 13.

69. Id., at ¶ 14.

70. Id., at ¶ 16.

71. Id., at ¶ 17.

72. Id., at ¶ 18. “The obligation to provide unemployment benefits, that is to say, the duty to make suitable grants indispensable for the subsistence of unemployed workers and their families, is a duty springing from the fundamental principle of the moral order in this sphere, namely the principle of the common use of goods or, to put it in another and still simpler way, the right to life and subsistence.” Id.

73. Id., at ¶ 19. “The key problem of social ethics in this case is that of just remuneration for work done. ... Hence, in every case, a just wage is the concrete means of verifying the justice of the whole socioeconomic system and, in any case, of checking that it is functioning justly. It is not the only means of checking, but it is a particularly important one and, in a sense, the key means.” Id.

74. Id., at ¶ 19. “The true advancement of women requires that labour should be structured in such a way that women do not have to pay for their advancement by abandoning what is specific to them and at the expense of the family, in which women as mothers have an irreplaceable role.” Id.

75. Id., at ¶ 20. “They are indeed a mouthpiece for the struggle for social justice, for the just rights of working people in accordance with their individual professions. However, this struggle should be seen as a normal endeavour ‘for’ the just good: in the present case, for the good which corresponds to the needs and merits of working people associated by profession; but it is not a struggle ‘against’ others.” Id.

76. Id., at ¶ 21–22.

77. Id., at ¶ 23. “The most important thing is that the person working away from his native land, whether as a permanent emigrant or as a seasonal worker, should not be placed at a disadvantage in comparison with the other workers in that society in the matter of working rights. Emigration in search of work must in no way become an opportunity for financial or social exploitation. As regards the work relationship, the same criteria should be applied to immigrant workers as to all other workers in the society concerned.” Id.

78. Id., at ¶ 12.

79. Id.

80. “Obviously, it remains clear that every human being sharing in the production process, even if he or she is only doing the kind of work for which no special training or qualifications are required, is the real efficient

subject in this production process, while the whole collection of instruments, no matter how perfect they may be in themselves, are only a mere instrument subordinate to human labour.” Id., at ¶ 12.

81. Id., at ¶ 13.

82. “From the beginning there is also linked with work the question of ownership, for the only means that man has for causing the resources hidden in nature to serve himself and others is his work. And to be able through his work to make these resources bear fruit, man takes over ownership of small parts of the various riches of nature: those beneath the ground, those in the sea, on land, or in space. He takes all these things over by making them his workbench. He takes them over through work and for work.” Id., at ¶ 12.

83. Id.

84. “Christian tradition has never upheld this right as absolute and un-touchable. On the contrary, it has always understood this right within the broader context of the right common to all to use the goods of the whole of creation: the right to private property is subordinated to the right to common use, to the fact that goods are meant for everyone.” Id., at ¶ 14.

85. Id. (ownership ethics “diverges radically from the programme of collectivism as proclaimed by Marxism and put into practice in various countries in the decades following the time of Leo XIII’s Encyclical. At the same time it differs from the programme of capitalism practised by liberalism and by the political systems inspired by it.” Id.).

86. “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 every one else. A way towards that goal could be found by associating labour with the ownership of capital, as far as possible, and by producing a wide range of intermediate bodies with economic, social and cultural purposes; they would be bodies enjoying real autonomy with regard to the public powers, pursuing their specific aims in honest collaboration with each other and in subordination to the demands of the common good, and they would be living communities both in form and in substance, in the sense that the members of each body would be looked upon and treated as persons and encouraged to take an active part in the life of the body.” Id., at ¶ 14.

87. The error “originated in the whole of the economic and social practice of that time, the time of the birth and rapid development of industrialization, in which what was mainly seen was the possibility of vastly increasing material wealth, means, while the end, that is to say, man, who should be served by the means, was ignored. It was this practical error that struck a blow first and foremost against human labour, against the working man, and caused the ethically just social reaction already spoken of above.” Id., at ¶ 13.

88. “This fundamental error of thought can and must be called an error of materialism, in that economism directly or indirectly includes a con-

viction of the primacy and superiority of the material, and directly or indirectly places the spiritual and the personal (man's activity, moral values and such matters) in a position of subordination to material reality. This is still not theoretical materialism in the full sense of the term, but it is certainly practical materialism, a materialism judged capable of satisfying man's needs, not so much on the grounds of premises derived from materialist theory, as on the grounds of a particular way of evaluating things, and so on the grounds of a certain hierarchy of goods based on the greater immediate attractiveness of what is material." Id., at ¶ 13.

89. Id., at ¶ 14.

90. "From this point of view the position of 'rigid' capitalism continues to remain unacceptable, namely the position that defends the exclusive right to private ownership of the means of production as an untouchable 'dogma' of economic life. The principle of respect for work demands that this right should undergo a constructive revision, both in theory and in practice. If it is true that capital, as the whole of the means of production, is at the same time the product of the work of generations, it is equally true that capital is being unceasingly created through the work done with the help of all these means of production, and these means can be seen as a great workbench at which the present generation of workers is working day after day. Obviously we are dealing here with different kinds of work, not only so-called manual labour but also the many forms of intellectual work, including white-collar work and management." Id., at ¶ 14.

91. "In dialectical materialism too man is not first and foremost the subject of work and the efficient cause of the production process, but continues to be understood and treated, in dependence on what is material, as a kind of 'resultant' of the economic or production relations prevailing at a given period." Id., at ¶ 13.

92. "While we accept that for certain well founded reasons exceptions can be made to the principle of private ownership-in our own time we even see that the system of 'socialized ownership' has been introduced-nevertheless the personalist argument still holds good both on the level of principles and on the practical level. If it is to be rational and fruitful, any socialization of the means of production must take this argument into consideration. Every effort must be made to ensure that in this kind of system also the human person can preserve his awareness of working 'for himself.' If this is not done, incalculable damage is inevitably done throughout the economic process, not only economic damage but first and foremost damage to man." Id., at ¶ 15.

93. "For it must be noted that merely taking these means of production (capital) out of the hands of their private owners is not enough to ensure their satisfactory socialization. They cease to be the property of a certain social group, namely the private owners, and become the property of organized society, coming under the administration and direct control of another group of people, namely those who, though not owning them, from the fact

of exercising power in society manage them on the level of the whole national or the local economy.” Id., at ¶ 14.

94. John Paul II, *Ecclesia In America*, (Apostolic Exhortation: To the Bishops, Deacons, and Priests) (available at <http://www.vatican.va/index.htm>) (“Once more I express the hope, ... that ... ‘through study and dialogue with representatives of the First World and with the leaders of the World Bank and the International Monetary Fund, will seek ways of resolving the problem of the foreign debt and produce guidelines that would prevent similar situations from recurring on the occasion of future loans.’ (218)” Id.).

95. Id.

96. “The cry of millions upon millions of poor and marginalized people in our Latin American and Caribbean societies due to this unjust economic system with its ‘face of suffering’ (S.D. 179), must be heard by the Church in the Americas, and must be faced with evangelical courage, and a desire to promote, for everyone’s benefit, this ‘new international socio-economic order’ based on solidarity and justice.” *Synodus Episcoporum Bulletin* of the Commission for information of the Special Assembly for America of the Synod of Bishops 16 November–12 December 1997.

97. “Another reason we care is that the most vulnerable people in society were not responsible for contracting the debt, yet they pay the price for it. Some countries used borrowed funds to finance their militaries or projects benefiting the elites rather than for projects that would have benefited the poor. Poor people suffer the most by the diversion of scarce resources to debt repayments from human development.” United States Bishops, Jubilee, *That’s Why We Care about International Debt*, (June 2000) (available at http://www.vatican.va/phome_en.htm). Cf., Synod of Bishops, Special Assembly for America, *Instrumentum Laboris, Encounter with the Living Jesus Christ: The Way to Conversion, Communion and Solidarity in America* (1997) available at http://www.vatican.va/roman_curia/synod/documents/rc_synod_doc_01091997_usa-instrlabor_en.html;

98. “In the entire American continent, there are indications of the difference mentioned by Pope John Paul II in his Encyclical Letter *Redemptoris missio*: ‘the North has constructed (a development model) which is now spreading to the South, where a sense of religion as well as human values are in danger of being overwhelmed by a wave of consumerism.’ Various answers point to the urgent need to find a solution to the problem of the foreign debt in the context of the celebration of the Great Jubilee of the Year 2000, as proposed by the Holy Father in his Apostolic Letter *Tertio millennio adveniente*.” Synod of Bishops, Special Assembly for America, *Instrumentum Laboris, Encounter with the Living Jesus Christ: The Way to Conversion, Communion and Solidarity in America* (1997) available at http://www.vatican.va/roman_curia/synod/documents/rc_synod_doc_01091997_usa-instrlabor_en.html.

99. “The concept of indirect employer is applicable to every society, and in the first place to the State. For it is the State that must conduct a just labour policy. However, it is common knowledge that in the present system of economic relations in the world there are numerous links between individual States, links that find expression, for instance, in the import and export process, that is to say, in the mutual exchange of economic goods, whether raw materials, semimanufactured goods, or finished industrial products. These links also create mutual dependence, and as a result it would be difficult to speak, in the case of any State, even the economically most powerful, of complete self-sufficiency or autarky.” *Laborem exercens, supra* note 2, at ¶ 17.

100. *Id.*

101. Thus, the issue of sovereign debt has been conceived as forming a part of a total conversion.

Certain economic systems and policies exist which control the commercial market and affect the financial matter of loans and interests, generating in some cases an enormous debt for nations and impeding the development of peoples. There are also certain types of economic aid dependent on the ideologies of small political groups, various people in power and nations which are not always governed by the criteria of equity and solidarity, but rather by selfish interests. Such conditions call for conversion, especially as they relate to the economic inequality between the northern and southern areas of the continent. The situation calls out to faith and to conscience – both human and Christian – for a response.

Synod of Bishops, Special Assembly for America, *Encounter With the Living Jesus Christ: The Way to Conversion, Community and Solidarity in America: Lineamenta*, available at http://www.vatican.va/roman_curia/synod/documents/rc_synod_doc_01081996_usa-lineam_en.html at ¶ 25 (emphasis in original).

102. United States Bishops, Jubilee, *That's Why We Care About International Debt*, (June 2000) (available at http://www.vatican.va/phome_en.htm).

103. Thus for example, the Pontifical Council for Justice and Peace Trade, Development and the Fight Against Poverty suggested that:

Among the causes which have helped to create massive external debt are not only high interest rates, caused by speculative financial policies, but also the irresponsibility of people in government who, in incurring debt,

have given too little thought to the real possibility of repaying it. This has been aggravated by the fact that huge sums obtained through international loans sometimes go to enrich individuals instead of being used to pay for the changes needed for the country's development. At the same time, it would be unjust to impose the burden resulting from these irresponsible decisions upon those who did not make them.

Bishop Diarmud Martin, Pontifical Council for Justice and Peace Trade, Development and the Fight against Poverty, Report (18 November 1999) (available at http://www.vatican.va/phome_en.htm).

104. See *id.*, (But, unfortunately, “the international trade system today frequently discriminates against the products of the young industries of the developing countries and discourages the producers of raw materials,” as noted by Pope John Paul II in the 1980s [*Sollicitudo rei socialis*]... “The trends in primary commodity trade, access to world markets and diversification of production have a decisive impact on developing countries, affecting the balance of payments, foreign debt, domestic budget and the success of savings and investment policies.”).

105. Cardinal Etchegaray, Speech: *Pontifical Council for Justice and Peace*, (June 9-10 2000) (Speech available at http://www.vatican.va/phome_en.htm) (this speech was given during the Pontifical Council for Justice and Peace, with the support of the Adenauer Foundation, organized a seminar, in Rome on June 9 and 10, which gathered the leaders of international financial institutions (World Bank, International Monetary Fund, Inter-American Bank for Development), the presidency of the Latin American Bishops' Conference and representatives of the US and German Bishops' Conferences.

106. See Gustavo Gutierrez (rev. ed. 1988) *A Theology of Liberation: History, Politics and Salvation*. Maryknoll, New York: Orbis Books..

107. Joseph Cardinal Ratzinger, *Liberation Theology, Preliminary Notes*, (1984) available at <http://www.christendom-awake.org/pages/ratzinger/liberationtheol.htm> (reproduced from *The Ratzinger Report* – an interview with Cardinal Ratzinger and Vittorio Messori (Ignatius Press 1984)). Specifically, as Cardinal Ratzinger, Pope Boniface explained:

In trying to arrive at an overall evaluation it must be said that, if one accepts the fundamental assumptions which underlie liberation theology, it cannot be denied that the whole edifice has an almost irresistible logic. By adopting the position of biblical criticism and of a hermeneutics that grows through experience, on the one hand, and of the marxist analysis of history, on the other, liberation theologians have succeeded in creating a total

picture of the Christian reality, and this total view seems to respond fully both to the claims of science and to the moral challenges of our time, urging people to make Christianity an instrument of concrete world transformation; it seems to have united Christianity, in this way, with all the 'progressive forces' of our era. Id.

Pope Benedict's most formal refutation of liberation theology was published at Joseph Cardinal Ratzinger, Sacred Congregation for the Doctrine of the Faith, *Instruction on Christian Freedom and Liberation* (1986).

108. See Edward A. Lynch, "The Retreat of Liberation Theology," *Homiletic and Pastoral Review* (Feb. 1994): 12–21 available at http://www.catholicculture.org/docs/doc_view.cfm?recnum=643. Professor Lynch notes that "Opponents of liberation theology have incorporated their struggle against this particular philosophy into a more general attack on secularism, societal disunity and a culture confined to addressing economic conflict. The approach has been quite successful." Id.

109. For the official pronouncement see Congregation for the Doctrine of the Faith, *Instruction on Certain Aspects of the "Theology of Liberation,"* (1984) available at http://www.vatican.va/roman_curia/congregations/cfaith/documents/rc_con_cfaith_doc_19840806_theology-liberation_en.html. Part VII offers a critique of Christian Marxism. In particular, there was a concern for the inevitable link between Marxist ideology and totalitarianism. See Id., at VII.7.

110. Joseph Cardinal Ratzinger, *Liberation Theology, Preliminary Notes* (1984) available at <http://www.christendom-awake.org/pages/ratzinger/liberationtheol.htm> (reproduced from *The Ratzinger Report* – an interview with Cardinal Ratzinger and Vittorio Messori (Ignatius Press 1984).

111. Flavia Krause-Jackson and Lorenzo Totaro, *Pope 'Prophesized' Market Collapse*, Financial Post Mobile, Nov. 20, 2008.

112. Joseph Cardinal Ratzinger, "Church and Economy: Responsibility for the Future of the World Economy," *Communio* 13 (Fall 1986): 199–204, available as "Market Economy and Ethics" http://www.acton.org/publications/occasionalpapers/publicat_occasionalpapers_ratzinger.php (I use the translation of the initial paper by Stephen Wentworth Arndt, provided courtesy of Dr. Johannes Stemmler, secretary emeritus of the BKU (Federation of Catholic Entrepreneurs) and secretary of Ordo socialis in Köln, Germany to the Action Institute (U.S.)); Joseph Cardinal Ratzinger, Sacred Congregation for the Doctrine of the Faith, *Instruction on Christian Freedom and Liberation* (1986).

113. See, Fidel Castro Ruz, *Clausura del dialogo juvenil y estudiantil de america latina y el caribe sobre la deuda externa*, celebrado en el palacio de las convenciones, el 14 de Septiembre De 1985, "Año Del Tercer Congreso," delivered Sept. 14, 1985, La Habana, Cuba, available at <http://www.cuba.cu/gobierno/discursos/1985/esp/f140985e.html>, and translated as "Cas-

tro 15 Sep. Comments on Latin American Debt” at <http://www1.lanic.utexas.edu/la/cb/cuba/castro/1985/19850915> (University of Texas “Castro Speech Database”); Fidel Castro Ruz, Speech by President Fidel Castro at the Continental Dialogue on the Foreign Debt held at Havana’s Palace of Conventions Aug. 4, 1985, available at <http://www1.lanic.utexas.edu/la/cb/cuba/castro/1985/19850804>; Fidel Castro Ruz, Discurso pronunciado a Delegados a la Conferencia Sindical de Los Trabajadores de América Latina y el Caribe sobre la Deuda Externa, durante la Sesión de Clausura del Evento, el día 18 de Julio de 1985, available at <http://www.cuba.cu/gobierno/discursos/1985/esp/f180785e.html>).

114 Ratzinger, “Church and Economy,” *supra* note 112.

115. *Id.*

116. *Id.*

117. *Id.*

118. *Id.*

119. *Id.*

120. *Id.*

121. *Id.*

122. *Id.*

123. *Id.*

124. *Id.*

125. *Id.*

126. *Id.*

127. *Id.*

128. Fidel Castro Ruz, Continental Dialogue on the Foreign Debt, *supra* note 113.

129. Fidel Castro Ruz, Conferencia Sindical de Los Trabajadores, *supra* note 113.

130. Ratzinger, “Church and Economy,” *supra* note 112.

131. Ratzinger, *supra*.

132. *Id.*

133. *Id.*

134. *Id.*

135. *Id.*

136. *Id.*

137. *Id.*

138. *Id.*

139. *Id.*

140. *Id.*; emphasis supplied.

141. *Id.*

142. See, e.g., Larry Catá Backer, “Economic Globalization Ascendant: Four Perspectives on the Emerging Ideology of the State in the New Global Order,” *Berkeley La Raza Law Journal* 17(1): 141-168 (2006). Available at SSRN: <http://ssrn.com/abstract=917417>.

143. See Larry Catá Backer, Paraguay's New President and Ex-Bishop: Reform, Religion, and Constitution, Law at the End of the Day, July 30, 2008, available <http://lcbackerblog.blogspot.com/2008/07/httpwwwbloggercomimggllinkgifreolving.html>.

144. *Sollicitudo rei socialis*, *supra*, note 3, at ¶ 41.

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