



Written by [Thomas R. Eddlem](#) on January 6, 2014

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Has the Pope Gone Socialist?

Pope Francis' ("The Joy of the Gospel") explicitly condemned free market economics with an epithet against "trickle-down" economics that caught global headlines, even though the Pope's "apostolic exhortation" wasn't really about economics. The following quote cheered leftists across the world:



Some people continue to defend 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. This opinion, which has never been confirmed by the facts, expresses a crude and naïve trust in the goodness of those wielding economic power and in the sacralized workings of the prevailing economic system.

"Trickle-down economics" has never been a term used by supporters of a free market to describe their views, but rather it has always been an insult deployed by opponents of free markets. The Pope's document, primarily about expanding the reach of the Catholic Church, drew choruses of amens from the *Washington Post's* leftist Eugene Robinson and huzzahs from the far-left ThinkProgress website, while *The Atlantic* magazine cheered the "Vatican's journey from anti-communism to anti-capitalism."

The November 24 "apostolic exhortation" is a non-binding teaching document issued by the Pope, addressed to Catholics, not an "infallible" *ex cathedra* pronouncement. In practice, however, many Catholics will be persuaded by the mainstream media that they must follow this non-binding teaching.

Francis does not go so far as to call for abolition of private property, as private property is a principle enshrined in two of the Bible's 10 commandments ("thou shall not steal" and "thou shall not covet") and in the Catholic Church's non-binding social teaching documents such as the 1891 *Rerum Novarum* (which Francis quotes). In fact, Francis confirmed the idea of rights to private property, writing that "the private ownership of goods is justified by the need to protect and increase them, so that they can better serve the common good."

But was Pope Francis correct in his condemnation of a free market when he wrote that "we can no longer trust in the unseen forces and the invisible hand of the market"? Those countries that have followed a relatively free market have historically been rewarded with wealth and all of its attendant progress — better healthcare, higher living standards, etc. — in every country where it has been tried,



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and to the extent that it has been tried. All one has to do is look at the contrast between the open-market West Germany versus the socialist market East Germany, the open-market South Korea versus the socialist North Korea, Hong Kong versus mainland China (before the most recent market-based reforms), and on and on. If the Pope was claiming that free markets don't bring more consumer goods to a larger number of people, there's plenty of historical evidence to prove him wrong.

An economic commentary was not the main point of *Evangelii Gaudium*, nor even the crux of the small part devoted to human need. Pope Francis primarily condemned materialism — the “new idolatry of money” — in the economic portion of his letter, a condemnation which all but the most extreme secular libertarians would second. Indeed, a purely selfish capitalism — as envisioned by radical libertarian atheist Ayn Rand — would do nothing to help feed and clothe people unable to work for themselves because of paralysis and other health conditions through no fault of their own. But fortunately, many who benefit from capitalism are motivated by their religious beliefs to help those truly in need. And capitalism — to the extent it is market-driven — not only creates more wealth than is otherwise possible, it also creates better-paying jobs and provides goods and services at the lowest possible price. The result: Everyday people are much better off than they would be in a managed economy.

One could argue that, leading up to the financial crisis (and since), government has heavily favored the financial sector — favorable regulations, suppression of interest rates, no personal financial liability for well-paid executives who bankrupt their companies, and taxpayer bailouts — which doesn't actually produce any physical consumer good. And government has unfairly favored other industries with political connections: auto-industry bailouts, no-bid contracts on the ObamaCare website, defense contracts that can only be called “crony capitalism,” copyright law, and green energy. But this government interference — not the free market — is what has led to greater suffering and economic recessions.

Indeed, one could argue that the true “trickle-down” economics practiced by governments around the world — a practice in a continuous state of failure — is economic Keynesianism. Keynesian economic theory focuses upon the flow and demand of money, and was behind the idea that the U.S. federal government had to use taxpayer dollars to bail out Wall Street in order to save Main Street, that government assistance for wealthy industries has been necessary to help give jobs to the poor ... because, proponents of the programs essentially argued, the money would “trickle down.” As it turned out, none of the money did, and the U.S. economy remains mired in high unemployment levels.



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Market capitalism: A key part of any free market system is voluntarism, of which the food pantry above represents, to help those who can't help themselves. Free market-oriented Christians believe private interests can provide these services to the poor more efficiently and humanely than any government program. *(Photo credit: AP Images)*

Francis instead called on his fellow Catholics to do more than think about GDP and personal wealth, but to think instead about personal responsibility to charity and for social rules that no longer give those special favors to the rich and powerful:

Growth in justice requires more than economic growth, while presupposing such growth: it requires decisions, programmes, mechanisms and processes specifically geared to a better distribution of income, the creation of sources of employment and an integral promotion of the poor which goes beyond a simple welfare mentality.

It has long been in the tradition of the Catholic Church to speak of the personal charitable duty of the individual Christian, a responsibility that is not enforceable by the state, according to the church's *Rerum Novarum*: "It is a duty, not of justice (save in extreme cases), but of Christian charity — a duty not enforced by human law. But the laws and judgments of men must yield place to the laws and judgments of Christ the true God." In essence, while the church has traditionally supported the right to private property, it also notes that there is a personal duty to use that private property to help others.

Economics is a social science that teaches people what will happen in a given set of circumstances; it is the (rather imperfect) science of human decision making. As such, economics is amoral — just like all true sciences. And like all true sciences, some people (such as devotees of the late novelist Ayn Rand) claim economics and morality have nothing to do with each other. But the person who says morality favors one economic philosophy over another is as wrong as the person who says that economics and morality have nothing to do with each other. Technically, economics — even when studied accurately — tells the economist nothing about what a person or national economy should do. Economics is more like a road map of how to get from one place to another; morality decides the desired destination.

The Catholic Church's doctrine, as embodied in Scripture and its dogmatic tradition (21 ecumenical councils and less than a handful of "infallible" papal *ex cathedra* pronouncements), claims its teaching is binding on faithful Catholics in matters of faith and morals, but it makes no claims on expertise in



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how to apply those principles to sciences and other technical matters.

It's difficult to predict what impact this papal pronouncement on Catholics in America and elsewhere, especially since the Pope laid out no specific government action agenda. But a lack of specifics may also be a clue to what the new Pope has in store. Since he avoided laying out a detailed political prescription for alleviating global poverty, Pope Francis may have recognized the limitations of the expertise of his station within the Catholic tradition.



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