There is a Crucial Link Between Culture and Economics

Interview: Peter L. Berger

Peter L. Berger is director of the Institute for the Study of Economic Culture and professor of sociology at Boston University. He is the author of many books, including Invitation to Sociology, The War Over the Family and The Capitalist Revolution. His most recent book is A Far Glory: The Quest for Faith in an Age of Incredulity, and the twentieth anniversary edition of To Empower People (with Richard John Neuhaus) has just been published.

R&L: Do you agree with Josef Schumpeter's thesis that capitalism is ultimately destructive of both itself and the culture within which it operates?

Berger: I don’t think I can answer that with a simple yes or no. Schumpeter saw certain things very clearly, and certainly capitalism creates certain processes which have negative cultural effects. I would say that capitalism is very much part of modernity, not just the economic system. It is other institutional consequences of modernization, for example pluralism, that have various effects on culture, and that would take a long time to explain.

Whether capitalism destroys itself the way Schumpeter thought is another question. He thought that, among other things, advanced capitalism becomes very bureaucratized and therefore destroys the spirit of entrepreneurship. I think there is something to that. If for example you look at large corporations, some of them produce the so-called Edsel effect. On the other hand, something that impresses one about American capitalism is that entrepreneurship springs up in the most unusual places, unexpectedly and with great dynamism.

So I think Schumpeter was an astute observer and analyst, and he saw certain things very clearly, but I don’t think he was basically correct on this point.

R&L: Pope John Paul II often warns the West against the cultural phenomenon of consumerism. How do you define consumerism and do you view it as a danger?

Berger: I like to avoid the term, frankly. There is a long Christian tradition where there are certain spiritual dangers to being wealthy; this certainly goes all the way back to the New Testament and, to some extent, even earlier to the Hebrew Bible. But that is more a theological problem than one on which I would want to comment. The way in which consumerism is usually discussed among culture critics or analysts presupposes that it is worse in affluent societies. I’m not so sure that is entirely true. If one thinks of consumerism as being very greatly concerned with material goods, one can make a case that it is more common in poor societies than affluent ones.

R&L: It’s more a concern for them.

Berger: Yes, for understandable reasons, and in affluent societies such as the United States, where there is a great choice and wealth of consumer goods and services, people tend to be quite generous. It’s amaz-
ing how many spiritual and moral social concerns Americans have organized to express, so I’m not sure I would put things in quite that way.

R&L: Many have argued that capitalism operates according to the principle of self-interest—do you think this is necessarily so? Do you think self-interest rightly understood must equate to egoism?

Berger: Well, capitalism does operate by the principle of self-interest; that is how the machinery works. Adam Smith understood this, and I think he was right. Now whether one equates this with egoism obviously depends on how one interprets egoism. If one takes egoism as an immoral concern for oneself and nothing else in the world, then, no, I don’t think one has to equate this with self-interest.

One thing I think one must also understand in making moral judgments is that human beings operate in different spheres. Now the person who is in business, if his business is to survive, must operate by self-interest or he goes under. But very few people are only business people; the same individual is, let us assume, married, has children, is a citizen, belongs to a community, has friends and associates outside this business world, and so on, and an awful lot of altruism is possible in all of these relationships. So in response to your two questions, the first one I would answer yes, and the second one, no.

R&L: Latin America has recently seen an explosion of Evangelical Christianity. How will this affect the region’s social institutions and economic culture?

Entrepreneurship springs up in the most unusual places, unexpectedly and with great dynamism.

Berger: It’s already affecting them, at least in some of these countries. It’s an immense phenomenon. Our research center at Boston University has been engaged in studies on this, and our research has estimated that there may be between forty and fifty million Protestants south of the United States border. And something like eighty percent of them are first-generation Protestants, so we are dealing with a massive phenomenon—most of them, by the way, again somewhere around eighty percent, are Pentecostal, so it’s a very particular kind of Protestantism that is exploding.

I would say there are a number of consequences one can already see. If you talk about social institutions, we have here an incredible replication of some of the values and habits that Max Weber was describing in terms of seventeenth- and eighteenth-century Europe and North America, the Protestant ethic. And then we see here the beginnings of a new middle class, which apart from speaking Spanish or Portuguese sometimes looks as if it came out of the literature of early New England. Economically, again one can say the same thing, it’s creating a group of people with very strong entrepreneurial interest.

There is also, I think, a political effect. This kind of Protestantism, at least so far, except in a few places—Guatemala might be an exception where it’s strongest—is not political. In other words, these people don’t have a political agenda, unlike the Liberation Theologians. They are concerned with being saved, with prayer, healing, and being born again. I think there are indirect political consequences because they are antitraditional almost by definition, since their religion represents a break with tradition. They tend to favor democracy, because it’s very much a people’s movement. They organize themselves, they administer their own institutions, and from what I have seen of this it’s almost the Tocquevillian idea of these churches.
being schools for democracy.

So, yes, I think there is an extremely important phenomenon which already has great consequences and probably will have even more.

**R&L: From your research in United States, Latin America, and Europe, what cultural factors are most important for the economic success of individuals and nations?**

**Berger:** I don’t think we have absolutely certain knowledge of this. One thing I would say, which creates very interesting moral problems: one probably has to ask what stage of economic development one is thinking of here. But very briefly, probably quite different values and habits are conducive to success at earlier stages of modern economic development as compared with later stages.

Let me go back to what I said about the Protestant ethic. Looking at a phenomenon like Protestantism in Latin America, I think we are dealing here with mostly very poor people, and we are dealing with economies that are either just taking off in a modern way or are trying to. The Protestant ethic—hard work, saving, discipline, basically not enjoying life very much and saving for the next generation—these kinds of values and behavior patterns are very conducive to success. You can show this not just in Latin America but in other parts of the world where this kind of ethic may not be Protes-

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**Leonard E. Read (1898-1983)**

“No genius is required to see clearly that an unhampered market economy best fulfills the peaceful wants and ambitions of everyone involved. Each best serves himself by serving others, producing his own specialty, trading for theirs.”

Leonard E. Read was the founder of the Foundation for Economic Education, one of the original pro-freedom think tanks. Through his tireless efforts in that organization, as well as through his twenty-seven books, countless essays, and extensive speaking schedule, he was largely responsible for the revival of the liberal tradition in post-World War II America.

Read was born on September 26, 1898, on an eighty-acre farm just outside Hubbardston, Michigan. His early life was marked by hard work and diligent study. As a young man, Read served in the armed forces in World War I, enlisting shortly after the United States entered. After he was discharged, he was eager to go to college and pursue a medical degree, but his finances required him to become an entrepreneur so he could save for his education. He thus started a business in what he knew best, farm produce. After that he went to work for the California Chamber of Commerce where he became a vocal critic of policies limiting freedom and expanding government. His struggles in these fights prompted the idea of the Foundation for Economic Education, which promoted the freedom philosophy through lectures, seminars, research, and its publication *The Freeman*.

Read was keenly aware of the religious and ethical dimensions of human liberty, and that freedom ultimately rests on Judeo-Christian religious values. It is from this source, he believed, that we derive our convictions about the meaning of life, the nature of man, the moral order, and the rights and responsibilities of individuals. The classical liberal tradition is a projection of this religious heritage. Another cornerstone of Read’s thought was that the free market is a moral institution, not just an efficient means of production. Coercion for noble purposes must produce ignoble results. Thus, Read thought, defenders of the free society can take the moral high ground over the proponents of the coercive state power.

The market economy, like every other human institution, is based on certain moral assumptions. Take a very simple assumption: if people sign a contract, they will live up to it.

Berger: Yes, but also if you take Latin America it’s not so long ago that virtually all intellectuals in America, including Catholic intellectuals, were in one way or another committed to the idea you have described—

sia went in a better direction.

Berger: There is often a debate between those who strive for what they might call a more humane economy and those who see economics as only a matter of productivity. Do you think there’s really a tension, or do you think virtue in the marketplace can help productivity?

R&L: In Centesimus Annus the Pope calls for a vibrant market economy circumscribed by strong moral and juridical frameworks. How do you interpret “strong moral and juridical frameworks”? Is there ever a reason for direct government intervention in the economy?

Berger: I think cases exist where there are tensions that individuals who are in positions of responsibility have to work through. That is the subject matter of business ethics, which is a complicated and I think worthwhile undertaking. But there is a primitive business ideology that being good, being morally virtuous, will always lead to economic success. That is simply not true. The life of Jesus of Nazareth if nothing else.

R&L: The Acton Institute often encounters Christian churches and communities who argue that socialism is the economic system to be preferred if you wish to achieve true personal liberation. How do you respond?

Berger: These people are dreadfully wrong. Socialism is no longer just an idea, it’s a form of economic and political organization that has been tried in many countries, not just in the Soviet Union. It has unfailingly produced economic disaster, and in most cases, pretty odious political tyrannies. So the idea that socialism is the way to personal liberation is, empirically speaking, a horrendous mistake and one that fortunately is becoming a little less fashionable than it was a few years ago.

R&L: At least the election in Rus-
Letter to the Bishops of the Church of Sweden

What is more important, to reduce wealth or to reduce poverty?

Carl-Johan Westholm

This essay—originally printed in Swedish in 1994—was prompted by the 1993 pastoral letter, “On the Rich and the Poor,” from the bishops of the Church of Sweden, formerly the established church. The following was written as a letter in reply, not to attack the bishops or the church, but to clarify what has been distorted by some of the bishops’ formulations.

The bishops’ pastoral letter was given considerable attention in Sweden when it was published, as was this reply. It appears here in English for the first time. The first half appears in this issue; the second will appear in the next issue.

“Maybe the science which makes the community everything and ignores the individual, will to a future sober assessment seem as mythological and fantastic as primitive thinking.” (Archbishop Nathan Söderblom: The Living God)

A 1920s pupil in southern Sweden did not always have a packed lunch to bring to school. His friends had wealthier parents who could afford to give their children lunch boxes. He made up his mind that when he grew up he would do everything to abolish the humiliation he had suffered.

A young Swede in the 1880s was also poor. Sometimes he would go hungry and work began early. On one occasion an older worker gave him his sandwich. He felt that the youngster needed it better. The latter never forgot it. He made up his mind that he, if he ever became rich, would remember that he was once poor and how he had been treated.

The first youngster, the pupil, became a politician. As such he voted through measures to more than double the Swedish tax burden.

The second one, the worker, started up companies and became a successful businessman. He didn’t like to pay high taxes. He never forgot the poverty of his youth. He made more money than most and he gave away more than most.

There is no doubt that the experiences of youth influence each individual. But the conclusions drawn from the same kind of experiences can differ. Sometimes one event can be decisive. He who encountered generosity became generous.

The relationship between rich and poor is part of human life and promotes much thought. In 1868 Londoners collected money for the starving Swedes. This was the year when many Swedes mixed their flour with tree bark. Few could then suspect that this country, in the northern periphery of Europe, would over the next one hundred years experience the fastest economic growth in Western Europe and the second fastest in the world, after Japan.

It is positive that the bishops of the Church of Sweden have turned their attention to the theme “Rich and Poor” in their pastoral letter from the 1993 Synod. It is a letter about “justice and morality in [a] global economy”.

The bishops’ letter has started a discussion that I find valuable. But the letter, as well as some of the comments criticizing it, is to my mind vague and occasionally attempts to score simple rhetorical points. However, the problem exists. Misunderstanding real problems tends to affect reality in the wrong direction. It is, therefore, important to discuss partly the main issue, wealth and poverty, and partly the role of the Swedish Church. This letter to the bishops attempts primarily to discuss the former point. The Swedish Church has an important role to play, but on that issue I find myself an amateur. However, my experiences of business and of economic debate make me feel compelled to point out the incomplete strains of thought of the main representatives of the church and to shed some further light on them. I do not flatter myself that I am right in any absolute sense. But there are certain gaps or unclear parts of the pastoral letter, the consequences of which do not only concern “the global economy” but also the attitude towards individuals as entrepreneurs in Sweden.

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and indirectly attacks entrepreneurship, not only globally but locally.

“The order of this world” is clearest seen from the perspective of the poor. This is the exact text of one of the headings in the pastoral letter, which then clarifies the heading with the following words: “The poor have insights about the nature of wealth which go deeper than the wealthy’s insights about the nature of poverty. The poor become the victims of exploitation and oppression. This gives them precedence in determining the meaning of the course of events.”

The starting point in the pastoral letter, namely that the “perspective of the poor” gives a clearer light than “the perspective of the wealthy”, can be disputed; it is impossible to prove which is better. However, it is clear that there are two further perspectives that the bishops do not mention, which makes their starting point incomplete.

The pastoral letter talks about two opposite categories; a basic approach, as when, for example, people talk about “us” and “them”. When we come to rich and poor there are two further perspectives that are of interest, namely that of someone who once was poor but has since become rich, as well as that of someone who once was rich but has become poor. It is likely that he who has seen both perspectives has more experience than he who has only seen one.

To give one group, the rich or the poor, precedence in interpreting events, when there are those who have experienced both states, is peculiar. In addition, the starting point determines which conclusions are later reached.

How can someone who is poor become rich? There are two explanations. One is that the poor takes money from others and so creates his own wealth. The more he steals, the richer he becomes. This can, using the words of the pastoral letter, be described as “[t]he poor [becoming] the victims of exploitation and oppression”. It is, of course, the case that if one person or group only can improve their lot at the expense of another person or group, then each increase of wealth for any individual will in practice become theft from another. This theft may then be criminal or legitimized by political assemblies, be they democratically elected or appointed in other ways. It nevertheless remains a zero-sum game; regardless of the efforts the sum total of all transactions thus remains zero. This is the relationship expressed in the (Swedish) half-truth “one man’s death is another man’s bread”.

In a growing economy individuals will through their work create more goods and services, which will be demanded by others. This means that he who produces becomes richer than he (or she) was. Society

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But not loving money need not be the same as not recognizing the value of money. St. Paul did not write that “money is the root of all evil”, but that the love of money is the root of all evil.

This love of money can after all express itself in different ways. It can express itself in a limitless care for one’s own money. Or in equally limitless care for other people’s money. The latter—which the bishops’ letter does not touch upon—can either be such as the work of the plain thief, or it can be such as that of the politicians who accuse others of materialism, but who themselves only propose ways of redistributing money from one group to another by state intervention. Materialism is probably not the root of all evil. But the preference for materialism—one’s own money and that of others’—can indeed be a root.

The pastoral letter talks about the good and the evil impulse. “The good impulse is to use what life gives according to God’s will. The evil is to use it selfishly and to attempt to gain more than is proper at the expense of others.” Here it is indirectly said that gaining at the expense of others is not wrong, only to gain “more than is proper”. Can this really be thought through? Is it in any case “proper” to attempt to gain anything at the expense of others? While on the other hand—to gain any amount without it being at the expense of others, should that not be “proper”?

It is probably often the case that many confuse appearance and reality. He who has not made himself a great fortune is assumed not to have gained “more than is proper at the expense of others”. He who has become very wealthy, is, however, assumed to have done it “improperly”. But reality is not so simple or so cruel. Ingvar Kamprad, the founder of Ikea, has made billions from the people of Sweden. But that is as
nothing compared to how the Swedes have profited from Ingvar Kamprad and his Ikea. Another businessman who starts a furniture store runs it badly, sells dear, goes bankrupt and becomes a burden to himself as well as to his environment. He does not gain “more than is proper at the expense of others”. But he loses and others lose.

It is in fact the case that a person or a group may lose on a deal without anyone else profiting from it. The pastoral letter also makes references to the past, to the earliest days of the Bible. “The Patriarch Jacob with his sons, wife and herds left his part of the country when famine threatened. After a long period in Egypt it was possible to return to a land that had recovered and now flowed of milk and honey. Precisely because of the expected surplus it was important to set limits to how much the rich could profit at the expense of the poor and indebted.”

But it does not say why the land now “flowed with milk and honey”. The bishops’ letter continued: “The miracle of the manna in the desert during Israel’s wanderings from Egypt to Canaan is probably the most basic Biblical picture for the relationship between community and assets. Every day enough manna fell so that each one could collect for the needs of those dwelling in his tent, but no more. For those who tried to stock up, anything above the daily need rotted.”

In a desert life it is of course difficult to produce, and meaningless to save, if the daily ration is anyway provided. “The relationship between community and assets” is reasonably different among individuals wandering in the desert than among individuals who have come out of the desert. One characteristic of societies outside the desert is that manna does not fall from the heavens but that, on the contrary, one must work, if necessary by the sweat of one’s brow.

The pastoral letter also says that “there is an experience gathered in the Biblical revelation and the tradition of the Church through the centuries. It says that the threat of living under the cold star of scarcity does not emanate from a lack of resources at creation but from the lack of a fair distribution.” But is it not the case than an ever so fair distribution won’t help if an excess of resources is not taken care of?

The bishops write: “When loans and interest rates in an economic system exceed fair proportions—when loans are taken for more than actual needs, when interest rates exceed the compensation for labor input and risk—it leads to speculation and pure hazard with the money and property of others. Such lending wheels and interest rate merry-go-rounds eventually come to a halt. It turns out that the less affluent and the poor must take the losses but are left outside the profit. This holds true both for individuals, local communities and for countries.” Sweden’s central government deficit is currently (1994) 1,000 crowns per worker and week. That is equivalent to 8,000 crowns per month and family if both parents are working. The absolute increase in the Swedish taxpayers’ indebtedness is probably higher than in almost any other country. The pastoral letter has here commented on a matter which probably lay closer to home than may have been the intention.

Encountering beggars in poorer parts of the world is heart rending for the visitor. The pastoral letter reminds us that nine hundred million of the world’s almost six billion inhabitants can neither read nor write. One of three children born alive suffers from malnutrition at some stage during its first five years. At least fourteen million of these children die of famine every year. Let me add

We can hardly understand how the world will emerge from this condition without only looking at rich and poor. We must learn from those individuals and countries who were once poor but have become rich.

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people work for survival. In other countries they do so for other reasons. There is nothing in the market economy per se which makes it necessary to combine it with the state setting economic growth as its primary aim. According to the principles of a market economy, the state should rather set freedom of contract and legal security first. This brings on the most benign environment for raising standards of living. He who chooses to take out a higher standard in the form of more leisure time, is then able to do so.

The main problem in the relationship between rich and poor countries is probably not the balance sheet but the profit and loss statement. That is to say: it is not assets and liabilities that are the most important but rather the wide gap in production capacity. “Better breadless than clueless” says an old Swedish proverb. The Swedish poor knew what was more important in the long term.

“When Joseph, through his trusted position, was able to plan the economy of Egypt and its assets, the system was based on food for everybody,” the bishops’ letter notes and adds: “Not through growth, taking the expected future scarcity into account, but through sharing.”

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Here the issue was seven good years, seven years of growth, which would be followed by seven bad years, according to a revelation Pharaoh received in his dream. During these seven good years manna did not fall from heaven but record harvests were reaped through hard work. During seven good years one fifth was set aside and stored, in order to be consumed during the expected seven lean years. The conclusion drawn by the pastoral letter is: “This was a responsible planning of the economy to benefit the whole population which saved the country in a situation where free market forces would have been disastrous for the majority, albeit certainly very rewarding for a few.”

This is one of many examples of the pastoral letter’s vague jibes against the market economy and individual enterprise. It can, of course, be argued that this is irrelevant for today’s Sweden, the example was about Pharaonic Egypt. But it is relevant, because the bishops are opinion shapers and are discussing economic principles. Further, if production in a country of one good for a few years is higher than normal, it is usual for the average price to fall. It is then good to save some for the future. You never know if there will be a bad year. In the bad years the price of the stored will be much higher than if it had been sold during the good years. This promotes savings during good times; it is called the market mechanism. It is unnecessary if there is a Joseph who knows how supply and demand will develop. But Joseph is unique.

The bishops quote the Prophet Jeremiah who “pronounced the verdict of God on businessmen who did not pay fair wages”: “Woe unto him who forces his neighbour to serve him for nothing and does not give him his wages.” The pastoral letter adds: “These words naturally also apply to the modern, transnational corporations that look for countries with the lowest wages.”

Naturally? There is a decisive difference between a slavedriver who can force and an employer who can offer employment. Consumers buy products produced by companies who sell the best product at the lowest price. This bears a certain relationship with how the production is organized and how expensive it is. Some of the consumers may be very poor. Should poor consumers pay more because the Church wants to stop poor workers in other countries from working at wages lower than in Sweden? Judging economic matters, too, should be done “with all understanding”. To believe that all the poor are poor without cause is probably as wrong as believing that all the rich deserve their wealth. To succeed in business you need both luck and skill, or at least not bad luck.

The pastoral letter eventually moves on to man’s ability to create. It writes: “What man inherits, generation after generation, is not a finished work of creation...It is creation in being with the possibility to be completed and be good.” The Bible begins with the story of creation, not with its result, the pastoral letter does the reverse. It begins by saying that it is the viewpoint of the poor that best explains poverty and wealth. Only in the latter half of the letter does it deal with “Divine Creation”.

The conclusion to Dr. Westholm’s letter will appear in the September/October issue of Religion and Liberty.

Carl-Johan Westholm has a Ph.D. in political science. He is president of the Swedish Federation of Private Enterprises and secretary of the Mont Pelerin Society.
The Principle of Subsidiarity

David A. Bosnich

One of the key principles of Catholic social thought is known as the principle of subsidiarity. This tenet holds that nothing should be done by a larger and more complex organization which can be done as well by a smaller and simpler organization. In other words, any activity which can be performed by a more decentralized entity should be. This principle is a bulwark of limited government and personal freedom. It conflicts with the passion for centralization and bureaucracy characteristic of the Welfare State.

This is why Pope John Paul II took the “social assistance state” to task in his 1991 encyclical Centesimus Annus. The Pontiff wrote that the Welfare State was contradicting the principle of subsidiarity by intervening directly and depriving society of its responsibility. This “leads to a loss of human energies and an inordinate increase of public agencies which are dominated more by bureaucratic ways of thinking than by concern for serving their clients and which are accompanied by an enormous increase in spending.”

In spite of this clear warning, the United States Catholic Bishops remain staunch defenders of a statist approach to social problems. They have publicly criticized recent congressional efforts to reform the welfare system by intervening directly and depriving society of its responsibility. This “leads to a loss of human energies and an inordinate increase of public agencies which are dominated more by bureaucratic ways of thinking than by concern for serving their clients and which are accompanied by an enormous increase in spending.”

In the spring of 1994 Monsignor Higgins gave a lengthy talk on the principle of subsidiarity to the Albert Cardinal Meyer Lecture series. Higgins stated that the “principle of subsidiarity is concerned with the relationship of the state to other societies, not with the nature of the state itself.” This view is wrongheaded. Subsidiarity applies to all human institutions, including the state. When the federal government usurps the rights and responsibilities of state and local governments, a flagrant violation of the principle of subsidiarity has occurred. If upper echelon bureaucrats in a Cabinet department operate in a top-down manner and deny any flexibility to their subordinates, the effectiveness of this department will be diminished. Higgins’s interpretation of subsidiarity exempts the internal operation of the various levels and branches of government from any critical scrutiny.

The ultimate purpose of Higgins is to defend the welfare statist philosophy which he and his allies in organized labor have advocated for decades. This leads to serious distortions in his analysis of the principle of subsidiarity, especially in his treatment of Alexis de Tocqueville. Higgins cites de Tocqueville’s praise for voluntary associations as part of a larger discussion in which he endorses an enhanced role for government in fighting poverty. But Higgins ignores other aspects of Tocqueville’s work which would devastate his thesis. As Russell Kirk observed, Tocqueville strongly opposed the centralizing impulse which afflicts modern democracies. In accord with subsidiarity, true democracy is a product of local institutions and self-reliance. Consolidation is the weapon of tyranny, but the friend of liberty is particularism. “Among the public men of democracies, there are hardly any but men of great disinterestedness or extreme mediocrity who seek to oppose the centralization of government; the former are scarce, the latter powerless.”

Monsignor Higgins, by contrast, fails to even mention the relationship between federal, state, and local governments. Any extended discussion of the principle of subsidiarity which neglects to consider the respective roles of the state and federal governments in the American system is radically flawed. As our founding fathers made clear in The Federalist Papers, the U.S. Constitution was designed to leave many issues of great impor-
The top-down, centralized planning of the Soviet system could not succeed because it contradicted the subsidiarity principle.

regulates the descent of property, and subdivides their inheritances; what remains, but to spare them all the care of thinking and all the trouble of living?”

Tocqueville strongly opposed this system because it kept the citizens in perpetual childhood. Pope John Paul II criticized the Welfare State in Centesimus Annus for the same reason. However, Monsignor Higgins does not even address the Pope’s critique. He makes one passing reference to it before directing the attention of his hearers elsewhere. Higgins cites Gregory Baum’s argument that the principle of subsidiarity has been complemented by the principle of socialization, first elaborated by Pope John XXIII. Baum defines subsidiarity as “de-centralization” and socialization as “centralization”. In other words, in this view, Catholicism teaches the principle of de-centralization and the principle of centralization simultaneously!

The absurdity of this argument is clearly revealed by taking a closer look at the meaning of socialization. In reviewing John XXIII’s encyclical Mater et Magistra, Father Robert Sirico observes that the Pontiff’s desire was to strengthen mediating institutions in order to protect the primacy of the human person. Far from advancing any form of collectivism, Pope John wanted to “multiply social relationships” so that the individual would be free to pursue the common good. Socialization does not mean centralization. Rather, it refers to the voluntary associations which Alexis de Tocqueville praised as being a vital part of American freedom in the 1830s.

The principle of subsidiarity is both thoroughly Catholic and thoroughly American. The U.S. Catholic Bishops should be leading defenders of it. That they are not is due to intellectual currents which go beyond the partisanship of scholars such as Monsignor Higgins. The Bishops have not learned the key lessons of the 1980s: the success of free market economics and the failure of collectivism. The top-down, centralized planning of the Soviet system could not succeed because it contradicted the subsidiarity principle. When producers and consumers are not allowed to bargain freely, prices cease to reflect meaningful information and become arbitrary dictates of the bureaucracy. The Austrian economist Ludwig von Mises wrote, “Without the basis for calculation which Capitalism places at the disposal of Socialism, in the shape of market prices, socialist enterprises would never be carried on, even within single branches of production or individual countries.”

If the Bishops understood this point, they would not be advocating government price controls on goods ranging from health care to cable television. The National Conference of Catholic Bishops needs to take a closer look at the principle of subsidiarity and to apply it more consistently. In the realm of economics, this would entail respect for the mechanisms of the free market and opposition to state intervention exemplified by the failed Clinton health plan. The Bishops must understand that taking away the power of decision from producers and consumers and entrusting it to government bureaucrats violates the subsidiarity principle. Concerning political teaching, the Bishops should support efforts to restrict the Welfare State and to return to the states rights and responsibilities taken from them since the 1930s. If they do, the U.S. Bishops will find themselves more in accord with the Papal teaching of Centesimus Annus, the Catholic natural law tradition, and the convictions of most American Catholics.

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The Making of a Conservative Environmentalist
by Gordon K. Durnil

As the readers of this publication are probably aware, environmental regulation is a hot subject for conservatives right now. In the battle to reduce the size and scope of the federal government, we are seeing the first counterattacks to what has been a two-decade-old regulatory jihad by the federal government. And to assist in the revolt, a slew of conservative books and pamphlets have become available detailing not only the quasi-religious, socialist nature of the Green worldview, but also the incredible abuses of law-enforcement power that have followed from the nebulous language of current federal environmental legislation.

No one would enjoy the kind of work necessary to fight this battle, done by people like Rep. David McIntosh of Indiana, who must master the minutiae of federal law, scrutinize the weak extrapolations of today’s rat-based science, and debate the likes of EPA head Carol Browner every night on some wonk channel or other. But this kind of analysis is vital if public perceptions, still strongly in favor of activist government when it comes to the environment, are to be changed. We must tirelessly remind the public not only that present federal environmentalism is by unintended consequences hurting the environment and health, but also that current federal environmental law is wiping out traditional protections we have enjoyed under the common-law tradition—as Timothy Lynch points out in the Cato Institute’s Policy Analysis No. 223, “Polluting our Principles: Environmental Prosecutors and the Bill of Rights”—like being considered innocent of a crime unless we both actually commit it (actus reus), and know we are committing it (mens rea).

With all the controversy about, I am sorry to say that if you want a good book on conservative environmentalism, this is not the one to buy. And that is too bad, because Gordon Durnil occupied the kind of position that is in the midst of, as he calls it, “a laboratory for learning” for environmentalists and free-market advocates, the Great Lakes region.

Mr. Durnil is a former member of the International Joint Commission, a bilateral body charged by the Boundary Waters Treaty of 1909 with making recommendations to maintain environmental quality in and around the waters shared by the United States and Canada. The organization provides a bureaucratic double shot, coordinating the policy not only of two federal governments, but of the surrounding provincial and state governments as well. The massive international commons it seeks to protect contains twenty percent of the world’s fresh water and supports a remarkable network of commercial activity.

The book is for the most part Mr. Durnil’s reflection on his time served on the Commission and some of its more significant accomplishments as he sees them. But there is little conservative philosophy in it. Mr. Durnil makes occasional genuflections to the free market, limited government, and traditional values, but the book lacks substance.

It is also unclear who the target audience is. The book is very light on detail, and embarrassingly heavy on generalizations about lobbyists, lawyers, members of the media, and government officials. Mr. Durnil for the most rehashes his service, complete with “As I said in this speech” followed by an excerpt, etc., and several uninteresting sections devoted to the bureaucratic arts of “decision making,” “listening,” “bringing people together,” “communicating,” and “involving the public.”

But most importantly, Mr. Durnil’s policy prescriptions, particularly about how to handle chlorine and its by-products, are right out of the Greenpeace playbook.
Mr. Durnil recommends, as the International Joint Commission has done, two things. 1) The lumping together into one regulatory class of all chlorine by-products. Simply on prudential grounds, because not all chlorine products are the same, this has been criticized by the American Council on Science and Health, the American Society of Toxicology, the American Chemical Society, and the American Medical Association as a simplistic and unscientific strategy. This one-size-fits-all agenda can only be understood in light of the larger objective of the IJC, with serious prodding from Greenpeace: 2) “Sunsetting” or phasing out the use of chlorine altogether. This, dear reader, is absolute madness.

Mr. Durnil is concerned about a series of industrial by-products released into the atmosphere that come from the use of chlorine. PVCs, dioxin, furans, etc. The traditional charge by environmentalists is that these by-products “mimic” human hormones, such as estrogen, which result in various serious problems like cancer, reduced size of male genitalia, and low sperm counts. The moral point, an eminently conservative one Mr. Durnil argues, is that we have no right to impose any such risk of hardship on future generations of Americans through the process of industrial dumping into places like the Great Lakes. Thus there should be no dumping, no chlorine.

Following from this moral imperative, Mr. Durnil dismisses the government’s current practice of risk analysis or risk management, which is not without difficulties. Mr. Durnil and the IJC describe it as “unworkable” and “outmoded,” and he, and Greenpeace wish to do away with it. Republican lawmakers, on the other hand, are trying to improve government risk-management policies with their call for “cost-benefit” analysis of pending legislation. That is, they would require bureaucrats to evaluate all the possible costs of any governmental policy that interferes with the market, and weigh them against the possible benefits. (On the other hand, from a purely libertarian point of view, there is something to be said for scrapping the risk-management approach completely—thus taking bureaucrats out of the equation completely—and returning to an earlier common-law tradition of property rights, and torts, allowing individuals who can show harm from industrial discharge to sue for damages, but to otherwise leave the market alone. But this too does not eliminate risk.)

With their emphases on calculation, and their apparent tolerance for the passing on of risk, risk management, cost-benefit analysis, and even tort law might seen as eminently utilitarian approaches to governing, which could reduce human suffering into a mere manageable number. Clearly this is Mr. Durnil’s fear.

Now I can say as a traditional Catholic with some experience in moral theology and ethics that I have no great love of utilitarian thought, which has a tendency to turn people into means to our ends. But Mr. Durnil’s anti-industrial ethic distorts the significance of risks of living in a world with other human beings.

Ninety-nine percent of the cancer risk humans have is from things like poor nutrition, smoking, etc., not industrial pollution. So, where we legally allow chlorine-based releases into the environment, we are already a long way from deliberately allowing harm to others. But more importantly, if harm does result from most chlorine-based industrial output, it is practically unintended, because of the more important fact that such harm would be in complete defiance of astronomical odds as we understand them. There is simply no appreciable risk to humans from chlorine.

The reason why the public perceives a risk from chlorine releases into the environment is the poor understanding it has about our present methods of determining risk, which are seriously flawed. Much of what current law determines to be “risky” is not clearly risky to humans, but risky
Now if you know anything about rats, you know they are little cancer machines. They get cancer if you look at them too long. So when we determine what constitutes a real risk, we need to be aware of this “rat-gap.” Take for example this factoid from the American Council on Science and Health. All fruits and vegetables contain rat carcinogens. Yet, they are the single most effective means of protection for humans from cancer. Should we then get rid of vegetables? It is clear that they “might” cause human cancer, because science can never prove a negative (the absence of human cancer risk). But the fact that they “might” contribute to human cancer in some case does not outweigh their dramatic benefit. The healthiest things you do in life contain risk. The question is how much? Humans do quite well, to paraphrase Fred Smith, while “swimming in an ocean of risk.”

Now, consider a few of the facts as well as benefits of chlorine and chlorine by-products, which also prevent cancer by other means. Chlorine is a naturally occurring substance, and many of the by-products which environmentalists want to do away with are organically produced in the exact same form by forest fires and living organisms. Chlorine is used in the production of 85 percent of the world’s pharmaceuticals and vitamins. It is used in 96 percent of all crop-protection chemicals. It is the only truly effective source of fighting water-borne disease like cholera, ozone being a poor substitute with equal or greater toxic problems. It is used in drugs to treat depression, arthritis, cancer, ulcers, malaria, coronary disease, among others. PVC, a chlorine by-product is used in myriad ways in construction, provides the benefit of replacing iron piping, which contaminates the environment terribly. The cost in health and industry of suddenly changing all these products and procedures would be astronomical, but that is while the deformer simply shouts, “I see no reason for this!” and disposes of it. Mr. Durnil’s book, with such a lack of detailed argumentation gives the impression that he is the latter.

Mr. Durnil’s views are those of the classic bureaucrat; empowered to be compassionate, to be

Mr. Durnil’s views are those of the classic bureaucrat; empowered to be compassionate, to “care,” he is insulated by legal mandate from the cost of his actions, or the need for circumspection. He will attempt to eliminate all risk from life, no matter how insignificant.

* For more information on this write to the American Council on Science and Health, 1995 Broadway, 2nd Floor, New York, NY 10023-5860, and ask for their pamphlet “Chlorine and Health.”
In Private Rights and Public Illusions, Tibor Machan sets out to attack Americans’ increasing tendency to believe that “whatever is important in society must be a matter of public or state concern” (xiii). He is concerned that Americans are turning to government to solve every problem and turning away from their tradition of self-reliance.

To remedy this problem, Machan argues that America must return to its basic principles. The country must base its social policy on “the right to individual liberty, with not having my or other persons’ initiative thwarted, preempted, or depleted by regimentation and dictatorship” (xvi). Throughout the book, Machan insightfully applies this principle to a variety of social problems (e.g., welfare, occupational safety, pollution). In the process, he shows that America would be better off if government respected liberty as a moral principle that must not be traded away for the sake of convenience, no matter how tempting.

While the whole book is worth reading, Machan’s chapter on “Human Dignity and the Welfare State” is especially compelling. He shows that welfare dependence is not really a social or economic problem, but a moral tragedy. By taking away citizens’ ability to govern themselves and their own lives, welfare has robbed all Americans (poor and non-poor) of their responsibility and hence their freedom, for without personal responsibility there can be no true freedom. This is a provocative book and should be read by all those who care about public policy and who fear that Americans no longer believe in their ability solve their problems through themselves, their families, their churches, and their communities.

Population Issues
Marianne Postiglione, RSM, and Robert Brungs, SJ, editors
ITEST Faith/Science Press, 1996
189 pp. Paper: $12.95

Population Issues is the work of two members of religious orders well-known for their engagement with contemporary issues. Not surprisingly, the book contains a wealth of up-to-date information, statistics, and analysis drawn from an October 1995 workshop on the Catholic Church’s position in the debate over world population. Although some parts may be quite technical for the layperson, the book is a valuable contribution to the search for a humane approach to the global “population problem”.

The book’s central argument is that the Church has helped to change the debate from one of “population control” to one of “human development”. The authors persuasively argue that people (especially Third World people) can no longer be seen as problems but as opportunities. Drawing on contemporary philosophy and the great thinkers of the Christian faith, Postiglione and Brungs show that the time has come to base population policies on the dignity inherent to each person as created imago Dei.

Environmental Philosophy and Environmental Activism
Don E. Marietta Jr. and Lester Embree, editors
Rowman & Littlefield, 1995
232 pp. Paper: $22.95

Environmental Philosophy and Environmental Activism is an edited volume of eleven essays written by scholars and activists in the environmental movement. Edited by two scholars, the book discusses whether environmental philosophy is simply a form of environmental activism. Are so-called “environmental philosophers” really open to the truth or are they just trying to justify their own preferences, many of which entail policies hostile to the free society?

All of the essays argue that environmental ethics must have a deeper foundation than mere prejudice or simple activism. This is an important insight because it means that environmentalism can be open to rational dialogue about the truth concerning human beings and their world.

By showing fellow environmentalists that they must justify themselves to others who desire the truth but do not share their beliefs, the contributors go a long way to making constructive exchange possible between ecologists and those who have grave concerns over the character of the contemporary environmental movement. If for no other reason than this, Environmental Philosophy and Environmental Activism warrants serious reading by the friends of the free society.

-Jeffry J. Sikkenga
Religious conservatives are sometimes skeptical that church and state should be separated. Here’s one case for keeping the two apart: the Church, and the faith it promulgates, must be protected from invasion by secular authorities. This is especially crucial in our times when few spheres of life are protected from violation by secular authorities. We live in a culture of statism, when police power operates as if it were the highest social authority. Given this, the Church must retain the sovereignty and independence to stand up to government and say, when it becomes necessary, your authority stops here.

The moral urgency of this case came home recently to a priest in Eugene, Oregon. In April, Fr. Tim Mockaitis of St. Paul parish traveled to the Lane County jail on request. An inmate had requested that a priest hear his confession and administer the Sacrament of Reconciliation. The priest heard the confession, gave absolution, and traveled on his way.

Two weeks later, he received a phone call from a reporter at Eugene’s Register Guard. Unknown to Fr. Mockaitis, the confessional had been bugged and taped by the Sheriffs’ office. That tape was now in the possession of the Lane County District Attorney. Fr. Mockaitis immediately called diocesan authorities and explained what had happened. What followed was a heroic action by the Bishop, who explained the seriousness of the matter.

Under the Catholic Code of Canon Law, said Bishop Kenneth Steiner, then serving as Archdiocesan Administrator of Portland, a priest is bound to keep the confidentiality of anything said in the confessional. The sacramental seal compels secrecy and thus the Church resolutely defends the inviolability of the priest/penitent relationship. If a priest does betray the penitent, for any reason whatsoever, he is automatically excommunicated, the harshest penalty the church can apply.

In the Eugene case, the seal was broken, not by the priest or the Church, but by secular authorities. The state had not respected the sphere in which the Church is absolutely autonomous. This intrusion must be seen for what it is: violence aimed at the heart of the Church’s self-concept as reconciler of Man to God through the forgiveness of sins. No earthly authority can justly prohibit or compromise the fulfillment of the Church’s first duty, which is to administer the sacraments. The tape, said the Bishop, must be destroyed to guarantee the future integrity of the confessional.

After a visit from the Bishop and lawyers representing the Archdiocese of Portland, and popular outcry over the incident, the district attorney turned the tape over to the district court which has permanently sealed it, but has so far not destroyed it. The Sheriff’s office pledged to keep away from the confessional, fully in accord with the Constitution’s protections for the “free exercise” of religion. Yet we have to wonder how close we are to the day when such protests will be less successful.

Our times are defined by an ever-encroaching state. It was only a matter of time before even the confessional was no longer safe from the ears and eyes of the state. Do we no longer know the limits?

At least in this instance, the Church understands the limits and that they are inviolable. The right to worship is more than a civil right granted by legislation or court decree. In some areas—the confessional among them—the Church’s rights are absolute and independently sovereign. These rights cannot be justly taken away by any court, legislation, or election.

Sadly, the Church is one of the few institutions in our time with the moral stature and structural means to counter government attempts at omniscience. Civil libertarians who understand the danger posed by an overly invasive civil power should learn to appreciate this fact. The separation of Church and state may keep sectarian prayers out of public classrooms, but it also keeps wiretaps out of confessional.

The church must retain the sovereignty and independence to stand up to government.

Rev. Robert A. Sirico is President of the Acton Institute for the Study of Religion and Liberty. A longer version of this article appeared in the Washington Times on June 12, 1996.
“The people never give up their liberties but under some delusion.”

—Edmund Burke—