

Benedict XVI as Social Realist in Caritas in Veritate

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Some doubt whether a pope can articulate, even for Christians, a coherent social vision. However, scholars dealing with political, social, and economic concerns benefit from an exposition of papal pastoral concerns; the Church is, after all, on the front line of social practice and grapples with the same issues as political, social, and economic theorists. In *Caritas in Veritate* (*CV*), Benedict tackles the politically ignored third-rail issues, outlining current social problems with traditional Vatican diplomacy. Our goal here is twofold: first, to show how *CV* challenges scholars to offer perspective on pathological factors impacting culture; second, to address those sections of *CV* dealing with economics that potentially are subject to misinterpretation. Policy issues concerning globalization, intermediate institutions, national sovereignty, international trade, and the environment are discussed.

Caritas in Veritate Addresses Social Issues Realistically

The hallmark of Caritas in Veritate (CV) is a clear emphasis on the social aspect of human existence: individuals are not self-generated. A person's pilgrimage through history is in company with fellow human beings embedded in a particular culture (CV, 16). According to Benedict, badly managed globalization has led to large-scale migrations fueled to some extent by speculative financial dealings and unrestrained competition, extending in some places to state sponsored sex tourism. Migrant and marginalized communities are abandoned and ignored in developed and developing countries alike. Labor mobility, Benedict argues, can stimulate wealth production and cultural exchange but at the same time creates social instability.



Economically motivated migration makes it difficult to forge coherent life plans and marriages. These conditions lead to cultural decline and wasted social resources. Utopian visions and ideological individualism fail to solve social crises because they are neither realistic nor representative of human existence.

Many are skeptical about a pope's ability to articulate, even for Christians, a coherent social vision. However, social scholars benefit from an exposition of papal pastoral concerns; the Church is, after all, on the front line of practice and grapples with the same issues as political, social, and economic theorists. In CV, Benedict, addressing frequently ignored, so-called third-rail issues, outlines current social problems within the context of traditional Vatican diplomacy. We identify Benedict as a social realist in that he records what he observes. He is willing to focus on the realities of contemporary life and sympathizes with those whose lives have been devastated by globalization. Our goal here is twofold: first, to indicate how CV challenges scholars to offer perspective on those pathological factors impacting culture and, second, to address those sections dealing with economics subject to misinterpretation.

Culture Is Not Synonymous with State

Culture represents how certain groups of people perceive and experience the world. The state, based on law and justice, defends individual equality by reason of a person's being or behavior (CV, 6). The state, however, cannot create cultures or establish fraternity. Human rights found in the deliberation of an assembly can be changed. States have the power to arbitrarily withdraw resources from the social-cultural domain and/or inhibit freedom in cultural expression. Benedict observes that social action by the state often ends up serving the private interests of those providing rather than those needing the services (CV, 5). The state has the duty to ensure justice, but charity is expressed and flourishes in culture. How do we determine what cultural structures and institutions are preferable in all times for all people? Benedict, in Caritas, does not present himself as having privileged knowledge or solutions. He does, however, offer an interesting proposition.

Sociologists and anthropologists describe group behaviors, practices, and quality of life. The social sciences, guided by truth, should be able to assess which cultures are more or less successful in fostering human development. Benedict challenges societies to a profound cultural renewal, to replan our journey, to set new rules and new forms of commitment, and to rediscover fundamental values (CV, 21). He calls on media to assist in this civilizing effort. The ground rules in this process of discovery are two. The first is to be mindful of each person's dependence on others, and the second is that separate disciplines should proceed





with integrity. Experience teaches and nudges social thought closer to the truth. Culture, as a process of discovery, is not a war between differing views. With increased freedom and choice, mistakes may be made, but Benedict is confident that choices made in love and truth will achieve human development intrinsic to a divine plan (CV, 52). Truth releases men and women from subjective opinions and moves them beyond their cultural and historical limitations (CV, 4).

A central theme in CV is that globalization and pluralism make the task of preserving certain ways of life and/or cultures more difficult. For example, in many parts of the world, Christians are at most a minority tolerated in the dominant culture. Benedict notes that in the past "cultures were relatively well defined and had greater opportunity to defend themselves against attempts to merge them into one" (CV, 26). Caritas should not, however, be interpreted as a lament for endangered cultures. Benedict argues that diversity for the sake of diversity relegates certain groups to lower economic standards of living and/or sanctions dangerous worldviews destructive to social order. Cultural syncretism, on the other hand, absolves us from dealing with social problems. Every culture is not conducive to human development, and some, under the guise of progressive improvements, foster and fund the systematic destruction of human beings. Fiscal subsidiarity is offered as one means whereby desirable cultural values could be preserved from below (CV, 60). The concept of fiscal subsidiarity in public finance refers to the process whereby a portion of mandated taxes is allocated to fund programs perceived as important to subgroups within the nation.

As a pastor, Benedict emphasizes charity as a goal for every social transaction, such that individuals act with intention, revealing character. As a social statement, CV addresses academics and officials of good will to create and initiate policies conducive to human development. Without offering specific suggestions, Benedict valiantly attempts to provide a framework for assessing good versus pernicious social environments. The challenge for scholars is to deal holistically rather than ideologically with the necessary tradeoffs needed to correct pathological societal conditions.

Families and Intermediate Institutions

Families protect individuals from the deepest forms of poverty, that is, isolation, which in turn leads to material poverty. In this light, CV discusses the "right to food" and the "human race as a single family" (CV, 27 and 53). Given the limitation of language and taken out of context, these concepts require clarification. Consider paragraph 44 (CV): "States are called to enact policies promoting the centrality and the integrity of the family founded on marriage between a man and



a woman, the primary vital cell of society, and to assume responsibility for its economic and fiscal needs, while respecting its essentially relational character."²

We suggest that state economic and fiscal policy should be in keeping with families' essential nature *including* the family's primary role in providing for economic well-being. It would be a serious mistake to interpret paragraph 44 (CV) as releasing individual family members from the responsibility of providing for a family's economic needs. To ignore the family as the basic unit providing for the economic well-being of the family is contrary to traditional Catholic social thought. Furthermore, adults' concern for their family's material well-being should not be dismissed as social privatism. Actively seeking to provide economically for one's own family is vastly different from using influence inappropriately to advantage one's own family, clan, or tribe. It is precisely decentralized wealth creation through competitive markets, as compared to state allocation, that mitigates cronyism and oligarchies. For overall societal well-being, we believe that individuals should be encouraged to act so as to better the condition of their families.

Other sections of *Caritas* clarify the integral role of the family. Benedict cautions against a tendency to deal with social issues from a purely psychological or sentimental point of view, bordering on neurological reductionism (*CV*, 76). Such reductionism neglects the spiritual, as well as the physical and economic dimensions of families. The lack of strong inner-self-guided individuals assuming personal responsibility contributes to social disruption.³ *Caritas in Veritate* effectively argues that social assistance should not be paternalistic—demeaning to those in need (*CV*, 58). Viewing families merely as passive victims of globalization in need of state direction would be most demeaning.

Benedict calls for "a renewed reflection on how rights presuppose duties, if they are not to become mere license" (CV, 43). Semantically, CV does not address the crucial difference between the right to food, healthcare, employment, and so forth as compared with access to these goods and services. However, one hypothesis proposed by Benedict is intriguing because it provides direction to future social thought in formulating a less passive role for families. Benedict suggests that conversations about reciprocal duties are a more powerful incentive to action than mere assertion of rights (CV, 43). He argues for instruction in rights and duties to make men and women more critical and discriminating. In defending culture against state strategies of mandatory birth control, informed men and women, according to CV, insist that sex education not be reduced to technical instruction in reducing risks associated with procreation.

Intermediate institutions, occupying the ground between family and state, are the cultural means through which fraternity, trust, social consciousness, and



responsibility are established. Churches, schools, credit unions, cooperatives, employee unions, scouting, and fraternal organizations represent just a few examples of these types of institutions. Benedict frankly admits that in the past we placed too much confidence in these institutions. Nevertheless, they are essential for individual development because through such institutions we are given the opportunity to practice virtue in communion with others (CV, 11). Michael Novak observes that whenever a false sense of community is anchored in the state, intermediate institutions begin to fray.⁵ Strong cultures are characterized by institutional complexity, the building blocks of society (CV, 7). Unless such organizations are permitted to function with active involvement, individuals become vulnerable to error and skepticism in their private lives (CV, 9).

It is important to distinguish between types of intermediate institutions. Some, by mission, are answerable to a variety of stakeholders; others, such as profit-seeking corporations, are owned by shareholders. Benedict, the realist, does not present himself as directly opposed to profit maximizing behavior in all instances. However, in several sections of CV, he suggests that alternatives should be considered. He proposes quasi–market-type institutions; sheltered industries for the handicapped are one example and public private partnerships (PPPs) another. In the first case, CV provides sociologists and economists with a potential option for individuals who lack the health or marketable skills to fully provide for their economic well-being; and in the second, PPPs offer public goods and services underproduced in the profit-seeking sector. *Caritas in Veritate* notes that the continuing hegemony of the binary model of market-plus-state has accustomed scholars to think only in terms of the capitalistic entrepreneur on the one hand and the state director on the other.

Benedict, as leader of the Roman Catholic Church, offers two suggestions for regaining institutional trust. First, allow democratic and intermediate institutions to function as antidotes to corruption and/or illegality. This insures that the benefits of growth and globalization are not restricted to certain groups. Second, he notes that "articulation of political authority at the local, national, and international levels is one of the best ways of giving direction to globalization" (*CV*, 41). This second and more controversial point is discussed in the following subsection.

In viewing intermediate institutions and democracy as social tools, CV parallels the important work of Amartya Sen.⁶ Sen argues that food shortages seldom represent actual material shortcomings. Rather, famines affect certain subgroups and reflect structural and political institutional arrangements. Similarly, Benedict argues for assisting developing countries in creating viable democratic institutions to prevent such crises. Benedict recognizes that previous social encyclicals appeal to central authority, but he is acutely aware that democracy grows out



of a complex process of interaction. Democratic outcomes may not be optimal, but the process permits people to be heard. Therefore, a government that takes over the responsibilities of intermediate institutions or that narrowly constrains their functioning through taxation or regulation undermines social well-being.

Globalization Weakens the Nation State

Caritas in Veritate recognizes a new kind of global civil society. Transnational organizations play a more dominant role in post-Cold War state governance.⁷ Single nation states are increasingly ineffective in unilaterally negotiating armed conflicts, in dealing with terrorists, in trading goods and services, in collecting tax revenue, in enforcing laws against domestic crime, and in regulating environmental protection. Benedict, the realist, assesses the potential, the pitfalls, and the inevitability of international agreements.

As recently as 1988, a pope could direct social commentary separately to developed and developing nations (John Paul II, *Sollicitudo Rei Socialis*). This option no longer exists. *Caritas in Veritate* makes very clear that the problems of concentrated wealth and impoverishment exist within all countries. The demarcation line between rich and poor countries is no longer as striking as it was at the time of *Populorum Progressio* to which Benedict repeatedly refers (Paul VI 1967). In rich countries, new sectors of society are succumbing to poverty and new forms of poverty are emerging. The United States, for example, has one of the largest populations of people with third-world levels of education and skills.⁸ By contrast, in developing nations, certain groups enjoy a wasteful and consumerist kind of superdevelopment contrasting with dehumanizing deprivation in the rest of the country.

To a large extent prior to world integration, political and economic activity was conducted within the same geographical area, and policies were integral and consistent. Production took place predominantly within national boundaries, and, in most cases, financial investments were somewhat limited between countries. Therefore, a state could more easily establish national priorities and use policy instruments effectively. Economic theory confirms the pope's assertions concerning the interdependence of national policy in an open economy. As such, notes Benedict, globalization precludes the role previous encyclicals assigned to public authorities (CV, 24).

Benedict does not attribute all social problems to globalization and/or a loss of national sovereignty. He warns of corruption evident in the conduct of the economic and political officials in rich, newly rich, and poor countries. Specifically, *CV* criticizes government officials in developing countries who appear unwilling





to work out emigration issues with host countries because of their dependence on hard-currency remittances (CV, 22). In addition, officials in certain countries act as if there were a logical or economic reason for a quota of poverty and thus policies systematically exclude blocks of less affluent members from the consumer economy (CV, 35).

The flow of funds and people across national borders disrupts the desirable conditions, according to CV, whereby the market has the responsibility for producing goods and services and the state for income redistribution. Although made almost in passing, this distinction is one that mainstream economists find perplexing. In economic analysis, value created in production, on the one hand, and income received, on the other, are considered two sides to the same coin. Income distribution is, and some economists argue should be, entirely functional in orientation. In other words, income payments are treated as rewards to the factors contributing to production. Wages (the return to labor) plus interest (the return to owners of plant and machinery) plus profit (the return to risk) represent the value added by each factor of input to output produced (Barber). An interpretation of CV, consistent with the functional distribution of income, is that globalization has made it more of a challenge for nation states to tax income out of which states are expected to fund a safety net for those falling below the poverty level.

What exactly is implied by the encyclical's statement that "there is urgent need of a true world political authority" (CV, 67)? Some may be inclined to interpret it as an urgent call for political authority on the international level. This, we believe, is a false assumption in danger of being adopted by those either unaware of the principle of subsidiarity or willing to ignore it. Catholic social thought is fundamentally grounded in the principle of subsidiarity, insuring that no function best treated on a local level should be assumed by a higher authority. In other words, rights and resources needed for the preservation of the family, private institutions, and local government should not be forfeited to or assumed by national or international authority. Certainly, increased globalization necessitates cooperation on environmental, labor, and product quality standards. Unfortunately, CV does not explicitly outline mechanisms for insuring subsidiarity or differentiate between international authority and the need for arduously derived international standards.

Economic Ideology and the Gains from Trade

Charity, according to Benedict, does not require suspending logic, even commercial logic. Society does not need to be sheltered from the market. We extend this to argue that denying the role of market competition, productive efficiency,





and even profit maximization are not preconditions for human development. *Caritas in Veritate*, however, does base its support for open trade not on the economic gains but rather on gratuitousness as an expression of human fraternity (*CV*, 36). For Benedict, then, the economic sphere cannot be separated from the ethical, and every economic transaction has an ethical-fraternal component. This does not represent a problem for mainstream economists unless ordinary market activity is disdained or thwarted whenever individuals are motivated by personal goals. In Christian personalism, economists suggest that human beings require some degree of neutral space in striving, within the confines of law and morality, to improve their condition.¹¹ In providing for themselves and their families and to ensure societal well-being as airplane pilots, surgeons, and tent-makers, individuals need to focus exclusively on the task at hand. *Caritas in Veritate*, in dealing with the social question, appears to assume that such personal economic motivation is a given but somewhat in need of restraint.

Caritas in Veritate emphasizes that the globalized flow of corporations and workers contributes to social fragmentation. Similarly, economic theory is explicit in demonstrating that all subgroups do not benefit equally from globalization. ¹² A danger presents itself when these adverse effects are used to argue strategically against overall economic gains from international trade. The whole truth is that if all barriers to economic integration were completely removed, world output would be maximized. ¹³ The advantages of competitive international trade and, to a lesser extent, the flow of capital and labor, are fundamental in preserving and extending economic well-being. Consider the simple case of providing socks to cover and protect our feet. Unless they adapt and/or offer better and lower cost footwear, domestic producers and their employees are adversely affected as import restrictions on socks are eliminated. Nevertheless, import duties protecting domestic industry increases both prices paid by households and profits earned by less-productive producers.

Benedict focuses his arguments against import restrictions and excessive intellectual property rights on the harm caused to poor countries attempting to gain a foothold for their products in international markets (CV, 58). In practice, restricted access to markets is presently achieved by requirements that all products meet the environmental and labor practices of the developed world. It is important that CVs concerns about the negative effects of globalization not be employed to justify such restrictions. Free trade in goods and services results in better use of world resources, improving overall productivity and increasing total world output. All parties freely entering into the international economy benefit to some degree, but, admittedly, subgroups may be adversely affected.

Caritas in Veritate alludes to the costs of autarchy and tariff restrictions that doomed Latin American economic development for several decades and, at the same time, notes that fraternity requires protections for displaced domestic workers. If displaced worker protection is falsely interpreted to suggest increased international trade and capital restrictions, these objectives are generally inconsistent. Economists' concern with the free movement of goods and services must not be interpreted merely as a bow to free-market ideology or even technical efficiency. Public-choice economics has clearly shown that bureaucratic discretion has the potential for rent seeking, corruption, and consequently great harm to the political and economic fabric of society. Trade restrictions increase costs to consumers in all countries. Based on comparative advantage, the gains both to exporting and importing countries are as real and certain as anything human beings can know and believe. Adam Smith could not have said it better than Benedict: "The world-wide diffusion of forms of prosperity should not therefore be held up by projects that are self-centered, protectionist or at the service of private interests" (CV, 42).

State-imposed limitations on capital flows into or out of a country can be interpreted as a violation of property rights. *Caritas in Veritate*, however, argues that such flows are responsible for needless social disruptions in two dimensions. First, domestic plant closings to produce abroad fail to give due consideration for where the wealth was generated, resulting in domestic unemployment. Second, the speculative use of financial capital, seeking short-term nonsustainable profit abroad, is inimical to homegrown initiatives, particularly in developing countries. Benedict does, however, admit that the movement of foreign capital to obtain advantageous conditions has the potential of improving skills in the receiving country. Therefore, *CV* appears to justify financial capital exportation if it is not exploitative and contributes to the well-being of the host country (*CV*, 40).

Somewhat unclear is *CV*'s exposition on what economists refer to as the global convergence of living standards. Paragraph 42 states: "The processes of globalization, suitably understood and directed, open up the unprecedented possibility of large-scale redistribution of wealth on a world-wide scale." Benedict is quick to add that "the redistribution of wealth does not come about through the redistribution or increase of poverty." If per capita output in developed countries increases over time at 3 percent a year, for example, and that of developing countries at 6 percent, then output per person in both areas will eventually equalize. This fact represents income *convergence*, not necessarily wealth *redistribution*.

Convergence is due neither to state enforced sharing on a world level nor statemandated internal income redistribution. To the extent that lesser-developed areas, specializing according to comparative advantage, sustain a higher growth rate



than other parts of the world, then indeed, living standards inevitably converge over time. Wars, natural disasters, poor governance, and excessive regulation constrain this process. Nobel winner Paul Samuelson, consistent with CV, argues that free trade in goods and services, even without capital and population flows, is sufficient for extending the benefits of globalization to the poorest areas of the world. Unrestricted exports and imports in traded goods theoretically leads to commodity price equalization and potentially to a subsequent equalization of wages and interest around the world but only if states permit it to happen.

To avoid large-scale social disruption and adjustment costs born unevenly by certain subgroups, CV appears willing to tolerate a slower growth rate in technology and material living standards. How and on what level should such a tradeoff be achieved? It may actually be the most affluent groups within a country and/ or most developed countries that choose to delay economic progress. Developed countries have the potential to do this by insulating themselves from globalization in order to maintain higher levels of income relative to the rest of the world.¹⁶ The net effect of doing this would be to reduce total world output, to relegate some parts of the world to reduced living standards, and over time to reduce breakthroughs in technological know-how. This is not what the pope had in mind in writing Caritas in Veritate. Hopefully, the creation of new global markets provides individuals in most nations with more options, greater economic power, and increased social mobility when compared with government obstruction in the name of protection. The cost of increases in material well-being admittedly is a process of the "creative destruction" of clashing social arrangements. 17 The goal is to balance economic and technological growth with stronger and more personalized social and cultural structures.

Benedict could be classified as a political as well as a social realist in that he advocates political means, at times contrary to economic free-market ideology, to provide for the authentic development of all, including those most in need of assistance. *Caritas in Veritate* chastises free-market ideology for promoting competition between states seeking foreign capital through lower taxes and labor deregulation. Such measures downsize social security systems to gain competitive advantage in the global market. This, Benedict believes, results in grave danger for the rights of workers, for solidarity associated with state income transfers, and for the effective protection of workers' associations. Lowering the level of protection accorded to the rights of workers, Benedict believes, or abandoning mechanisms of wealth redistribution in order to increase the country's international competitiveness, hinders long-term development (*CV*, 32).

Like Benedict, there is a consensus among mainstream economists that countries should embrace globalization on their own terms, taking into account their



own history, culture, and traditions. These economists do not reject economic efficiency but realize that for market liberalization to succeed it should be implemented correctly and in the right sequence. Like Benedict, they argue that capital flowing into and out of a country can generate serious dislocations. ¹⁸ Financial capital restrictions are tolerated as the cost of keeping international borders open to trade flows. It should be made clear, however, that these economists do not endorse preventing capital from flowing to where it can earn the highest return. They are merely advocating market-based mechanisms to slow down the rate at which capital flows into and out of a country for the sake of macroeconomic stability. Even here, it is necessary to proceed carefully in defining what type of restrictions on what type of capital flows. The United States is the largest world exporter of rice, a staple of life in many developing countries. Consider the harm caused to producers and consumers of this crop if funding is not available to finance imports.

The Global Natural Environment

Caritas in Veritate connects ecological issues with intergenerational justice (CV, 48), and Benedict asks what it is that should be sustained. What is worthy of environmental respect? Why is systematic eugenic programming of births and euthanasia presented as ethical? For Benedict, creation contains a grammar that sets forth criteria for nonexploitation of the natural environment. In contrast, neopaganistic or neopantheistic environmentalism views nature as being more important than the human person. Bureaucratic environmental policies are often presented as ethical—an abused adjective (CV, 45). Benedict's call for a more careful use of the word ethical is long needed and sincerely welcomed.

In CV, economic cost-benefit analysis is listed as a primary source leading to exploitation of the earth's resources. It must be supposed that this harsh criticism refers to decisions based solely on private costs and benefits, ignoring any social costs and benefits. However, there is a huge difference between corporate profit maximization and cost-benefit analysis (CBA) designed by economists precisely to address social costs and benefits. One of CBA's primary applications is for use in ensuring environmental sustainability. It would be most unfortunate if CV is interpreted as an objection to CBA's attempt to quantify the implicit cost of environmental degradation. Economists would be the first to agree that decisions made by profit-seeking corporations and by consumers yield negative environment outcomes. This occurs whenever property rights and social costs are not clearly defined. However, a well-developed body of literature, included in most economics textbooks, deals with negative externalities and CBA's role





in quantifying them. Finally, CV does not take into account the considerable contributions of economists, legal scholars, and others in outlining policy alternatives designed to limit negative environmental effects.

Benedict does, however, address the scramble of some nations and corporations to stockpile critical natural resources. This behavior contributes both to environmental and social disruption. Commodity stockpiling adds to political and social distress particularly in nations where democracy and legal structures are less fully developed. Consequently, we observe some areas of the world being marginalized and recolonized. Neocolonialism occurs when a nation's decision-makers or corporations transfer ownership of critical natural resources, including water, to others outside the region. This concern is explored in depth in Paul Collier's work on African countries.¹⁹

Conclusion

In an essay written in 1862, Lord Acton addresses the suffering experienced by people due to the Industrial Revolution. Similarly, in CV Benedict addresses personal and social distress due to globalization in our time. Acton suggests that those offering solutions generally fall into one of two types: poets who contemplate an innocent and contented people or philosophers who reform mankind by devising an imaginary state. Benedict does not fall into either trap but offers a realistic ethos consisting of values and institutions favorable to human development. Caritas in Veritate avoids poetry in rigorously outlining serious political, social, and cultural disruptions caused by economic globalization and resists utopian ideologies stressing principles based on the logic of society, the state, and the economy. Aside from the potential for serious misinterpretations of certain paragraphs, CV makes a significant contribution in positioning the human person in a nexus of global relationships working for or against his or her development.

Benedict is correct: radical individualism does not truthfully represent the human condition. Therefore, CV challenges scholars to develop a holistic framework for studying and dealing with negative social effects due to globalization. Generally, culture, democracy, and markets work best as self-directed processes of discovery. This, however, does not preclude Caritas aspirations for a legal framework and voluntary international practices applied with integrity.

Social distress coinciding with globalization is due to ignorance, illegality, and corruption. *Caritas in Veritate* diplomatically suggests that domestic elites are capable of expending the wealth of a nation for personal or ideological reasons. In some instances, officials initiate constraints in order to prevent subgroups from advancing. However, it is not immediately apparent that it is in the best interest





of human development in general to restrict globalization or even to slow down its pace. Contented people do not migrate, but people vote with their feet to better their conditions.²¹ Governments that try to restrict globalization and create utopias behind Berlin-type walls fail.

In arguing for gratuitous charity, logic and realism are the hallmarks of Benedict's social thought. Social scientists and environmentalists, including economists, are challenged to set aside ideological differences to work on a framework for civil society and to identify the best practices in addressing current problems. Worse than not taking *Caritas in Veritate* seriously is badly misinterpreting it.

Notes

- Michael Novak, The Catholic Ethic and the Spirit of Capitalism (New York: The Free Press, 1993).
- 2. Paragraph 44 in the Italian and Spanish translations suggest that the intention is not to separate a family's economic well-being from its essential character (CV): Italian: "In questa prospettiva, gli Stati sono chiamati a varare politiche che promuovano la centralità e l'integrità della famiglia, fondata sul matrimonio tra un uomo e una donna, prima e vitale cellula della società, facendosi carico anche dei suoi problemi economici e fiscali, nel rispetto della sua natura relazionale." Spanish: "En esta perspectiva, los estados están llamados a establecer políticas que promuevan la centralidad y la integridad de la familia, fundada en el matrimonio entre un hombre y una mujer, célula primordial y vital de la sociedad haciéndose cargo también de sus problemas económicos y fiscales, en el respeto de su naturaleza relacional."
- 3. Novak, The Catholic Ethic and the Spirit of Capitalism, 28.
- See Michael Novak, Catholic Social Thought and Liberal Institutions: Freedom with Justice, 2nd ed. (New Brunswick, NJ: Transaction Publishers, 1989), 29; and Joseph F. Naumann and Robert W. Finn, "Principles of Catholic Social Teaching and Health Care Reform: A Joint Pastoral Statement," The Leaven, September 29, 2009: 1, 4–5.
- 5. Novak, The Catholic Ethic and the Spirit of Capitalism, 28.
- Sudhir Anand and Amartya Sen, "Human Development and Economic Sustainability," World Development 28, no. 12 (2000): 2029, 2029–49.
- Sandra Moog, "Exporting Institutional Logics into the Amazon?" in *Globalization*, *Philanthropy*, and *Civil Society*, ed. David C. Hammack and Steven Heydemann (Bloomington: Indiana University Press, 2009), 258–91.
- 8. Alan Tonelson, *The Race to the Bottom* (Boulder, CO: Westview Press, 2000).





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- 12. Paul A. Samuelson, "International Trade and the Equalization of Factor Prices," *Economics Journal* 58 (1948): 163–84.
- E. J. Mishan, Thirteen Persistent Economic Fallacies (Westport, CT: Praeger, 2009),
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- 14. Jagdish Bhagwati, "Does the U.S. Need a New Trade Policy?," *Journal of Policy Modeling* 31, no. 4 (July-August 2009): 509, 509–14.
- 15. See Samuelson, "International Trade and the Equalization of Factor Prices."
- 16. Mishan, Thirteen Persistent Economic Fallacies.
- 17. Novak, The Catholic Ethic and the Spirit of Capitalism, 132.
- 18. Sebastian Edwards, review of Joseph E. Stiglitz's *Globalization and Its Discontents*, in *Journal of Development Economics* 70, no. 1 (February 2003): 252, 252–57.
- 19. Paul Collier, *The Bottom Billion* (New York: Oxford University Press, 2007).
- Lord Acton, "Nationality," in *The History of Freedom and Other Essays* (New York: Macmillan, 1922), 270–300. This essay originally appeared in *The Home and Foreign Review* (July 1862).
- 21. Charles M. Tiebout, "A Pure Theory of Local Expenditures," *Journal of Political Economy* 64, no. 5 (October 1956): 416–24.



