

# Give capital to the workers

## Pope's call in latest encyclical

Bruce Duncan\*

**THE LATEST ENCYCLICAL of Pope John Paul is an ethical critique of capitalist and Socialist economic systems, and takes its starting point from a philosophy of human work — hence the title, *On Human Labour*. It has been attacked for being sexist in its language and for trying to get women back into the home. In fact critics have misunderstood the Pope in the latter point. But there are several major gaffes in the encyclical where the Pope reveals his ignorance of the English and Australian political systems. Despite these, the imputations of the Pope's call are great.**

*ON HUMAN LABOUR* is essentially an ethical document and is obviously written in the style of an ethics professor. While it may be weak on political application, the philosophical argument seems to be very strong.

Pope John Paul develops themes opened up in his first encyclical, *Redemptor Hominis* in 1979. There he said that the essential meaning of man's dominion over the world "consists in the priority of ethics over technology, in the primacy of the person over things, and in the superiority of spirit over matter".

This insistence on the primacy of the person is quite a traditional element in Catholic thought, and indeed Christian social philosophy in general. But John Paul develops this by regarding work as "probably the essential key to the whole social question" (no. 3).

Such an approach is rather daring since it undercuts the basis of Marxist social philosophy, turning its analysis of work as the self-actualisation of the person around to support a Christian interpretation of man. But it is no less devastating for the rationale of capitalist economies, since it calls for the reordering of economic systems so that workers can have direct control and ownership over the capital they use. The Pope's answer to the social problem is to reunite capital and labour, thus eliminating the class struggle.

His attack on capitalism is not new. He condemns the ideology of early industrial capitalism for making man a mere commodity, "merchandise", which was simply subject to the 'laws' of supply and

\* Fr Bruce Duncan is a member of the Redemptorist Order and is on the Board of Directors of *Outlook*.



demand. Wages were depressed to subsistence. Though the Pope says that the terms used are no longer the same, he claims that the same attitude to work and workers exists today. He terms this attitude "materialistic economism", and indicts both capitalist and Socialist countries for it. The "error of early capitalism can be repeated wherever man is in a way treated on the same level as the whole complex of the material means of production, as an instrument and not in

accordance with the true dignity of his work" (no. 7).

As other Church documents have repeatedly recognised, "it must be frankly recognized that the reaction against the system of injustice and harm that cried to heaven for vengeance and that weighed heavily upon workers in that period of

---

**"John Paul claims that class war is not the way to achieve justice and hence abolish classes. The answer is to restore a direct link between workers and capital."**

---

rapid industrialisation was justified from the point of view of social morality" (no. 8). The liberal economic system of the time "strengthened and safeguarded economic initiative by the possessors of capital alone, but did not pay sufficient attention to the rights of the workers, on the grounds that human work is solely an instrument of production, and that capital is the basis, efficient factor and purpose of production" (no. 8).

Worker solidarity and unionisation have ameliorated many of the worst abuses of the past, but the Pope insists that the same fundamental error is present in various new forms of "neocapitalism or collectivism". Despite improvements, "flagrant injustices" still persist (no. 8).

The Pope clearly recognised the reality of class struggle, which historically took ideological form in the debate between liberalism and Marxism as well as many political forms. John Paul claims that class war is not the way to achieve justice and hence abolish classes. The answer is to restore a direct link between workers and capital.

Invoking his philosophy of work, the Pope says that labour, not capital is the primary factor in production, while capital is a mere instrument. However, even capital needs to be seen in personalistic terms as "the result of the historical heritage of labour". Capital too is the creation of mankind, a heritage to be treasured, and not simply an "impersonal economic" factor.

Despite this personal element in capital, compared with living workers it remains "only a collection of things" (no. 12), and secondary to the needs and demands of the living. It is their servant.

The view that sets capital and labour against each other as "two impersonal forces" derives from what the Pope terms "economism", an error which considers labour solely according to its economic purpose. It is this practical materialism which led to the philosophical materialism of earlier centuries and the dialectical materialism of Marxism.

#### Ownership

The Pope correctly locates the ownership of property as central to the modern organisation of societies, for though he denies that capital and labour are naturally at odds, he recognises that the historical conflict between the owners of capital and those excluded from ownership has been decisive in shaping the world.

John Paul repeats the traditional Catholic view that "Christian tradition has never upheld this right (to property) as absolute and untouchable. 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" (no. 14).

Property is acquired through work and continued possession is contingent on its just use: "the only legitimate title to their

expropriation of property. There is no reference made here to paying compensation; even if the property had been unjustly acquired and hence did not require compensation before socialisation, there are political factors which may make some form of compensation advisable. But the Pope merely asserts that socialisation may be morally justifiable without specifying conditions.

To clinch the argument, John Paul rejects 'rigid' capitalism which asserts "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 practice" (no. 14).

#### Solutions

The Pope has no final answers as to how the separation between capital and labour can be overcome. However, as steps toward a solution he commends joint ownership of the means of work, sharing

hands of state managers, who may or may not manage it well. The danger is that this group may claim "for itself a monopoly of the administration and disposal of the means of production" and abuse human rights in the process (no. 14). Property is only truly socialised, John Paul continues, "when on the basis of his work each person is fully entitled to consider himself a part owner of the great workbench at which he is working with everyone else. A way toward 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 . . ." (no. 14).

The proposal reminds one of the corporatist proposals put forward by Pius XI in *Quadragesimo Anno* in 1931, at least in principle. But the Pope is careful to avoid any mention of those, perhaps because of the use the Fascists were able to make of them.

Whatever he says about the precise form closer links between capital and labour could take, the Pope is clear about the goal to restore the primacy of the person over capital, so that each person can sense he is working for himself, and so that excessive bureaucratisation can be avoided. The worker is not just a 'cog in a machine', but the true subject of work (cf. 15).

#### Beyond the employer

John Paul is quite aware that economic forces are operating to restrict even the choices open to employers. He uses the concept of the "indirect employer" to encompass persons and organisations of various kinds as well as contracts and institutions which determine the economic system (cf. no. 17). Establishing an ethically correct policy then means change in all these factors.

After insisting that the state must

**" . . . the only legitimate title to (possession of property) — whether in the form of private ownership or in the form of public or collective ownership — is that it should serve labour . . . "**

possession — whether in the form of private ownership or in the form of public or collective ownership — is that (it) should serve labour and thus by serving labour that (it) should make possible the achievement of the first principle of this order, namely the universal destination of goods and the right to common use of them" (no. 14).

If property is not being used for the common good, John Paul says that "one cannot exclude the socialisation, in suitable conditions, of certain means of production". This may then demand the

by the worker in the management and-or profits of businesses, so-called shareholding by labour and so on. The Pope's views here may be regarded as pipe-dreams by some, but one could reply, that the technology which has produced the computer and the insight which has developed the joint-stock company can also turn their attention to linking workers more closely with the ownership of the capital they work.

It is no solution simply to take property out of private hands altogether, says the Pope, since this merely transfers it into the

exercise a just labour policy, he rebukes industrialised countries and multinationals for exploiting poorer countries. "The gap between most of the richest countries and the poorest ones is not diminishing or being stabilised, but is increasing" (no. 7).

Unfortunately for him, the Pope claims that these international actors "fix the highest prices for their products, while trying at the same time to fix the lowest possible prices for raw materials or semi-manufactured goods". This is a surprising statement, since the usual literature on multinationals maintains that while they are indeed price-makers and not price-takers, they do not attempt to maximise profits in the short run; and hence it is too simple to claim that they fix the highest price. It would be interesting to know what economists the Pope was relying on here. But it is perfectly true that the big multinationals can distort competition, the free market and exploit the poorer countries. However, such statements need to be backed up by detailed studies.

The Pope is right, though, when he condemns multinationals for forcing the direct employers to fix working conditions "below the objective requirements of the workers" (no. 17).

While recognising the enormous complexity of this notion of the 'indirect employer', the Pope insists that the international market cannot simply be left to market forces. "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" (no. 17). In other words, even the international market is subject to the ethics of the needs of persons.

Given the problems of unemployment even in the rich countries, the Pope realises there are the problems that are difficult.

---

**"John Paul defends the right of workers to unionise . . . They are indeed a mouthpiece for the struggle for social justice'."**

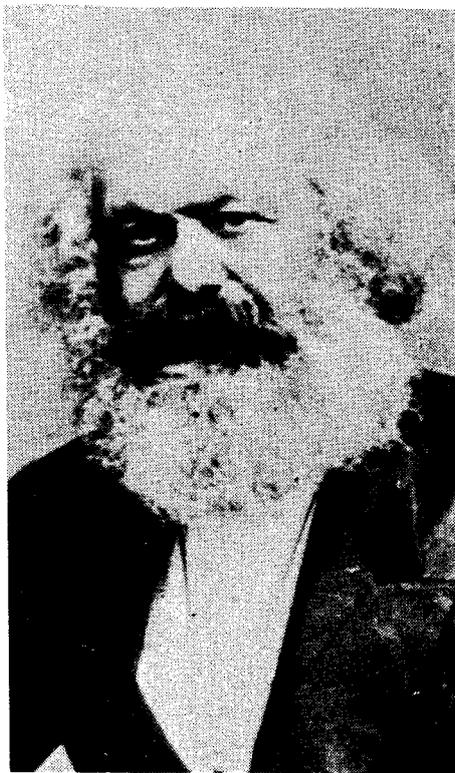
---

Prescriptions will require "exact diagnosis of the complex situations". On an international level, there must be much more collaboration through treaties and agreements (cf. no. 18). Undoubtedly at the present moment "there is something wrong with the organisation of work and employment, precisely at the most critical and socially important points" (no. 18). Hence the need for basic reconstruction of the international economy.

#### Unions

John Paul defends the right of workers to unionise. He denies, however that

unions "are no more than a reflection of the 'class' structure of society and that they are a mouthpiece for a class struggle which inevitably governs social life. They are indeed a mouthpiece for the struggle for social justice, for the just rights of working people . . . even if in controversial questions the struggle takes on a character of opposition toward others, this is because it aims at the good of social justice, not for the sale of "struggle" or in order to eliminate the opponent" (no. 20).



**This encyclical is part of the Pope's response to Marx's philosophy of work.**

But the Pope says this activity must not become a group or class 'egoism', but must consider the common good and the limitations imposed by the economic conditions of the country.

#### Some gaffes

Perhaps thinking a little too closely of Poland, the Pope says that unions should not be connected too closely with political parties. This, however, would drastically affect parties such as the Australian Labor Party and eliminate much of their support. The Pope seems unaware that parties and unions can work satisfactorily together, and hence his statement must simply be rejected as inapplicable to Australia.

The Pope also defends the use of the strike; and workers should not be subject to personal penal sanctions for striking. However, he stresses that the strike is an "extreme means" and must not be abused, "especially for 'political' purposes". This expression is not entirely satisfactory. Who is to decide what is a 'political' as opposed to a non-political strike? For instance, can workers strike against widespread abuses of civil rights in their

country, as in South Africa or Brazil? Common sense would say that they can, though the Pope again seems unaware of the complexity of this question of 'political' strikes. Perhaps he had Poland in mind again.

However, he stresses the need to protect essential services from strikes. Again, as a maxim without clarification this is too broad. Who is to decide what is an essential service? A government could define this so broadly that it would effectively deprive large sections of the workforce of the right to strike. One might add that unions need to be aware that irresponsible and unnecessary strikes can play right into the hands of conservative governments in allowing them politically to enact legislation curbing the right to strike. Perhaps the answer to recalcitrant unions striking lies in bodies such as the ACTU taking a greater role in disciplining unions.

#### The role of women

The encyclical has been attracted by some of the media for its sexist language — possibly a problem of translation rather than of the author — and for arguing for women to get back to the home. I think this latter criticism is misplaced. A close reading of the encyclical does not show the Pope wants women out of the workforce. What he wants is that mothers should have sufficient income so that they are *not forced out of their families into the workforce*.

He argues in favour of the family wage — one sufficient for the single income-earner to support the whole family without "the other spouse having to take up gainful employment outside the home" (no. 19). If the wage alone is not sufficient, then there should be family allowances, or "grants to mothers devoting themselves exclusively to their families".

The Pope calls for the re-evaluation of the role of the mother, so as to recognise

---

**"What he wants is that mothers should have sufficient income so that they are not forced out of their homes into the workforce."**

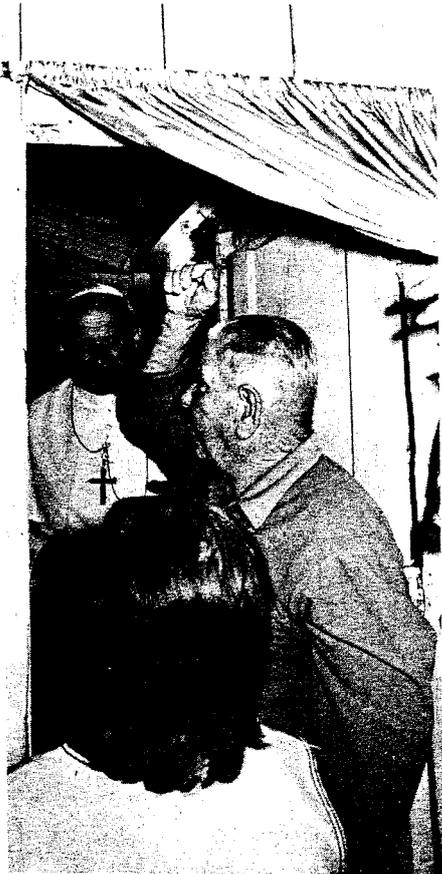
---

the needs of children. "It will redound to the credit of society to make it possible for a mother — without inhibiting her freedom, without psychological or practical discrimination, and without penalising her as compared with other women — to devote herself to taking care of her children and educating them in accordance with their needs, which vary with age. Having to abandon these tasks in order to take up paid work outside the home is wrong from the point of view of the good of society and of the family when it contradicts or hinders these primary

goals of the mission of the mother" (no. 19).

At the same time, the Pope wants to see women able to fulfil their hopes for a family "without being discriminated against and without being excluded from jobs for which they are capable . . . 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 as mothers have an irreplaceable role" (no. 19).

It is hard to see the Pope's statements here as likely to arouse the ire of those campaigning for women's rights. Plainly he leaves with women the choice of staying at home or working, but he is probably



**Pope John Paul visited the hut of a family in a 'favela' while in Brazil.**

right to assume that many women would prefer to be with their families rather than forced to work. In this case, society should provide financial incentives for them to exercise that preference to remain with their families. In reconciling women's careers as mothers and workers, he is obviously trying to alleviate financial pressures which are prejudicial to the former.

#### **Reliance on Revelation**

This encyclical continues a trend in recent social statements to find common ground with Protestants and a wider ethical base than the recent neo-

scholasticism provided. This reflects the view that that philosophical system did not express as well as desired the demands of Christianity. Thus the Pope appeals directly to Revelation as the guarantor of the Church's stress on the person as the ground for its social ethics.

John Paul expresses this primacy of the human person in his own idiosyncratic way: "man 'is the primary and fundamental way for the church'" (no. 1). But then one might ask what is man. The Pope recognises that the social and human sciences have much to contribute to an answer. But he does not think these are altogether sufficient, for "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. The reason is that the church . . . believes in man" (no. 4).

Drawing on Revelation, John Paul describes man as created "in the image of God . . . male and female" (no. 4). As God works to transform the earth, so does 'man', who is called to dominate the earth and subdue it. In this task, he creates his tools, his technologies. "However . . . in some instances technology can cease to be man's ally and become almost his enemy, as when the mechanisation of work 'supplants' him, taking away all personal satisfaction . . . it reduces man to the status of a slave" (no. 5). This is obviously profoundly immoral.

#### **The World Scene**

The Pope also talks of the ethical demands on the present generation being made by the new awareness of limited resources, pollution and low growth. "These new conditions and demands will require a reordering and adjustment of the structure of the modern economy and of the distribution of work". He says that this may mean unemployment for a short while for skilled workers, or that they must retrain (no. 1). "They will very probably involve a reduction or a less rapid increase in material well-being for the more developed countries".

These are hard words, and ones which no one wants to hear; they may make great sacrifices in our life style. But the Pope says that equity demands a "levelling out and a

search for ways to ensure just development for all" (no. 2).

At the same time, there must be reform in developing countries, too. He attacks injustices there when "millions of people are forced to cultivate the land belonging to others and are exploited by the big landowners, without any hope of ever being able to gain possession of even a small piece of land of their own". Others are being pushed off their traditional lands by powerful groups (no. 21).

---

**" . . . equity demands a levelling out and a search for ways to ensure just development for all'."**

---

But such comments as these suggest major themes which need fuller treatment than just the few sentences here. Perhaps we may expect another encyclical on these points.

#### **Conclusion**

The encyclical may have made an important philosophical contribution to the understanding of work, and its proposals to eliminate the conflict between workers and owners by distributing the capital may have great value. The problem is to make it workable. The idea has been tried before, but perhaps it is time to try again.

*On Human Work* will be long remembered as the one in which those two notable gaffes got through into print. This reveals a possible weakness in the whole encyclical: it may be fine from an ethical point of view, but as practical politics, how good is it? And for heaven's sake, cannot someone whisper in the papal ear that he needs good social scientists to monitor his writing so that he will avoid such elementary mistakes in the future. Polish advisers may be good on European affairs, but Europe is not the world. Some further editing from another hand would also do much to make the texts more readable. For all this, this document has the potential to make a solid contribution to the justice debates.■