

Catholic Social Teaching and Inequality

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The Question

My 92 year old uncle Rory recalls with fondness a time back in the 1940s and '50s when he used to go for the odd drink in summer time with the then-goalkeeper of the Irish soccer team, a relative through marriage. Rory, a tradesman, was earning about IR£10 a week; Tommy, a soccer star playing in England, earned about IR£20. The differential in earnings was no bar to social relations. Would there be the same ease of relations if the footballer were earning a 100 times, a 1,000 times what the ordinary person earns, as is the situation today?

In the Preface to their book, *The Spirit Level*, Richard Wilkinson and Kate Pickett state: 'At an intuitive level people have always recognized that inequality is socially corrosive'.¹ They go on to argue that, beyond intuition, the evidence shows that less equal societies have poorer outcomes in nearly every social domain.² This implies, counter-intuitively, that even the very rich benefit from a more equal society.

Opponents of this approach tend to argue that, once basic material needs are satisfied, relative as opposed to absolute poverty does not really matter. They criticise a 'politics of envy',³ out of touch with the 'real world', where competition and inequality are drivers of economic growth. Sometimes, if Christian, they may even cite the vineyard owner of the parable (the Labourers in the Vineyard) who pays the same wages to those who arrive at the eleventh hour and answers complaints from the other workers by asking: 'Do you begrudge my generosity?'⁴

One thinks, in this context, of the former British Labour Party Cabinet Minister, Alan Johnson, writing about his boyhood in the poverty of London's Notting Hill in the 1950s and imagining how much the drudgery of his mother's life would have been alleviated by the acquisition of a washing machine.⁵ Had Lily Johnson been able to afford a washing machine, would it have bothered her that the rich had far more?

The issue is particularly topical as there are signs in Ireland that our economy is beginning to pick

up. Who should benefit first, and most, from this recovery? Some point to the July 2014 ESRI report authored by John FitzGerald which claimed that income inequality had narrowed during the economic crisis and that middle-income earners shouldered the burden of tax increases.⁶

However, later in the summer, the Nevin Institute published a report, authored by Dr Michéal Collins, which outlined how poorer people pay out a greater share of their income in tax than their richer counterparts, due in large part to the distinction between income tax and indirect taxes such as VAT.⁷ And then – the topic addressed by Tom McDonnell in this issue of *Working Notes* – there is the absence of adequate data on wealth, as opposed to income, distribution in Ireland so that competing claims are more difficult to assess.

It is this issue of wealth which Thomas Piketty has addressed with his thesis that the rich get richer more quickly than the rest of society, in almost mechanical fashion, because the main driver of inequality is the tendency of returns on capital to exceed the rates of economic growth. This raises the question of the economic model that is predominantly operative, and which has economic growth as its core objective.

The implication of Piketty's thesis is that a reliance on constant growth, even at higher levels than now anticipated, will not automatically lead to a change in the structures of inequality in income and wealth. (There is, of course, the further question of the correlation between constant growth and increased consumption, an issue of increasing urgency in the face of stark evidence of environmental damage.⁹) But given that at least for now this is the model we have chosen to pursue, how can a policy of austerity, with a concomitant cutting-back of public services, not to mention its unfair penalisation of those who were not responsible for the recession, enable growth to happen, let alone address the problem of inequality?

The intersection between this kind of macro-economic consideration and more micro/local considerations was illustrated in very graphic

fashion when the front page of *The Irish Times* (Friday, 5 September 2014) carried one story about the apparent conversion of the European Central Bank (ECB) to the need for a stimulus package and another about the revelation that in Ireland ‘thousands of children at risk have yet to be allocated a social worker’.

Does Catholic social teaching have anything to contribute to this important, complex and contested debate about equality?

Catholic Social Teaching

The biblical Jesus was a prophet of ‘the reign of God’, which was open to all, with no one excluded or marginalised.¹⁰ He made it clear that there was a special place for beggars, hungry people, and the poor in this kingdom of his ‘compassionate’ Father. Dives is tormented because he failed to respond to (perhaps even to notice?) the poor man Lazarus ‘who desired to be fed with what fell from the rich man’s table’ (Lk 16: 19–31), while judgement of fidelity to the kingdom of God will hinge on our treatment of the hungry, the thirsty, the stranger, the sick, the naked, the prisoner (Mt 25: 3–46).

In this overall context, the surprising and provocative parable of the Labourers in the Vineyard (Mt 20: 1–16), which seems to overturn our conventional ideas about equality and strict justice (equal pay for equal work) is far from being an apologia for the inequality of the rich, but more a striking illustration of the desire of God that even the poorest of the poor should have basic needs met.

This biblical thrust was taken up in many different ways throughout Christian tradition. Within the Catholic Church, since Pope Leo XIII’s Encyclical Letter, *Rerum Novarum* (1891), it has matured into a body of teaching known as Catholic social teaching. This teaching starts from the fundamental assertion (shared by secular human rights discourse) of the basic dignity and equality of all human beings.

Values and Principles

Given this basic equality, Catholic social teaching goes on to outline a framework of values and principles which it believes can help to structure our lives together. Among these values are truth, freedom and justice. The key principles include:

- *The common good* – ‘the sum of those conditions of social life which allow social

groups and their individual members relatively thorough and ready access to their own fulfilment ...’;¹¹

- *The universal destination of goods* – even if there is right to private property, still in some basic sense the goods of the earth are for all and the use of private property involves a social responsibility;
- *The ‘preferential option for the poor’* – people who are poor must have access to the level of well-being necessary for their development and not just for the satisfaction of basic needs, and there must be effective conditions of equal opportunity for all and a guarantee of objective equality before the law;
- *Solidarity* – this is understood not as a vague feeling of compassion but a firm determination to commit oneself to the common good, which is incompatible with the existence of ‘stark inequalities’ between peoples;
- *Subsidiarity* – this reflects the need for consultation and decision-making at appropriate, lower levels of society.

Social Teaching and Inequality

I have written elsewhere on the admissibility of some degrees of inequality and diversity in Catholic social teaching, in the context of wealth creation and the unequal distribution of talents.¹²

However, this inequality should only occur within a context which respects the basic framework of values and principles outlined above. The Second Vatican Council puts it like this:

*... excessive economic and social differences between the members of the one human family or population groups cause scandal, and militate against social justice, equity, the dignity of the human person, as well as social and international peace.*¹³

This position is well summed up in the Pastoral Letter in Economic Justice issued in 1986 by the Catholic Bishops’ Conference of the United States:

However, unequal distribution should be evaluated in terms of several moral principles we have enunciated: the priority of meeting the basic needs of the poor and the importance of increasing the level of participation by all members of society in the economic life of the nation. These norms establish a strong presumption against extreme inequality of income and wealth as long as there

*are poor, hungry, and homeless people in our midst. They also suggest that extreme inequalities are detrimental to the development of social solidarity and community.*¹⁴

In an authoritative commentary on the development of Catholic social teaching, Donal Dorr¹⁵ notes that in the first seventy years or so (between 1891 and 1961) while there was a genuine concern for the situation of people who were poor, nonetheless the ethos of the teaching (in which the right to private property retained a uniquely privileged place) tended to resist the kind of changes intended to redistribute wealth and power and bring greater equity into society.

However, this ethos began to change from Pope John XXIII onwards, with the focus shifting from property to poverty and the ‘option for the poor’, leading to a critique of the systems which caused poverty. In this sense, the Catholic Church has been moving away from that long history dating back to the fourth century when, through the alliance with the Emperor Constantine, it became part of ‘the establishment’ in most of the Western world.

In his consideration of the specific issue of inequality,¹⁶ Dorr draws attention to what John XXIII taught in his encyclical, *Mater et Magistra* (1961): ‘... the economic prosperity of a nation is not so much its total assets in terms of wealth and property, as the equitable division and distribution of this wealth’.¹⁷

Dorr notes that while the Second Vatican Council document, *Pastoral Constitution on the Church in the Modern World*, gives few guidelines that could enable one to decide at what point inequalities can be considered so great as to be inequitable or unjust,¹⁸ still it is clear any kind of social or cultural discrimination in basic personal rights is to be resisted¹⁹ and basic human needs have to be met.

Pope Francis on Inequality

Pope Francis seems to be located very firmly in the more radical ethos that developed in Catholic social teaching after the first seventy years. In the Apostolic Exhortation, *Evangelii Gaudium*, which he issued in November 2013,²⁰ he deplores the fact that in our world ‘inequality is increasingly evident’ (n. 52) and that ‘while the earnings of a minority are growing exponentially, so too is the gap separating the majority from the prosperity enjoyed by those happy few’ (n. 56). He criticises ‘trickle-down theories which assume that economic growth,

encouraged by a free market, will inevitably succeed in bringing about greater justice and inclusiveness in the world’ (n. 54). He says ‘no’ to a socioeconomic system of exclusion and inequality which spawns violence (n. 53; n. 59).

Pope Francis goes on to note the need for structural reform as well as cultural transformation (n. 188–9) and states that ‘solidarity is a spontaneous reaction by those who recognize that the social function of property and the universal destination of goods are realities which come before private property’ (n. 189). All people, including the poor, deserve not just nourishment or a ‘dignified sustenance’, but also a general ‘temporal welfare and prosperity’, which requires education, access to health care and above all employment’ (n. 192).

‘Inequality is the root of social ills.’ (Pope Francis)

Francis sees the option for the poor as not just a humanitarian stance but as ‘primarily a theological category’, in fidelity to the gospel of Jesus Christ, and so he wants ‘a Church which is poor and for the poor’ (n. 198). His approach resonates with the analyses of Piketty and Wilkinson and Pickett: he speaks of the need ‘to resolve the structural causes of poverty’, saying that the problems of the people who are poor need to be resolved ‘by rejecting the absolute autonomy of the markets and financial speculation and by attacking the structural causes of inequality ...’ (n. 202). And he concludes this sub-section with a phrase that received widespread attention when it was subsequently repeated in a tweet by the Pope on 28 April 2014: ‘Inequality is the root of social ills.’

Public Policy

The translation of the vision of Catholic social teaching into public policy is far from simple.²¹ What the teaching provides are a certain direction and criteria that can be of great help, but ‘... it would be foolish to imagine that the Church can provide clear practical guidelines to politicians, economists or planners’.²²

The complexity of the translation process is adverted to philosophically by Séamus Murphy when he outlines the tendency of Catholic social teaching to be utopian in advocating only the good,

and even the best, and resisting pragmatic policies which may be simply the best available in our world of limited resources and ongoing conflict about how the common good may best be served.²³

Educationalist David Tuohy reflects on the tension between the discourse of the common good and that of individual rights and the need to develop a public language of politics which integrates the two.²⁴ He also notes the distinction between ‘liberty rights’ (affirming the agency of the right-holder to pursue their own interests) and ‘claim rights’ (which include the duties of other people to act in a particular way for the benefit of the right-holder), with the consequence that ‘the establishment or declaration of rights is not a magical guarantee of their realisation’.²⁵

There is, in addition, the resistance in principle by many to any ‘interference’ by religion in the public sphere. Anglican theologian Sarah Coakley notes the impoverishment that this would entail (to both ‘sides’), arguing against what she calls ‘the two false alternatives’ of fideism and secularism. Christian belief and hope may be of immense help in the struggle to bring about a better world, in sustaining us on that ‘long march through the institutions’. She underlines the significant resource that a critical and creative theology represents, rooted in a world-view which respects the power-in-vulnerability so evident in Jesus Christ, and that ‘gentle effacement’ learned through prayer and leading to an opening up to the ‘other’ at a depth not otherwise possible or perhaps even imaginable.²⁶

But, with all due care for the complexity of the translation process involved, are we not right to be inspired by Catholic social teaching in seeking a public policy, nationally and globally, that promotes greater equality, that is fairer? The precise extent of inequality in Ireland may be disputed, but it is clear that it is excessive – think only of the children at risk referred to above, the difficulties of access to public health services, the lack of social housing, the plight of asylum seekers. At a global level we are all aware of the huge disparities between the North and South. And in the North itself (as the Occupy movement, among other groups and commentators, made clear) it is not only footballers who enjoy obscene levels of income and wealth.²⁷

The Great Recession has revealed the flaws in following an economic model which gave excessive licence to the market and to the value of profit,

and which insulated economics from conversation with other disciplines and with other values which might have directed us to a more integral human development. Catholic social teaching is one source of this more holistic approach and can be of help in contributing to a conversation about a better way forward. Of course, this will only happen if Catholics themselves, and other Christians with their own unique heritages in this field, take the teaching seriously.

Clearly, Pope Francis himself is passionate about this, and shares and even reinforces the more radical turn that the Catholic tradition has taken since Vatican II. And in doing so, he reminds us that however complex the translation of vision into policy may be, the biblical message of love, mercy, service and a preferential concern for the poor is ‘... so clear and direct, so simple and eloquent, that no ecclesial interpretation has the right to relativize it.’²⁸ He adds: ‘Why complicate something so simple? Conceptual tools exist to heighten contact with the realities they seek to explain, not to distance us from them. ... So why cloud something so clear?’²⁹

Conclusion

Catholic social teaching recognises the right of each person and every nation ‘to be seated at the table of the common banquet’, instead of lying outside the door like Lazarus, while ‘the dogs come and lick his sores’ (Lk 16: 21).³⁰ Excessive inequality is both a symptom and a cause of exclusion from this kind of communion, as the other articles in this issue of *Working Notes* indicate. The social teaching urges us as citizens, with whatever particular talents we possess, to engage in the struggle for a more just and equal world, which is surely what God dreams of, what the Kingdom of God is about. It does so with urgency and in the spirit of cooperation articulated by Pope Francis himself:

*If anyone feels offended by my words, I would respond that I speak them with affection and with the best of intentions, quite apart from any personal interest or political ideology. My words are not those of a foe or an opponent. I am interested only in helping those who are in thrall to an individualistic, indifferent and self-centred mentality to be freed from those unworthy chains and to attain a way of living and thinking which is more humane, noble and fruitful, and which will bring dignity to their presence on this earth.*³¹

Notes

1. Richard Wilkinson and Kate Pickett, *The Spirit Level, Why More Equal Societies Almost Always Do Better*, London: Allen Lane, 2009.
2. Karen Rowlingson has examined the points made in various critiques since the publication of *The Spirit Level*, alongside the evidence and debate in the broader peer-reviewed literature, and concludes that: '... there is some evidence that income inequality has negative effects. There is hardly any evidence that it has positive effects'. See Karen Rowlingson, *Does Income Inequality Cause Health and Social Problems?*, York: Joseph Rowntree Foundation, September 2011, p. 6. (<http://www.jrf.org.uk/sites/files/jrf/Rowlingson-Income-eBook.pdf>)
3. Echoes of this approach are to be found within Catholic social teaching itself – see, for example, Pope John Paul II, *Centesimus Annus* (The hundredth anniversary), Encyclical Letter, 1 May 1991, n. 12, quoting Pope Leo XIII, *Rerum Novarum*, Encyclical on Capital and Labour, 15 May 1891, in a critique of socialists who Leo describes as 'working on the poor man's envy of the rich...' (n. 4).
4. Mt 20: 15.
5. Alan Johnson, *This Boy: A Memoir of a Childhood*, London: Corgi, 2013, pp 36–38.
6. *The Irish Times*, Monday, 28 July 2014.
7. *The Irish Times*, Thursday, 29 August 2014.
8. See Gerry O'Hanlon, 'A New Economic Paradigm?', *Working Notes*, Issue 63, March 2010, pp 3–10 and Gerry O'Hanlon, 'A New Economic Paradigm? In the Concrete: Towards a New Model', *Working Notes*, Issue 64, October 2010, pp 3–9.
9. For a scathing critique of the policy of austerity, in particular as it has been functioning in Europe, see Mark Blyth, *Austerity: The History of a Dangerous Idea*, New York: Oxford University Press, 2013.
10. See Jose Antonio Pagola, *Jesus: An Historical Approximation*, Colombia: Convivium Press, 2014 (5th edition; original 2009), pp 456–462.
11. Vatican Council II, *Gaudium et Spes, Pastoral Constitution on the Church in the Modern World*, 7 December 1967, n. 26. (www.vatican.va)
12. Gerry O'Hanlon, 'How Much Equality is Needed for Justice?', *Working Notes*, Issue 56, November 2007, pp 24–29.
13. Vatican Council II, *Gaudium et Spes, Pastoral Constitution on the Church in the Modern World*, n. 29.
14. National Conference of Catholic Bishops, *Economic Justice for All: Pastoral Letter on Catholic Social Teaching and the U.S. Economy*, Washington DC: Office of Publishing and Promotion Services, United States Catholic Conference, 1986, n 185.
15. Donal Dorr, *Option for the Poor and for the Earth: Catholic Social Teaching*, New York: Orbis Books, 2012, pp 440–467, especially pp 440–446.
16. *Ibid.*, pp 97–99; pp 133–135.
17. Pope John XXIII, *Mater et Magistra*, Encyclical on Christianity and Social Progress, 15 May 1961, n. 74. (www.vatican.va)
18. Donal Dorr, *op. cit.* p. 134.
19. Vatican Council II, *Gaudium et Spes, Pastoral Constitution on the Church in the Modern World*, n. 29.
20. Pope Francis, *Evangelii Gaudium* (The Joy of the Gospel), Apostolic Exhortation, 24 November 2013, n. 194. (www.vatican.va)
21. For more on this, see Gerry O'Hanlon, *Theology in the Irish Public Square*, Dublin: Columba, 2010, in particular the reference to the 'bi-lingual' nature of Catholic social teaching in its appealing to the Bible as a kind of 'deep background' but then being couched in terms which are 'accessible to the ordinary canons of human reason' (p. 25).
22. Donal Dorr, *op. cit.*, p. 454.
23. Séamus Murphy SJ, 'Utopianism, Advocacy and Consequentialism', *Milltown Studies*, No. 28, Autumn 1991, pp 5–23.
24. David Tuohy SJ, *Denominational Education and Politics: Ireland in a European Context*, Dublin: Veritas, 2013.
25. *Ibid.*, p. 95.
26. Sarah Coakley, *God, Sexuality and the Self: An Essay 'On the Trinity'*, Cambridge: Cambridge University Press, 2013, pp 17–19; pp 85–87.
27. Mark Blyth notes that 'the top 1 per cent of the US income distribution now has a quarter of the country's income' (see *Austerity: The History of a Dangerous Idea*, p. 13); Wilkinson and Pickett point out that in 2007 the chief executives of 365 of the largest US companies received well over 500 times the pay of their average employee and they report the finding of the International Labour Organization that 'there is little or no evidence of a relationship between executive pay and company performance' (*The Spirit Level*, p. 250); and, writing in 2010, Will Hutton notes that '... base pay of CEOs in the FTSE has risen from 47 times an average worker's salary in 2000 to 81 times now ...', while the ratio in the US rises to 300 times (see Will Hutton, *Them and Us: Changing Britain – Why We Need a Fairer Society*, London: Little, Brown, 2010, p. 3, p. 67).
28. Pope Francis, *Evangelii Gaudium* (The Joy of the Gospel), Apostolic Exhortation, n. 194.
29. *Ibid.*, n. 194.
30. Pope Paul VI, *Populorum Progressio* (The Development of Peoples), Encyclical, 26 March 1967, n. 47. (www.vatican.va); Pope John Paul II, *Sollicitudo Rei Socialis* (The Social Concern of the Church), Encyclical, 30 December 1987, n. 33. (www.vatican.va)
31. Pope Francis, *Evangelii Gaudium* (The Joy of the Gospel), n. 208.

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