

THE ECONOMICS OF LAUDATO SI':

NO SURPRISES HERE

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14 September 2015

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Executive Summary

Pope Francis' Encyclical Letter *Laudato Si'* is primarily concerned with a range of environmental issues, particularly climate change. However, as the Pope emphasises, environmental issues cannot be separated from the promotion of social justice, the need to care for the poor and the operation of economic systems. As a result, a significant part of the encyclical draws on Catholic social teaching on economic affairs and the operation of markets.

The encyclical's analysis and consideration of economic issues has been criticised in some quarters. Prominent attacks on the encyclical, and Pope Francis personally, are to be found in editions of *The Australian* and *The Weekend Australian* newspapers published shortly after the publication of the encyclical.

The editorial of *The Weekend Australian* on 27-28 June 2015 claimed that Pope Francis and his advisers "emerge as environmental populists and economic ideologues of a quasi-Marxist bent", that his views "are not part of the church's deposit of the faith and they are not tenets of faith and morals" and that "the flock is not obliged to follow the shepherd" in his attempt to "reposition the church so far to the green-left".

The substance of the editorial is a personal attack on Pope Francis for taking the Catholic Church into new areas of social and economic teaching and departing from the teaching of his predecessors. These claims are part of an ongoing narrative being spread in sections of the media and in social commentary. Confronting the matters raised in the editorial is a means of setting the public record straight.

The response to the editorial in this paper falls into several sections: an outline of the nature and purpose of Catholic social teaching; a review of Catholic social teaching on economics and markets; an outline of what *Laudato Si'* says on economic matters; a response to the editorial's use of quotations from the encyclical; and a response to the various criticisms made in the editorial.

This paper demonstrates these kinds of criticisms of the economics of *Laudato Si'* are without foundation and that what Pope Francis has said on economic issues is sound and is perfectly consistent with earlier Catholic social teaching on economic issues, including the operation and regulation of markets. The criticisms of Pope Francis and the encyclical by *The Weekend Australian* are unjustified and grossly unfair.

A. The purpose and scope of *Laudato Si'*

1. Pope Francis' Encyclical Letter *Laudato Si'* is primarily concerned with a range of environmental issues, particularly climate change. However, as the Pope emphasises, environmental issues cannot be separated from the promotion of social justice, the need to care for the poor and the operation of economic systems. As a result, a significant part of the encyclical draws on Catholic social teaching on economic affairs and the operation of markets.
2. The connection between environmental, economic and justice issues is evident in the response to the encyclical by the President of the Australian Catholic Bishops Conference, Archbishop Denis Hart (Media Release 18 June 2015). Archbishop Hart said he was pleased to see that the encyclical “critiques our weak response to ecological and social issues” and:

“Pope Francis calls on people to seek new ways to understand the economy, condemns our throwaway culture and dependence on technology, and is calling on people to reassess the dignity of humanity and the integrity of creation in finding solutions to the ecological crisis.”
3. The encyclical has drawn criticism from some quarters over its acceptance of the view that climate change is real and man-made. However, given the strong scientific evidence on this issue, this criticism has been marginal in public debate. Pope Francis' conclusion that a “very solid scientific consensus indicates that we are presently witnessing a disturbing warming of the climatic system” (paragraph 20) is shared by most. This is a common position across major parties in Australia, illustrated by, for example, the Federal Government's Direct Action program to reduce carbon pollution. The Minister for the Environment, Mr Greg Hunt, has said “... we absolutely accept the science of climate change. We accept that it is real and that humans are contributing to it” (*The Coalition Government's Plan to Repeal the Carbon Tax and Tackle Climate Change*, 29 November 2013). Clearly, there is vigorous ongoing debate in Australia about how best to respond, the targets to be set and the urgency with which it is to be done; but the Pope should not be criticised for accepting the scientific consensus.
4. The encyclical's analysis and consideration of economic issues has been the subject of wider criticism. In particular, some have claimed that, contrary to past practice, Pope Francis has taken the Church into economic questions and economic prescriptions.

Prominent attacks on the encyclical, and Pope Francis personally, are to be found in editions of *The Australian* and *The Weekend Australian* newspapers published shortly after the publication of the encyclical. The criticisms in these newspapers are also found in sections of the international media, particularly in the United States.

The purpose of this paper

5. The purpose of this paper is to show that these kinds of criticisms of the economics of *Laudato Si'* are without foundation and that what Pope Francis has said on economic issues is sound and is perfectly consistent with earlier Catholic social teaching on the operation and regulation of markets. This paper will also demonstrate that the criticisms in *The Weekend Australian* are grossly misleading and unfounded. This is not just a matter of addressing past wrongs in an editorial that was published months ago. The errors are part of an ongoing narrative being spread in sections of the media and in social commentary. Confronting the matters raised in the editorial is a means of setting the public record straight.
6. Because of its concentration on economic matters, this paper does not provide a recitation of the environmental issues and reflections set out in the encyclical. Nor does it canvass the substantial discussion in the encyclical of theological matters raised by the environmental concerns. There is sufficient quality material on those aspects by, for example, Catholic Earthcare Australia, at <http://catholicearthcare.org.au>.
7. It should be stressed that *Laudato Si'* was not the first time that Catholic social teaching and its underpinning theology has addressed environmental issues. The encyclical follows commentaries by earlier popes on environmental issues. Pope Francis refers in his introductory paragraphs to the environmental concerns of the previous three popes. The connection between the environment and economic systems has been made before *Laudato Si'*. Pope Benedict XVI, for example, proposed “eliminating the structural causes of the dysfunctions of the world economy and correcting models of growth which have proved incapable of ensuring respect for the environment” (*Laudato Si'*, paragraph 8). (The practice in this paper is to refer to the numbered parts of the texts as "paragraphs")

8. It is the integration of environmental, justice and economic issues with other matters that makes *Laudato Si'* a very distinctive contribution. This contribution is apparent in the stated objectives of the encyclical:

“It is my hope that this Encyclical Letter, which is now added to the body of the Church’s social teaching, can help us to acknowledge the appeal, immensity and urgency of the challenge we face. I will begin by briefly reviewing several aspects of the present ecological crisis, with the aim of drawing on the results of the best scientific research available today, letting them touch us deeply and provide a concrete foundation for the ethical and spiritual itinerary that follows. I will then consider some principles drawn from the Judaeo-Christian tradition which can render our commitment to the environment more coherent. I will then attempt to get to the roots of the present situation, so as to consider not only its symptoms but also its deepest causes. This will help to provide an approach to ecology which respects our unique place as human beings in this world and our relationship to our surroundings. In light of this reflection, I will advance some broader proposals for dialogue and action which would involve each of us as individuals, and also affect international policy. Finally, convinced as I am that change is impossible without motivation and a process of education, I will offer some inspired guidelines for human development to be found in the treasure of Christian spiritual experience.” (Paragraph 15)

9. Pope Francis addresses a number of important and interconnected issues, including "other ways of understanding the economy and progress":

“As examples [of themes which will reappear as the Encyclical unfolds], I will point to the intimate relationship between the poor and the fragility of the planet, the conviction that everything in the world is connected, the critique of new paradigms and forms of power derived from technology, the call to seek other ways of understanding the economy and progress, the value proper to each creature, the human meaning of ecology, the need for forthright and honest debate, the serious responsibility of international and local policy, the throwaway culture and the proposal of a new lifestyle. These questions will not be dealt with once and for all, but reframed and enriched again and again.” (Paragraph 16, emphasis added.)

No prescriptions given and prudential judgment is needed

10. It is important to note that the Pope does not come with detailed solutions. By way of introduction he said that he would "advance some broader proposals for dialogue and action which would involve each of us as individuals, and also affect international policy” (paragraph 16, quoted above). The encyclical does not advance a blueprint or prescriptions for governments to implement. This needs to be kept in mind when reading or hearing criticisms of the encyclical.
11. Attachment 1 reproduces the paragraphs of the encyclical that touch on economic and related questions. They demonstrate that the encyclical does not provide a blueprint for

action or practical solutions. Chapter 1 of the encyclical, which is entitled *What is happening to our common home*, concludes:

“Finally, we need to acknowledge that different approaches and lines of thought have emerged regarding this situation and its possible solutions. At one extreme, we find those who doggedly uphold the myth of progress and tell us that ecological problems will solve themselves simply with the application of new technology and without any need for ethical considerations or deep change. At the other extreme are those who view men and women and all their interventions as no more than a threat, jeopardizing the global ecosystem, and consequently the presence of human beings on the planet should be reduced and all forms of intervention prohibited. Viable future scenarios will have to be generated between these extremes, since there is no one path to a solution. This makes a variety of proposals possible, all capable of entering into dialogue with a view to developing comprehensive solutions.

On many concrete questions, the Church has no reason to offer a definitive opinion; she knows that honest debate must be encouraged among experts, while respecting divergent views. But we need only take a frank look at the facts to see that our common home is falling into serious disrepair.” (Paragraphs 60-1, emphasis added)

12. This approach is consistent with earlier Church teaching. Church teaching emphasises the need for Catholics to take appropriate action on a range of social matters; and, if confronted with a range of economic and regulatory alternatives, to seek effective and suitable action. Disagreement is not an excuse for inaction. In *Mater et Magistra* St John XXIII said of the potential disputes in regard to the application of Catholic social teaching:

“Differences of opinion in the application of principles can sometimes arise even among sincere Catholics. When this happens, they should be careful not to lose their respect and esteem for each other. Instead, they should strive to find points of agreement for effective and suitable action, and not wear themselves out in interminable arguments, and, under pretext of the better or the best, omit to do the good that is possible and therefore obligatory.” (Paragraph 238)

13. This position was re-stated by the Second Vatican Council in *Gaudium et Spes*. In the context of passages referring to the role of the Church in the modern world and the secular and religious duties of lay Catholics, the council wrote:

“Often enough the Christian view of things will itself suggest some specific solution in certain circumstances. Yet it happens rather frequently, and legitimately so, that with equal sincerity some of the faithful will disagree with others on a given matter. Even against the intentions of their proponents, however, solutions proposed on one side or another may be easily confused by many people with the Gospel message. Hence it is necessary for people to remember that no one is allowed in the aforementioned situations to appropriate the Church's authority for his opinion. They

should always try to enlighten one another through honest discussion, preserving mutual charity and caring above all for the common good.” (*Gaudium et Spes*, paragraph 43)

14. It is important in our reading and understanding of *Laudato Si'* to recognise that a distinction is to be drawn between the analysis, which draws together the insights and contributions of faith and science, and the remedial prescriptions, which spell out the specific actions that should be taken at the personal level and at the governmental policy level. Moral considerations need to be taken into account at both stages. It would be immoral to do nothing when the situation calls out for action.
15. The term “prudential judgment” is often associated with the process of coming to a conclusion as to what should be done by way of the application of principle. Action required to give effect to a moral principle requires prudential judgment, taking into account a range of relevant factors, including costs and effectiveness. The morality of these options also has to be considered; for example, it would be immoral to adopt solutions that would impose inequitable costs on the poor when there are other solutions available. The need to make a prudential judgment does not, therefore, exclude the application of moral reasoning or provide an excuse for inaction.
16. For the Pope, and for bishops generally, there will be occasions when, suitably informed of the matters that are relevant to the practical application of the principle they are addressing, an encyclical or pastoral letter may address and advocate specific policies or practices on the basis of moral reasoning, such as, for example, the holding in detention the children of asylum seekers. However, in general, the Church does not seek to become part of the political process. Pope Benedict XVI gave the reasons for this in his address to the bishops of Latin America and the Caribbean in May 2007:

“This political task is not the immediate competence of the Church. Respect for a healthy secularity—including the pluralism of political opinions—is essential in the Christian tradition. If the Church were to start transforming herself into a directly political subject, she would do less, not more, for the poor and for justice, because she would lose her independence and her moral authority, identifying herself with a single political path and with debatable partisan positions. The Church is the advocate of justice and of the poor, precisely because she does not identify with politicians nor with partisan interests. Only by remaining independent can she teach the great criteria and inalienable values, guide consciences and offer a life choice that goes beyond the political sphere. To form consciences, to be the advocate of justice

and truth, to educate in individual and political virtues: that is the fundamental vocation of the Church in this area. And lay Catholics must be aware of their responsibilities in public life; they must be present in the formation of the necessary consensus and in opposition to injustice.” (Address to Inaugural Session, Fifth General Conference of the Bishops of Latin America and the Caribbean, 13 May 2007)

17. *Laudato Si'* calls for action to be taken at the personal level and at the governmental level. This is where lay Catholics are expected to exercise their responsibilities. The encyclical asks individuals to examine their own lifestyles to see what changes they may be able to make. At the governmental level the encyclical presents a compelling case for change, but does not provide solutions, leaving it, instead, to Catholics and others in political and civil society to respond in a timely, sufficient and morally acceptable manner. We return to this aspects in dealing with criticisms made of the encyclical

B. The Australian newspaper gangs up on Pope Francis

18. *'The Australian' gangs up on Pope Francis* is the title of an article written by Fr Bruce Duncan in *Eureka Street* on 9 July 2015. The article was in response to an article in *The Australian* by its Editor-at-Large, Paul Kelly, on 24 June 2015 and to the editorial in *The Weekend Australian* on 27-28 June 2015.
19. The editorial of *The Weekend Australian* claims that Pope Francis and his advisers “emerge as environmental populists and economic ideologues of a quasi-Marxist bent”, that his views “are not part of the church’s deposit of the faith and they are not tenets of faith and morals” and that “the flock is not obliged to follow the shepherd” in his attempt to “reposition the church so far to the green-left”.
20. After referring to the newspapers’ criticisms, Fr Duncan wrote:

“These are very serious allegations and, if true, would be very damaging for the Pope. Let me take up the Pope’s alleged attack on free-market principles and his critique of neoliberalism and inequality.

Pope Francis is not opposed to the free market in principle, but insists that it be well regulated to ensure social justice for all involved. He strongly supports socially responsible forms of capitalism which enhance social equity and cohesion. He has repeatedly appealed for investors and business people to help eradicate global hunger and severe poverty, lift living standards and opportunity, and restrain excessive consumption to secure a more equitable and sustainable future.

It is not socially responsible forms of capitalism that are the target of the Pope's criticism, but the *neoliberal* versions of economics that have dominated conservative circles. This critique is not new in Catholic social thinking."

21. As Fr Duncan wrote, these are very serious allegations and, if true, would be very damaging for the Pope. If untrue (as they are), they amount to a most egregious attack on the Pope and are reminiscent of long-gone sectarian times. Furthermore, these attempts by a secular newspaper to opine on the content of Catholic faith and morals and the teaching authority of the Pope are as provocative as they are misleading about the contents of the encyclical.
22. Of particular concern is the fact that both articles present the encyclical as being inconsistent with the views of Catholics at, what the editorial calls, the "sensible centre" of politics. A possible effect, if not the intent, of the editorial would be to drive a wedge between these Catholics and the Pope on economics and economic policy. The advice that the Pope has adopted a "green-left" political position would be very troubling for the many Catholics who ordinarily vote for the Coalition parties, including, in particular, Coalition supporters who are concerned about environmental issues. It can be accepted that, in general Catholics who vote for right of centre parties would not be troubled by the views of St John Paul II and Pope Benedict XVI on economic relations. We can expect that they would be comforted, not troubled, by the fact that Pope Francis' views on economics are perfectly consistent with those of his two predecessors. This is another reason to dispel any confusion caused by misleading and incorrect commentary of the kind appearing in the editorial.

Paul Kelly's article

23. The editorial was published shortly after the article by Paul Kelly. Kelly's article criticises the Pope for using "vivid, almost hysterical" language, yet Kelly's own article is replete with that kind of language and with sweeping judgments, as can be seen in the extracts below. The article is entitled "Encyclical endorses flawed view of progress", with the sub-heading "The extraordinary papal encyclical unites faith and science but dams market forces". The following extracts from the article, with particular passages emphasised, present the substance of the attack.

“Popular Pope Francis is certain to enhance his moral authority and celebrity status with an encyclical that offers the greatest moral validation to the deep green-progressive stance on global climate change, inequality and the immorality of market-based economics.

This is an astonishing document. Page after page reveals Francis and his advisers as environmental populists and economic ideologues of a quasi-Marxist bent. The language is vivid, almost hysterical.

For conservative Catholics in Australia such as Tony Abbott and his Catholic backers, this document offers only a relentless repudiation of their ethical framework and policies. This sweeping interpretation of Catholic morality demands a searching criticism to offset the wild applause.

Laudato Si’: On the Care of Our Common Home highlights a schism in Christian thinking between those who believe human dignity finds expression in economic freedom and markets as the path to individual and social virtue and those, like Francis, who call for a sweeping “ecological conversion” to combat what he sees as the united evils of environmental degradation and rampant corporate and financial power, joint proof of humanity’s lost compass.

The encyclical is a moral vindication of the Left, remarkable in its sweep and intensity. It will have a profound impact on global debates and impinge on debates in Australia. This assumes, of course, that many of the anti-religious, often proudly pagan elements in the developed world with whom the Pope has aligned himself will have the nous to exploit his manifesto.

Above all, the encyclical reveals the depth of the dilemma facing pro-market economic reformers across the world and in Australia: their position is delegitimised as immoral. Francis has given immeasurable moral status to their opponents.

....

This is no recognition that growth and investment over the past generation, spearheaded in China, has led to the greatest destruction of poverty in human history. Francis has a different world view. In a sense it is not new. The Catholic Church has long been heading in this direction. Now, it is sealed by a popular Pope with moral fervour.

Francis gives voice to the developing world, the injustices of Latin America and the utopian relationship between humans and nature embodied by St Francis of Assisi. He laments the poverty of the developing world yet enunciates a flawed view of economic progress: “Christian spirituality proposes a growth marked by moderation and the capacity to be happy with little.” He calls for a new “economic ecology” that addresses “overproduction” and the “absolute power” of finance.

The Pope says “less is more”. This may be an eternal verity but Francis is blind to the liberating power of markets and technology.

His message fits perfectly with reactionary dogma now gospel in Catholic schools throughout Australia.”

24. These passages contain opinions and conclusions, with no supporting evidence. Obviously the newspaper space available to Paul Kelly may have been limited, but when making these kinds of disparaging attacks some evidence, with a fair evaluation, is needed. If a

leading commentator is going to attack the head of the Catholic Church for being an economic ideologue of a quasi-Marxist bent, an explanation of the relevant evidence needs to be given. We will see later that the editorial referred to specific passages in the encyclical in an attempt to make out its case, but an analysis of the passages does not support the allegations.

25. The final sentence of Paul Kelly's article came out of the blue and without explanation. The attack on Catholic education is another way of asserting that Pope Francis is advancing reactionary dogma. If Kelly's criticisms are misconceived, as they are, we should be very pleased that the Pope's teaching on the application of the Gospel message in our contemporary world is now gospel in Catholic schools. We should hope that this part is true.
26. The main ground on which Paul Kelly has sought to base his attack is a certain view of "free market" economics, a view which argues that the free market is moral. This is highlighted by the claim in the article that there is a "schism in Christian thinking" between Pope Francis and "those who believe human dignity finds expression in economic freedom and markets as the path to individual and social virtue". The passage sets up a false comparison because it is wrong in regard to the position taken by the Pope. The question of economic morality is obviously one of some importance to Kelly. His view on the morality of the market is illustrated by his response in October 2005 to opposition by various churches to the weakening of wage protections foreshadowed by the *Work Choices* legislation:

"The intellectual failure of the churches to accept the moral foundations of a market economy and market-based mechanisms to deliver equity dooms them to a historic marginalisation.... When will it [the Catholic Church] discover one of the elementary precepts of the 18th century, namely the moral laws built into economic liberalism?"
(*The Australian*, 26 October 2005, page 16.)

27. Paul Kelly's view on market forces and the exercise of economic power is fundamentally inconsistent with Catholic social teaching. Catholic social teaching is not opposed to market forces *per se* because it recognises that a moral and just economy cannot result from simple reliance on market-based mechanisms. It recognises both the advantages and disadvantages of market mechanisms. This is explained later.

The Weekend Australian's editorial

28. The editorial in *The Weekend Australian* was headed “Papal prescription for a flawed economic order”, with the sub-heading “The church should not belong to the green-left fringe”. Two editorial inserts read “Markets have lifted billions of people out of poverty” and “The encyclical’s flaws are nothing to do with faith and morals”. The 1400 word editorial builds on the criticisms made by Paul Kelly.
29. The particular allegations made in the editorial are numbered and underlined in the following extracts. After noting that Pope Francis had won worldwide admiration, the editorial continued:

“But in his second encyclical *Laudato Si* (Praised Be) he [1] [Pope Francis] appears to have swallowed a new, pernicious dogma, that of the anti-development, anti-free market global green movement. Much of his 40,000-word letter to the world is a [2] denunciation, dressed up as religious instruction, of free-market principles and [3] an enthusiastic embrace of the most dire, catastrophist warnings of the global environmental movement. “To degrade the integrity of the earth by causing changes in its climate ... these are sins,” he writes, urging the world to reject the “magical conception of the market” and [4] bestowing a quasi-religious status on contentious policy prescriptions.

[5] Francis and his advisers, as Paul Kelly wrote this week, emerge as environmental populists and economic ideologues of a quasi-Marxist bent. The Pope says he wants the encyclical to be part of Catholic social teaching. But [6] his “solutions” are secular economic and political opinions. [7] They are not part of the church’s deposit of the faith and they are not tenets of faith and morals. Catholics at the sensible centre of the political spectrum have reason to be annoyed that their leader [8] [The Pope] is trying to reposition the church so far to the green-left that it would risk becoming irrelevant. In this, the flock is not obliged to follow the shepherd.

Some Christians have long struggled to reconcile the tenets of liberalism with the selflessness that is central to Christian teaching. But [9] this outburst betrays a fundamental ignorance of economic history that, given the Pope’s influence and moral authority, has the potential to hurt those he cares for most — the poor. It deserves urgent rebuttal. “We need to grow in the conviction that a decrease in the pace of production and consumption can at times give rise to another form of progress and development,” the Pope writes. Yet it is the remarkable increase in output in recent decades, owing to a surge in profitable trade, specialisation and innovation — unprecedented in human history — that has ushered in the biggest reduction in poverty in history, proportionately and in absolute terms.

....

[10] Christian moral teaching has long set out broad principles to be applied in wider society: respect for life, the dignity of human beings, care for God’s creation, fair pay

and conditions for workers, and a preferential option for the poor. In general, these have helped enhance Judeo-Christian societies. Wisely, the church has left it to secular authorities to determine the prudential means for achieving the common good. St John Paul II worked tirelessly to tear down communism but left it to secular leaders to set up a new order in Poland. [11] In advocating radical change in economic structures and world governance, Francis has stepped over important demarcations between church and state, blurring the lines between God and Caesar. The 1100-year temporal rule of the Papal States is long over. [12] And turbocharging the UN or other agencies as secular theocracies, even under papal approval, would impair human progress. Papal encyclicals normally merit close attention. This was especially so under John Paul II, who began *Fides et Ratio* in 1998 arguing faith and reason were “like two wings on which the human spirit rises to the contemplation of truth”. *Laudato Si* needs more reason. Criticising papal teaching does not come easily to Catholics or to other people of goodwill. Francis framed this document around admirable concerns for life and the natural environment. But its flaws, which are not about faith, could weaken the standing of future encyclicals.

30. The central section of this editorial (over half its length), which is not reproduced here, elaborates on allegation 9 and includes the claim that market-based economic systems, notably China’s and India’s, have delivered hundreds of millions out of poverty and argue that shortcomings in development, particularly in Africa. This aspect is discussed later.
31. The numbered allegations in the editorial can be grouped according to three themes:
 - (a) The Pope has adopted a new anti-market "green-left" world view and has departed from Church teaching; see allegations 1, 2, 3, 5 and 9
 - (b) The Pope has adopted views that are not part of Catholic faith and morals; see allegations 7, 8 10 and 11
 - (c) The Pope has adopted policy prescriptions that are beyond the proper role for the Church; see allegations 4, 6, 10, 11 and 12.
32. The response to this editorial over the following pages is to identify and respond to, first, the passages in the encyclical that are said to support the allegations and, second, the allegations made in the editorial. The second step is based on the material in Attachment 2, which comprises the passages in the encyclical which are quoted in the editorial, the context in which each of those passages appear and conclusions about the proper reading of those passages. Interposed between these steps is a section on Catholic social teaching on economics and markets.

C. Catholic social teaching on economics and markets

33. The errors of the editorial and Paul Kelly's article are primarily based the view that Pope Francis has taken the Catholic Church into new areas of economic commentary. That view is the result of an apparent ignorance of Catholic social teaching on economic matters. A reading of Catholic social teaching demonstrates that what Pope Francis has written is perfectly consistent with established Catholic social teaching on economic affairs and that the attacks on him misconceived, misleading and grossly unfair.
34. The purpose of this section is to outline Catholic social teaching on the economics and markets, starting from Pope Leo XIII's 1891 encyclical *Rerum Novarum*. *Rerum Novarum* covered a range of issues that affected newly-industrialised societies in general, but, principally, it concerned the respective rights of capital and labour, ie of employers and employees. It was written in the context of widespread deprivation among industrial workers and their families, a prevailing free market economic philosophy and agitation for dramatic and violent social change. In referring to the social and philosophical context of that encyclical, St John XXIII wrote:

“As is well known, the outlook that prevailed on economic matters was for the most part a purely naturalistic one, which denied any correlation between economics and morality. Personal gain was considered the only valid motive for economic activity. In business the main operative principle was that of free and unrestricted competition. Interest on capital, prices—whether of goods or of services—profits and wages, were to be determined by the purely mechanical application of the laws of the market place. Every precaution was to be taken to prevent the civil authority from intervening in any way in economic matters. The status of trade unions varied in different countries. They were either forbidden, tolerated, or recognized as having private legal personality only.” (*Mater et Magistra*, 11)

35. St John III's summary of the thinking that *Rerum Novarum* sought to counteract is an apt summary of the position of many who now attack the economics of *Laudato Si'*. *Rerum Novarum* responded to the kind of economic philosophy espoused by Paul Kelly in his 2005 response to critics of *Work Choices*, which is referred to earlier. As Kelly indicates, the roots of his view are found a century or so before *Rerum Novarum*. Over the course of that century economic growth came through a largely capitalist manufacturing system which had delivered great wealth, but at a terrible cost for large numbers of industrial workers and their families. While some had sought the overthrow of that system by violent means,

most critics of the capitalist system wanted reform and not revolution. The two key issues that developed in the late nineteenth century concerned the physical conditions under which work was performed (especially “sweating” and unsafe work practices) and poverty-inducing wages. The goal of a living wage for industrial workers was a response to the latter. These conditions and the call for action came as a result of the market system being unable to regulate itself so as to produce outcomes that were consistent with the values of society and the basic protection demanded by workers.

36. The specific purpose of *Rerum Novarum* was to address the “social question” of the time, ie the relation between Labour and Capital, but the encyclical was about much more than that:

“[*Rerum Novarum*] expounds ... the Catholic doctrine on work, the right to property, the principle of collaboration instead of class struggle as the fundamental means for social change, the rights of the weak, the dignity of the poor and the obligations of the rich, the perfecting of justice through charity, on the right to form professional associations” (*Guidelines for the Study and Teaching of the Church’s Social Doctrine in the Formation of Priests*, Congregation for Catholic Education, quoted at *Compendium of the Social Doctrine of the Church*, paragraph 89.)

37. The Catholic Church was inevitably drawn into the great ideological clash of the twentieth century, the clash between capitalism and communism. The Church’s views of capitalism and communism were shaped by the lives of Catholics in these societies, not the economic theories of the early years of the Industrial Revolution. More so, after World War II when many Catholics found themselves living under communist governments. It was a clash which required the Church to give close attention to economic relations, among other issues. Typically, the Catholic Church was suppressed in communist societies. The Catholic Church was one of the strongest opponents of communism in western societies and a forceful critic of important aspects of capitalism in those societies.
38. St John Paul’s encyclical *Laborem Exercens* was written in 1981 to commemorate the 80th anniversary of *Rerum Novarum*. *Laborem Exercens* was an encyclical focussed on work and its centrality to human development. It demonstrated four essential parts of Catholic social teaching: work continues Creation; the priority of labour over capital; work is an obligation and a source of rights; and the Church’s solidarity with the poor. In regard to the last of these, St John Paul II wrote:

“In order to achieve social justice in the various parts of the world, in the various countries, and in the relationships between them, there is a need for ever new *movements of solidarity of the workers and with the workers*. This solidarity must be present whenever it is called for by the social degrading of the subject of work, by exploitation of the workers, and by the growing areas of poverty and even hunger. The Church is firmly committed to this cause, for she considers it her mission, her service, a proof of her fidelity to Christ, so that she can truly be the "Church of the poor". And the "poor" appear under various forms; they appear in various places and at various times; in many cases they appear as a *result of the violation of the dignity of human work*: either because the opportunities for human work are limited as a result of the scourge of unemployment, or because a low value is put on work and the rights that flow from it, especially the right to a just wage and to the personal security of the worker and his or her family. (paragraph 8, italics in original.)

39. The last of these quotes is a powerful summary of the nature and purpose of Catholic social teaching. The promotion of justice in employment relations is part of the social mission of the Church. The concluding words of this passage highlight and bring together three important aspects of the plight of poor and vulnerable workers: lack of employment opportunities, inadequate wages and the lack of job security. St John Paul II makes it clear that jobs alone are not sufficient to achieve justice. The dignity of the worker requires a just minimum wage and personal security.
40. A collateral result of *Laborem Exercens* was the publication of a manifesto on work and the rights of workers that provided a counterpoint to communist ideology, particularly in the Pope's Polish homeland. It was a manifesto on the nature of work, the dignity of workers and the rights of workers that counted for more than Marx's *Communist Manifesto*. But the message of *Laborem Exercens* was also a strong counterpoint to free-market ideology in capitalistic economies.
41. Shortly before the collapse of communism, St John Paul II wrote *Sollicitudo Rei Socialis*, an encyclical which was concerned with the development of peoples and other international issues. In part, these issues were considered in the context of competing economic philosophies, especially capitalism and communism. St John Paul II drew an important distinction between Catholic social teaching and economic ideologies:

“...the Church does not propose economic and political systems or programs, nor does she show preference for one or the other, provided that human dignity is properly respected and promoted, and provided she herself is allowed the room she needs to exercise her ministry in the world.

....

The Church's social doctrine is not a "third way" between liberal capitalism and Marxist collectivism, nor even a possible alternative to other solutions less radically opposed to one another: rather, it constitutes a category of its own. Nor is it an ideology, but rather the accurate formulation of the results of a careful reflection on the complex realities of human existence, in society and in the international order, in the light of faith and of the Church's traditions. Its main aim is to interpret these realities, determining their conformity with or divergence from the lines of the Gospel teaching on man and his vocation, a vocation which is at once earthly and transcendent; its aim is thus to guide Christian behaviour. It therefore belongs to the field, not of ideology, but of theology and particularly of moral theology. (*Sollicitudo Rei Socialis*, paragraph 41, emphasis added. *Sollicitudo Rei Socialis* was published in 1987.)

Centesimus Annus

42. In 1991 St John Paul II wrote *Centesimus Annus* to commemorate the centenary of *Rerum Novarum*. The collapse of communism in the preceding years provided an opportunity for the Pope to spell out again Catholic social teaching on economic systems and markets in particular. He wrote:

“It would appear that, on the level of individual nations and of international relations, the *free market* is the most efficient instrument for utilizing resources and effectively responding to needs. But this is true only for those needs which are "solvent", insofar as they are endowed with purchasing power, and for those resources which are "marketable", insofar as they are capable of obtaining a satisfactory price. But there are many human needs which find no place on the market. It is a strict duty of justice and truth not to allow fundamental human needs to remain unsatisfied, and not to allow those burdened by such needs to perish. It is also necessary to help these needy people to acquire expertise, to enter the circle of exchange, and to develop their skills in order to make the best use of their capacities and resources. Even prior to the logic of a fair exchange of goods and the forms of justice appropriate to it, there exists *something which is due to man because he is man*, by reason of his lofty dignity. Inseparable from that required "something" is the possibility to survive and, at the same time, to make an active contribution to the common good of humanity.” (*Centesimus Annus*, paragraph 34, italics in original)

43. The need for society, through its governmental and economic structures, to promote the common good, is a continuing theme of Catholic social teaching. The common good requires a variety of social safety nets that will provide basic support for citizens, especially those in greatest need. St John Paul II returned to the subject of capitalism and the market in a subsequent chapter entitled “Private Property and the Universal Destination of Goods” and in the context of competing models for Third World development:

“Returning now to the initial question: can it perhaps be said that, after the failure of Communism, capitalism is the victorious social system, and that capitalism should be the goal of the countries now making efforts to rebuild their economy and society? Is this the model which ought to be proposed to the countries of the Third World which are searching for the path to true economic and civil progress?”

The answer is obviously complex. If by "capitalism" is meant an economic system which recognizes the fundamental and positive role of business, the market, private property and the resulting responsibility for the means of production, as well as free human creativity in the economic sector, then the answer is certainly in the affirmative, even though it would perhaps be more appropriate to speak of a "business economy", "market economy" or simply "free economy". But if by "capitalism" is meant a system in which freedom in the economic sector is not circumscribed within a strong juridical framework which places it at the service of human freedom in its totality, and which sees it as a particular aspect of that freedom, the core of which is ethical and religious, then the reply is certainly negative.” (*Centesimus Annus*, paragraph 42)

45. This is a significant passage because it makes clear that the Church supports a “business”, “market” or “free” economy, but on condition that market forces are constrained by a juridical framework that promotes and protects human freedom in its totality. The juridical framework is the responsibility of the State:

“It is the task of the State to provide for the defence and preservation of common goods such as the natural and human environments, which cannot be safeguarded simply by market forces. Just as in the time of primitive capitalism the State had the duty of defending the basic rights of workers, so now, with the new capitalism, the State and all of society have the duty of *defending those collective goods* which, among others, constitute the essential framework for the legitimate pursuit of personal goals on the part of each individual.

Here we find a new limit on the market: there are collective and qualitative needs which cannot be satisfied by market mechanisms. There are important human needs which escape its logic. There are goods which by their very nature cannot and must not be bought or sold. Certainly the mechanisms of the market offer secure advantages: they help to utilize resources better; they promote the exchange of products; above all they give central place to the person's desires and preferences, which, in a contract, meet the desires and preferences of another person. Nevertheless, these mechanisms carry the risk of an "idolatry" of the market, an idolatry which ignores the existence of goods which by their nature are not and cannot be mere commodities.” (*Centesimus Annus*, paragraph 40, italics in original)

44. The limitations in the Church's support for a market economy based on private ownership is evident in St John Paul II's warning against neoliberalism in his *Apostolic Exhortation* following the Synod of Bishops from the Americas in 1999. Neoliberalism manifested the idolatry of the market:

“More and more, in many countries of America, a system known as “neoliberalism” prevails; based on a purely economic conception of man, this system considers profit and the law of the market as its only parameters, to the detriment of the dignity of and the respect due to individuals and peoples. At times this system has become the ideological justification for certain attitudes and behaviour in the social and political spheres leading to the neglect of the weaker members of society. Indeed, the poor are becoming ever more numerous, victims of specific policies and structures which are often unjust.” (*Ecclesia in America*, paragraph 56.)

45. The neoliberalism referred to by St John Paul II is now often termed economic libertarianism, a characteristic of which is to argue that moral laws are built into market-based mechanisms and that "markets are moral". Paul Kelly's 2005 commentary (quoted earlier) illustrates this position. Catholic social teaching accepts and welcomes business activity, but it does not assume that exchanges within the markets in which they operate are necessarily moral or just.

Pope Benedict

46. Pope Benedict XVI's principal exposition of Catholic social teaching on economic issues was in his 2009 encyclical *Caritas in Veritate*. He wrote on a range of issues concerned with the operation of markets and two of the criteria that govern moral economic action: justice and the common good. The Vatican Council described the common good as “the sum of those conditions of social life which allow social groups and their individual members relatively thorough and ready access to their own fulfilment” (*Gaudium et Spes*, paragraph 26).
47. The requirements of justice and the common good can provide a sound basis for a community consensus needed to improve the social order. The requirements of justice and the common good for the operation of markets and economic activity are explained by Pope Benedict in *Caritas in Veritate*:

“The market is subject to the principles of so-called *commutative justice*, which regulates the relations of giving and receiving between parties to a transaction. But the social doctrine of the Church has unceasingly highlighted the importance of *distributive justice* and *social justice* for the market economy, not only because it belongs within a broader social and political context, but also because of the wider network of relations within which it operates. In fact, if the market is governed solely by the principle of the equivalence in value of exchanged goods, it cannot produce the social cohesion that it requires in order to function well. *Without internal forms of solidarity and mutual trust, the market cannot completely fulfil its proper economic function.* And today it is this trust which has ceased to exist, and the loss of trust is a grave loss.” (Paragraph 35, italics in original)

“Economic activity cannot solve all social problems through the simple application of *commercial logic*. This needs to be *directed towards the pursuit of the common good*, for which the political community in particular must also take responsibility. Therefore, it must be borne in mind that grave imbalances are produced when economic action, conceived merely as an engine for wealth creation, is detached from political action, conceived as a means for pursuing justice through redistribution.” (Paragraph 36, italics in original)

48. A number of the observations and issues raised in Pope Benedict's encyclical were important parts of the analysis six years later by Pope Francis in *Laudato Si'*.

- “The economic development that Paul VI [in his encyclical *Populorum Progressio*] hoped to see was meant to produce real growth, of benefit to everyone and genuinely sustainable. It is true that growth has taken place, and it continues to be a positive factor that has lifted billions of people out of misery — recently it has given many countries the possibility of becoming effective players in international politics. Yet it must be acknowledged that this same economic growth has been and continues to be weighed down by malfunctions and dramatic problems, highlighted even further by the current [Global Financial] crisis.” (Paragraph 21)
- “Profit is useful if it serves as a means towards an end that provides a sense both of how to produce it and how to make good use of it. Once profit becomes the exclusive goal, if it is produced by improper means and without the common good as its ultimate end, it risks destroying wealth and creating poverty.” (Paragraph 21)
- “The world's wealth is growing in absolute terms, but inequalities are on the increase. In rich countries, new sectors of society are succumbing to poverty and new forms of poverty are emerging. In poorer areas some groups enjoy a sort of “superdevelopment” of a wasteful and consumerist kind which forms an unacceptable contrast with the ongoing situations of dehumanizing deprivation.” (Paragraph 22)
- “Yet it should be stressed that progress of a merely economic and technological kind is insufficient. Development needs above all to be true and integral. The mere fact of emerging from economic backwardness, though positive in itself, does not resolve the complex issues of human advancement, neither for the countries that are spearheading such progress, nor for those that are already economically developed, nor even for those that are still poor, which can suffer not just through old forms of exploitation, but also from the negative consequences of a growth that is marked by irregularities and imbalances.” (Paragraph 23)
- “Economic activity cannot solve all social problems through the simple application of commercial logic. This needs to be directed towards the pursuit of the common good, for which the political community in particular must also take responsibility. Therefore, it must be borne in mind that grave imbalances are produced when economic action, conceived merely as an engine for wealth creation, is detached from political action, conceived as a means for pursuing justice through redistribution.” (Paragraph 36).
- “In our own day, the State finds itself having to address the limitations to its sovereignty imposed by the new context of international trade and finance, which is

characterized by increasing mobility both of financial capital and means of production, material and immaterial. This new context has altered the political power of States.” (Paragraph 24)

49. Pope Benedict incorporated his concern for the environment into his economic analysis in *Caritas in Veritate*. Again we see in these passages some important concerns and themes that later appear in Pope Francis' *Laudato Si'*. They are passages that should be kept in mind when considering allegations that Pope Francis has departed from previous social teaching.

- “The Church has a responsibility towards creation and she must assert this responsibility in the public sphere. In so doing, she must defend not only earth, water and air as gifts of creation that belong to everyone. She must above all protect mankind from self-destruction. There is need for what might be called a human ecology, correctly understood. The deterioration of nature is in fact closely connected to the culture that shapes human coexistence: when “human ecology” is respected within society, environmental ecology also benefits. Just as human virtues are interrelated, such that the weakening of one places others at risk, so the ecological system is based on respect for a plan that affects both the health of society and its good relationship with nature.” (Paragraph 51, footnote omitted)
- “Let us hope that the international community and individual governments will succeed in countering harmful ways of treating the environment. It is likewise incumbent upon the competent authorities to make every effort to ensure that the economic and social costs of using up shared environmental resources are recognized with transparency and fully borne by those who incur them, not by other peoples or future generations: the protection of the environment, of resources and of the climate obliges all international leaders to act jointly and to show a readiness to work in good faith, respecting the law and promoting solidarity with the weakest regions of the planet.” (Paragraph 50, footnote omitted.)

50. It should be stressed that Catholic social teaching had extended into environmental issues prior to *Laudato Si'*. Pope Benedict's views on environmental matters in *Caritas in Veritate* have been referred to. Two years later in an address to the German Bundestag he said:

"I would like to recall one of the developments in recent political history, hoping that I will neither be misunderstood, nor provoke too many one-sided polemics. I would say that the emergence of the ecological movement in German politics since the 1970s, while it has not exactly flung open the windows, nevertheless was and continues to be a cry for fresh air which must not be ignored or pushed aside, just because too much of it is seen to be irrational. Young people had come to realize that something is wrong in our relationship with nature, that matter is not just raw material for us to shape at will, but that the earth has a dignity of its own and that we must follow its directives. In saying this, I am clearly not promoting any particular political party – nothing could be further from my mind. If something is wrong in our

relationship with reality, then we must all reflect seriously on the whole situation and we are all prompted to question the very foundations of our culture. Allow me to dwell a little longer on this point. The importance of ecology is no longer disputed. We must listen to the language of nature and we must answer accordingly." (*The Listening Heart: Reflections on the Foundations of Law*, Address to Bundestag, Reichstag Building, 22 September 2011.)

51. In the early passages of *Laudato Si'* there are references to the views of several Popes on environmental matters. In regard to St John Paul II, Pope Francis noted his increasing concern for the environment:

"Saint John Paul II became increasingly concerned about this issue. In his first Encyclical he warned that human beings frequently seem "to see no other meaning in their natural environment than what serves for immediate use and consumption". Subsequently, he would call for a global ecological *conversion*. At the same time, he noted that little effort had been made to "safeguard the moral conditions for an authentic *human ecology*". The destruction of the human environment is extremely serious, not only because God has entrusted the world to us men and women, but because human life is itself a gift which must be defended from various forms of debasement. Every effort to protect and improve our world entails profound changes in "lifestyles, models of production and consumption, and the established structures of power which today govern societies". Authentic human development has a moral character. It presumes full respect for the human person, but it must also be concerned for the world around us and "take into account the nature of each being and of its mutual connection in an ordered system". Accordingly, our human ability to transform reality must proceed in line with God's original gift of all that is." (Paragraph 5, footnotes omitted.)

52. *Laudato Si'* is a development in the Church's teaching on environmental matters in response to the contemporary conditions, but the path for this development had been laid out by Pope Francis' predecessors.

Catholic teaching on economics is based on principle, not ideology

53. Catholic teaching on the operation of the economy and markets has to be seen in the context of a fundamental beliefs about the innate God-given dignity of men and women and the importance of work to human development. It means that the economy must serve, and not be the master of, humanity. Catholic teaching is fundamentally opposed to an economic conception of humanity and to an economy that would leave the dignity accorded to men and women to be left to economic forces.
54. In Catholic social teaching, the fundamental issues about the economy are whether the economy serves people, promotes the common good and supports the marginalised. St

John Paul II's criticism of neoliberalism, quoted earlier, sums up the Catholic position: neoliberalism "considers profit and the law of the market as its only parameters, to the detriment of the dignity of and the respect due to individuals and peoples". This position was consistent with his earlier warnings about the idolatry of markets:

"Certainly the mechanisms of the market offer secure advantages: they help to utilize resources better; they promote the exchange of products; above all they give central place to the person's desires and preferences, which, in a contract, meet the desires and preferences of another person. Nevertheless, these mechanisms carry the risk of an "idolatry" of the market, an idolatry which ignores the existence of goods which by their nature are not and cannot be mere commodities." (*Centesimus Annus*, paragraph 40)

55. Neoliberalism is an ideology that seeks to shape and control the economic system. An economic system that is essentially based on private ownership and market processes does not have to be driven by the neoliberal ideology. The Catholic approach looks to an economic system that "recognizes the fundamental and positive role of business, the market, private property and the resulting responsibility for the means of production, as well as free human creativity in the economic sector" *and* is "circumscribed within a strong juridical framework which places it at the service of human freedom in its totality, and which sees it as a particular aspect of that freedom, the core of which is ethical and religious" (*Centesimus Annus*, paragraph 42). When the economy and market forces, in particular, fail to serve the needs of citizens, and the poor in particular, justice requires appropriate intervention. So understood, Catholic social teaching can provide a principled guide to public policy for Catholics regardless of whether they identify with the political left, centre or right.
56. Catholic social teaching on markets and the circumstances in which intervention is required is also based on two realities about markets and the economic process. One relates to how citizens are treated by individual markets and the other concerns the protection of collective goods. These realities are not special insights discovered by Catholic teaching, but realities that become apparent to every student of introductory microeconomics. They are two obvious kinds of market failures which, given Catholic values, cannot be assumed away or treated as unimportant in the formulation of economic policies.

57. The first is where the market does not produce outcomes that support the basic needs of individuals. Some individuals will be at a disadvantage because they lack the resources needed to secure their basic needs. Because markets reflect the relative resources of the participants, the market price and the supply of goods and services in the market will reflect the status quo. Markets will reflect the inequities of the status quo, not cure them. This is entrenched when those who are disadvantaged do not have the resources to improve their market position over time because they cannot respond to the "signal" given by the market price. The price signals given by markets and their impact on resource allocation within and between markets will reflect the money and resources, or lack thereof, of those who come to the market. Markets supplying basic human needs, such as housing and employment, are particularly important. The deficiencies of labour markets were illustrated by St John Paul II in *Laborem Exercens* (at paragraph 8, which was quoted earlier) when he referred to the needy who come to the labour market disadvantaged. Their dignity requires that they be protected against the market and that there be appropriate intervention so that they may develop their skills and make the best use of their capacities and resources. St John Paul II later made a similar point in *Centesimus Annus*:

"It is also necessary to help these needy people to acquire expertise, to enter the circle of exchange, and to develop their skills in order to make the best use of their capacities and resources." (Paragraph 34)

58. The second way in which markets fail is in regard to collective goods, which are sometimes called common or public goods. Collective goods include the natural environment in its many parts and many of the physical and intellectual goods of a civilised society. Some matters that are vital for the promotion of the common good are not subject to market forces that reflect their contribution to individual and community development. Furthermore, some costs may be imposed on collective goods which are not reflected by a market: carbon pollution is an obvious example. St John Paul identified the protection of the environment as a collective good requiring government intervention:

"It is the task of the State to provide for the defence and preservation of common goods such as the natural and human environments, which cannot be safeguarded simply by market forces ... the State and all of society have the duty of *defending those collective goods* which, among others, constitute the essential framework for the legitimate pursuit of personal goals on the part of each individual.." (*Centesimus Annus*, paragraph 40, italics in original.)

59. In *Laudato Si'* Pope Francis said that the "natural environment is a collective good, the patrimony of all humanity and the responsibility of everyone" (paragraph 95) and connected the protection of the environment with established teaching on private property and St John Paul II's description of the "social mortgage" that protects society:

“Whether believers or not, we are agreed today that the earth is essentially a shared inheritance, whose fruits are meant to benefit everyone. For believers, this becomes a question of fidelity to the Creator, since God created the world for everyone. Hence every ecological approach needs to incorporate a social perspective which takes into account the fundamental rights of the poor and the underprivileged. The principle of the subordination of private property to the universal destination of goods, and thus the right of everyone to their use, is a golden rule of social conduct and “the first principle of the whole ethical and social order”. The Christian tradition has never recognized the right to private property as absolute or inviolable, and has stressed the social purpose of all forms of private property. Saint John Paul II forcefully reaffirmed this teaching, stating that “God gave the earth to the whole human race for the sustenance of all its members, *without excluding or favouring anyone*”. ... He clearly explained that “the Church does indeed defend the legitimate right to private property, but she also teaches no less clearly that there is always a social mortgage on all private property, in order that goods may serve the general purpose that God gave them”. (Paragraph 93, footnotes omitted)

60. Catholic social teaching recognises the advantages of private ownership, price signals and profits; but it also recognises that the market mechanism has some substantial limitations. Catholic social teaching therefore recognises that an economic system will comprise a mixture of market and regulatory-driven processes. The decision about the combination of the market and regulatory processes within and across the economic sectors, and the content of the regulatory processes, may vary from society to society, but the important principles of the Church's teaching remain unchanged: human dignity is to be promoted through an economy that serves people, the poor and marginalised are to be protected and supported and the common good is to be promoted through means that will protect the natural and human environments.

D. Pope Francis' economics: continuity, not divergence

61. The basic question raised by the criticisms in the editorial of *The Weekend Australian* is whether Pope Francis adopted positions that departed from his predecessors' teaching on economic matters. The question has to be answered in the light of outline of Catholic social teaching on economics and markets in the previous section. This section comprises three parts:

- (a) an examination of what *Laudato Si'* says about economic relations and the economic and political responses to climate change;
- (b) conclusions about the relevance of the passages quoted in the editorial; and
- (c) responses to the criticisms made in the editorial.

D.1. The economics of Laudato Si'

62. Attachment 1 contains the passages in the encyclical that bear on economic issues. The critical one in relation to climate change is:

"A very solid scientific consensus indicates that we are presently witnessing a disturbing warming of the climatic system. ... It is true that there are other factors (such as volcanic activity, variations in the earth's orbit and axis, the solar cycle), yet a number of scientific studies indicate that most global warming in recent decades is due to the great concentration of greenhouse gases (carbon dioxide, methane, nitrogen oxides and others) released mainly as a result of human activity." (Paragraph 23)

63. The other passages include the following:

- (a) "I will point to ... the call to seek other ways of understanding the economy and progress" (Paragraph 16)
- (b) "Humanity is called to recognize the need for changes of lifestyle, production and consumption, in order to combat this warming or at least the human causes which produce or aggravate it." (Paragraph 23)
- (c) "Climate change is a global problem with grave implications: environmental, social, economic, political and for the distribution of goods. It represents one of the principal challenges facing humanity in our day. Its worst impact will probably be felt by developing countries in coming decades." (Paragraph 25)
- (d) "Many of those who possess more resources and economic or political power seem mostly to be concerned with masking the problems or concealing their symptoms ... There is an urgent need to develop policies so that, in the next few years, the emission of carbon dioxide and other highly polluting gases can be drastically reduced ... " (Paragraph 26)

- (e) “Whether believers or not, we are agreed today that the earth is essentially a shared inheritance ... The Christian tradition has never recognized the right to private property as absolute or inviolable, and has stressed the social purpose of all forms of private property. (Paragraph 93)
 - (f) Yet by itself the market cannot guarantee integral human development and social inclusion. At the same time, we have “a sort of ‘superdevelopment’ of a wasteful and consumerist kind which forms an unacceptable contrast with the ongoing situations of dehumanizing deprivation”, while we are all too slow in developing economic institutions and social initiatives which can give the poor regular access to basic resources. We fail to see the deepest roots of our present failures, which have to do with the direction, goals, meaning and social implications of technological and economic growth. (Paragraph 109)
 - (g) “We were created with a vocation to work.” (Paragraph 128)
 - (h) “Work is a necessity, part of the meaning of life on this earth, a path to growth, human development and personal fulfilment. Helping the poor financially must always be a provisional solution in the face of pressing needs. The broader objective should always be to allow them a dignified life through work.” (Paragraph 128)
 - (i) “In order to continue providing employment, it is imperative to promote an economy which favours productive diversity and business creativity.” (Paragraph 129)
 - (j) “Business is a noble vocation, directed to producing wealth and improving our world. It can be a fruitful source of prosperity for the areas in which it operates, especially if it sees the creation of jobs as an essential part of its service to the common good.” (Paragraph 129)
 - (k) "We know that technology based on the use of highly polluting fossil fuels – especially coal, but also oil and, to a lesser degree, gas – needs to be progressively replaced without delay. Until greater progress is made in developing widely accessible sources of renewable energy, it is legitimate to choose the less harmful alternative or to find short-term solutions." (Paragraph 165)
 - (l) “Whenever these questions are raised, some react by accusing others of irrationally attempting to stand in the way of progress and human development. But we need to grow in the conviction that a decrease in the pace of production and consumption can at times give rise to another form of progress and development." (Paragraph 191)
 - (m) “The principle of the maximization of profits, frequently isolated from other considerations, reflects a misunderstanding of the very concept of the economy. As long as production is increased, little concern is given to whether it is at the cost of future resources or the health of the environment; as long as the clearing of a forest increases production, no one calculates the losses entailed in the desertification of the land, the harm done to biodiversity or the increased pollution. In a word, businesses profit by calculating and paying only a fraction of the costs involved.” (Paragraph 195)
64. Given the concerns and scope of Catholic social teaching described in the previous section, and the *risk* of catastrophes confronting humanity, globally and regionally, we would

expect that Pope Francis would respond in the way he has. Perhaps what most did not expect was the breadth of the encyclical in its coverage of a number of inter-connected issues. Our concentration on the economic matters means that a number of these aspects fall outside the scope of this paper. We can identify major six points in the encyclical in regard to economic affairs:

- The fundamental purpose of economic activity is to meet the needs and develop the capacities of men and women and to do so in a way that is consistent with the proper care of the environment.
- The economies of the world must reduce carbon output and reduce carbon levels.
- We should examine our lifestyles so as to reduce consumption and production, not only in order to reduce carbon pollution, but also to minimise a range of other environmental impacts.
- We should be reject a blind faith in economic growth and be careful to ensure that economic development is sustainable.
- We should reject the belief that markets on their own will provide integral human development.
- Strong and sustainable economic activity is necessary to provide work, and business and government need to work together in this task.

D.2. The newspaper has misrepresented the Pope's words

65. The editorial in *The Weekend Australia* of 27-28 June 2015 uses 13 quotations from the encyclical *Laudato Si'* in support of its criticisms of Pope Francis and his encyclical. Attachment 2 sets out the relevant parts of the editorial along with the quotations in their original context. Responses are then made to the way in which the editorial has used the quoted passages.
66. Quotations 1 and 2 are said to have the result of “bestowing a quasi-religious status on contentious policy prescriptions”. Two responses are set out. First, the encyclical does not advocate policy prescriptions, as is apparent from paragraphs 60, 61 and 63 of the encyclical. Second, there is nothing “quasi” about the theology to which the encyclical

refers. The editorial seeks to be an arbiter of whether a matter is quasi-religious. *Laudato Si'* makes it clear that there is a sound theological basis for the assertion that Christians, and others, should care for their common home and protect God's creation.

67. Quotation 3 is claimed to reveal that the Pope has ignored "the remarkable increase in output in recent decades, ...that has ushered in the biggest reduction in poverty in history, proportionately and in absolute terms". This is incorrect because the Pope has recognised the benefits of growth:

"We are the beneficiaries of two centuries of enormous waves of change: ... It is right to rejoice in these advances and to be excited by the immense possibilities which they continue to open up before us, for "science and technology are wonderful products of a God-given human creativity". ... Technology has remedied countless evils which used to harm and limit human beings. How can we not feel gratitude and appreciation for this progress, especially in the fields of medicine, engineering and communications?" (Paragraph 102)

"In order to continue providing employment, it is imperative to promote an economy which favours productive diversity and business creativity. ... Business is a noble vocation, directed to producing wealth and improving our world. It can be a fruitful source of prosperity for the areas in which it operates, especially if it sees the creation of jobs as an essential part of its service to the common good." (Paragraph 129)

"Production is not always rational, and is usually tied to economic variables which assign to products a value that does not necessarily correspond to their real worth. ... The problem of the real economy is not confronted with vigour, yet it is the real economy which makes diversification and improvement in production possible, helps companies to function well, and enables small and medium businesses to develop and create employment." (Paragraph 189)

68. Given the Pope's emphasis on the need to provide work (at paragraphs 127-9), it is clear that he is especially concerned with economic growth that will provide sound and sustainable jobs.
69. Quotation 4 is said to show that Pope Francis has endorsed "the bleakest predictions about climate change, ignoring the inexactness of the science and the extended pause in rising temperatures". The Pope does not "endorse the bleakest predictions" of climate change. The Pope has accepted that there is sufficient evidence to take major and urgent action to address climate change through carbon reduction; see paragraphs 23 and 26. Placing urgency on the need for a response, as the Pope stresses, does not mean he has endorsed the bleakest predictions.

70. Quotation 5 is taken out of context to suggest that the encyclical is blind to the potential of developments in technology. In fact what Pope Francis is warning against is a blind faith in new forms of technology to solve problems because technology "*sometimes* solves one problem only to create others" (emphasis added). This is a reasonable position.
71. Quotations 6 and 7 are said to show that Pope Francis "dismisses carbon trading", with the implication that to do so is irrational. The Pope does not "dismiss" carbon trading as a solution, as claimed in the editorial, but points to the potential problem that such a system would be a new form of speculation that would not achieve the radical reduction needed in carbon emissions. This is an entirely appropriate observation in a discussion about the breadth of matters raised in the encyclical; and in circumstances where the European Union's carbon trading scheme has been beset by substantial difficulties. Furthermore, as pointed out earlier, Pope Francis made it clear that he was avoiding technical solutions to the matters being addressed.
72. Quotation 8 is "our contemporary lifestyle, unsustainable as it is, can only precipitate catastrophes", to which the editorial responds that the "sweeping assertion should be tested". The catastrophes that the Pope refers to in quotation 8 are the sort that "periodically occur in different areas of the world". There are many examples where economic development has caused local and regional catastrophes and they have occurred under different kinds of economic and political systems. The editorial claims that the assertion should be tested: it has and it is correct.
73. Quotations 9 to 13 are grouped together in the editorial. Quotations 9, 10, 12 and 13 relate to the Pope's analysis of the need for international cooperation to deal with a range of cross-border issues. Quotations 9 and 10 come from paragraph 173 of the encyclical which points to the kind of regional and global agreements and norms that are needed to deal with a range of cross-border matters. There is nothing exceptional or objectionable about this passage, yet the editorial calls it a "new form of bureaucratic tyranny". Quotations 12 and 13 are from paragraph 175, which give reasons why "it is essential to devise [12] stronger and more efficiently organized international institutions, with functionaries who are appointed fairly by agreement among national governments, and [13] empowered to impose sanctions". Paragraph 175 refers to a similar point made by Pope Benedict XVI, in

his 2009 encyclical *Caritas in Veritate*, and by St John XXIII many years before that. There is nothing new, exceptional or objectionable about this matter.

74. Quotation 11 is taken from another part of the encyclical (paragraph 193) and interposed into the four quotations relating to international agreements. Paragraph 193 is in a section entitled "Politics and economy in dialogue for human fulfilment" in which a range of topics for dialogue are raised and discussed. The paragraph gives reasons why "the time has come to accept decreased growth in some parts of the world, in order to provide resources for other places to experience healthy growth". In doing so it draws on a similar point made by Pope Benedict XVI in his *Message for the 2010 World Day of Peace*.
75. The editorial links the quotations 9 to 13 to support the claim that Pope Francis "would extend this new form of bureaucratic tyranny to his main moral imperative, re-slicing the economic pie, not enlarging it". It claims that Pope Francis does not want to enlarge the economic pie. This is a false description of what the Pope has advanced in relation to the institutions and arrangements in quotations 9, 10, 12 and 13. Furthermore, it is wrong to claim that the Pope is not concerned about growth. How else could the needs of the poor and unemployed be addressed without growth? The Pope does not suggest that the needs of the poor can be met through redistribution. Pope Francis' view on economic development has been addressed in response to the editorial's use of quotation 3 (at paragraphs 67-8, above). The Church advocates sustainable economic growth that will provide work for all who can work and argues that it is the obligation of governments, supported by business, to pursue this goal.
76. The editorial's use of the term "bureaucratic tyranny" and the claim that Pope Francis is proposing institutions for the purpose of "re-slicing the economic pie, not enlarging it" are false, misleading and grossly unfair to Pope Francis.

D.3. The newspaper has played the man, not the ball

77. This section deals with the various criticisms made in the editorial and which are set out and numbered in paragraph 29, above. They are treated as "allegations" in this section.
78. The substance of the editorial in *The Weekend Australian* is a personal attack on Pope Francis for taking the Catholic Church into new areas of social and economic teaching and

departing from the teaching of his predecessors. This operates on two levels: in respect of the climate change issue and in respect of the Church's teaching on economic matters.

79. The various allegations in the editorial have to be viewed in the light of: the earlier review of Catholic social teaching on economics and markets in section C; what Pope Francis has written in the encyclical, which are extracted in Attachment 1 and summarised in section D.1.; and the responses to the criticisms that the editorial seeks to make on the basis of a range of quotations from the encyclical, which are covered in detail in Attachment 2 and summarised in section D.2..
80. In working through the allegations we will ask if there is any supporting evidence or any evidence to the contrary. As noted earlier, the numbered allegations in the editorial can be grouped according to three themes:
 - (a) The Pope has adopted a new anti-market "green-left" world view and has departed from Church teaching; see allegations 1, 2, 3, 5 and 9
 - (b) The Pope has adopted views that are not part of Catholic faith and morals; see allegations 7, 8 10 and 11
 - (c) The Pope has adopted policy prescriptions that are beyond the proper role for the Church; see allegations 4, 6, 10, 11 and 12.
81. Allegation 1 is that Pope Francis "appears to have swallowed a new, pernicious dogma", ie "that of the anti-development, anti-free market global green movement." This suggests that Pope Francis has adopted views that are not part of Catholic teaching and appears to be an attempt to rely on guilt by association. The allegation is based on apparent ignorance of Catholic social teaching, which is the source of what Pope Francis has written on both environmental and economic issues.
82. The editorial is wrong in two respects. First, the allegation, and the editorial more generally, fail to acknowledge that the deleterious impact that some economic development has had on the natural environment has been of concern to the Church for some time, quite independently of the views of what is described as "the global green movement".
83. It should be pointed out that, because of the Church's action on environmental matters, it can be regarded as a leading player in the broad international environmental movement.

National Geographic carried the following report soon after the retirement of Pope Benedict XVI:

"As the world's one billion Catholics wait for white smoke to rise above the Vatican, signaling the election of a new pontiff, it's how clear the air is elsewhere that will go a long way toward shaping the legacy of retiring Pope Benedict XVI. Among the many titles Benedict has been given over his eight-year reign, the 'Green Pope' is certainly one of the most unexpected. But to Vatican observers, Green Pope is entirely appropriate, as the pontiff has made environmental awareness a key tenant of his tenure.

Benedict wasn't the first environmentally conscious pope. In 1990, Pope John Paul II went on record during a speech on the World Day of Peace urging Catholics to regard the natural world as one of God's creations worth protecting. By the time Benedict first put on his papal robes in 2005, caring for the environment had become an important part of the church's doctrine. Benedict gave the issue an even higher profile. He delivered homilies and speeches asking world leaders to take seriously the harm being inflicted on the planet. "If we want justice and peace, we must protect the habitat that sustains us," Benedict said on the 2010 World Day of Peace. Not long after, the influential Pontifical Academy of Sciences, a scientific arm of the Vatican, released a report on climate change recommending that world leaders cut carbon dioxide emissions, reduce existing pollution, and prepare for the inevitable impacts of a changing climate.

Benedict also made moves on his home turf. He approved a plan to cover the Vatican's Paul VI hall with solar panels, enough to power the lighting, heating, and cooling of a portion of the entire country (which covers, of course, a mere one-fifth of a square mile). He authorized the Vatican's bank to purchase carbon credits by funding a Hungarian forest that would make the Catholic city-state the only country fully carbon neutral. And several years later, he unveiled a new hybrid Popemobile that would be partially electric." (*How Green was the 'Green Pope'?*, Daniel Stone; <http://news.nationalgeographic.com/news/2013/02/130228-environmental-pope-green-efficiency-vatican-city/>)

84. Pope Benedict addressed the German Bundestag in 2011 (see paragraph 50, above), saying that "the emergence of the ecological movement in German politics since the 1970s ... which must not be ignored or pushed aside, just because too much of it is seen to be irrational. Young people had come to realize that something is wrong in our relationship with nature, that matter is not just raw material for us to shape at will, but that the earth has a dignity of its own and that we must follow its directives." The fact that some aspects of the ecological movement may be, or are seen to be, irrational is no reason to treat the issues with less seriousness. There is no room for the guilt by association or smear.

85. Pope Francis specifically referred in *Laudato Si'* to St John Paul II's concerns, starting from his first encyclical in 1979:

“Man often seems to see no other meaning in their natural environment than what serves for immediate use and consumption. Yet it was the Creator's will that man should communicate with nature as an intelligent and noble "master" and "guardian", and not as a heedless "exploiter" and "destroyer"” (*Redemptor Hominis*, paragraph 15)

86. Twelve years later St John Paul II returned to the same concerns in *Centesimus Annus*:

"Equally worrying is *the ecological question* which accompanies the problem of consumerism and which is closely connected to it. In his desire to have and to enjoy rather than to be and to grow, man consumes the resources of the earth and his own life in an excessive and disordered way. At the root of the senseless destruction of the natural environment lies an anthropological error, which unfortunately is widespread in our day. Man, who discovers his capacity to transform and in a certain sense create the world through his own work, forgets that this is always based on God's prior and original gift of the things that are.

In all this, one notes first the poverty or narrowness of man's outlook, motivated as he is by a desire to possess things rather than to relate them to the truth, and lacking that disinterested, unselfish and aesthetic attitude that is born of wonder in the presence of being and of the beauty which enables one to see in visible things the message of the invisible God who created them. In this regard, humanity today must be conscious of its duties and obligations towards future generations.

In addition to the irrational destruction of the natural environment, we must also mention the more serious destruction of the *human environment*, something which is by no means receiving the attention it deserves. Although people are rightly worried — though much less than they should be — about preserving the natural habitats of the various animal species threatened with extinction, because they realize that each of these species makes its particular contribution to the balance of nature in general, too little effort is made to *safeguard the moral conditions for an authentic "human ecology"*." (Paragraphs 37-8, italics in original)

87. As noted earlier (at paragraph 49), Pope Benedict referred to similar concerns in *Caritas in Veritate*, which was written in 2009:

"... [It is] incumbent upon the competent authorities to make every effort to ensure that the economic and social costs of using up shared environmental resources are recognized with transparency and fully borne by those who incur them, not by other peoples or future generations: the protection of the environment, of resources and of the climate obliges all international leaders to act jointly and to show a readiness to work in good faith, respecting the law and promoting solidarity with the weakest regions of the planet.

The Church has a responsibility towards creation and she must assert this responsibility in the public sphere. In so doing, she must defend not only earth, water and air as gifts of creation that belong to everyone. She must above all protect mankind from self-destruction. There is need for what might be called a human ecology, correctly understood." (Paragraphs 50-1)

88. These passage makes it clear that the Church sees a religious dimension to the care for the environment, a point developed in some detail in *Laudato Si'*. As a result, the Church draws attention to the problems cause by economic developments that fail to take sufficiently into account environmental considerations. The Church's concern about the need and urgency for a response to environmental threats has paralleled, not been caused by, the development of community concern about environmental degradation, especially the increasing awareness of the risks associated with climate change and global warming.
89. The second respect in which allegation 1 is wrong is in regard to the claim that the encyclical has "swallowed" the anti-development and anti-free market dogma of the global green movement. Again, the matters raised in the encyclical come from the Church's own reflection and teaching. Successive Popes have expressed concerns about aspects of economic development. As the previous passages suggest, the Popes have expressed concern about environmental degradation that has resulted from a failure to take proper account of environmental values. This has happened under market-based and command-based economies.
90. Catholic social teaching on economics and markets is set out in section C of this paper. In particular, those teachings have identified the need for the environment, as a collective good, to be protected by some constraint on profit-driven market processes. For reasons which are explained in that section, the Church is not opposed to market-based processes. Catholic social teaching supports a market based economy, but argues that the markets need to be circumscribed by a strong juridical framework that protects those who are disadvantaged within particular markets and protects collective goods that fall outside the market process. *Laudato Si'* is consistent with that teaching.
91. The writings of successive Popes make it clear that the Church is not anti-development or anti-economic growth. How could it be when it sees work as a fundamental need and the necessity for it to be provided through a strong and healthy economy? Paragraphs 124 to

129 of *Laudato Si'* emphasise the importance of work under the heading "The need to protect employment". Furthermore, the Church has consistently acknowledged that, in general, economic growth has brought great advances in human well-being and in the reduction in poverty.

92. Allegations 2, 5, 7 and 8 are essentially variations on allegation 1:
- 2: "Much of his 40,000-word letter to the world is a denunciation, dressed up as religious instruction, of free-market principles".
 - 5: "Francis and his advisers...emerge as environmental populists and economic ideologues of a quasi-Marxist bent."
 - 7: "They are not part of the church's deposit of the faith and they are not tenets of faith and morals."
 - 8: "[The Pope] is trying to reposition the church so far to the green-left that it would risk becoming irrelevant."
93. The responses to allegation 1 also apply to these matters. These allegations are variations on the unwarranted slur in allegation 1. All of the allegations are, at best, made in ignorance of the relevant parts of Catholic social teaching. If, however, the editorial writer was aware of the teachings of St John Paul II and Pope Benedict XVI on the need to protect the environment and to ensure that markets and economic activity are constrained where the protection of the common good and the disadvantaged requires it, the editorial can only be regarded as recklessly or intentionally misleading.
94. The themes in these allegations are also found in Paul Kelly's article (at paragraph 23, above). It is unnecessary to go through the particular allegations raised there, but it must be said that his criticisms of Pope Francis are unwarranted given the content of established Catholic social teaching. His opinion in an article in 2005 (see paragraph 26, above) shows an opposition to long-established Catholic teaching on economics. What Pope Francis has written is consistent with the established position that Kelly has rejected. If Kelly maintains his earlier opinion then he has unfairly concentrated on Pope Francis. He has played the man, not the ball. The same comment can be made about the editorial. The unwarranted use of colourful language in the article and the editorial reinforces the view that both have played the man and not the ball.

95. Paul Kelly claims that for "conservative Catholics in Australia such as [Prime Minister] Tony Abbott and his Catholic backers, this document offers only a relentless repudiation of their ethical framework and policies". In regard to the Church's teaching on market-based economics, *Laudato Si'* does not qualify what St John Paul II and Pope Benedict taught. In regard to the environment and, in particular, Pope Francis' call for an urgent and effective response to climate change, it must be kept in mind that the Minister for the Environment, Mr Greg Hunt, has said "... we absolutely accept the science of climate change. We accept that it is real and that humans are contributing to it" (*The Coalition Government's Plan to Repeal the Carbon Tax and Tackle Climate Change*, 29 November 2013). In regard to the general question of care for the environment, "our common home" as Pope Francis calls it, Catholic teaching on this is clear: in short, we are under an obligation to care for Creation, because of its intrinsic worth and in order to protect our environment for future generations. The theology on this aspect in *Laudato Si'* is consistent with the teaching of the two previous Popes. It is not the basis upon which it could be regarded as any repudiation, let alone "relentless repudiation", of a conservative Catholic's "ethical framework", as Paul Kelly claims. The readiness in the article and the editorial to opine on Catholic teaching should be based on an understanding of what the Catholic Church has taught. Such an understanding is not apparent.
96. Allegation 3 in the editorial is that the encyclical is "an enthusiastic embrace of the most dire, catastrophist warnings of the global environmental movement". This kind of claim is made later in the editorial in connection with the quotation of the following passage in the encyclical: "Doomsday predictions can no longer be met with irony or disdain". That passage was quoted in support of the claim that Pope Francis had endorsed "the bleakest predictions about climate change". This matter is covered Attachment 2, at paragraphs 12 to 14 (which deals with quotation 4) and summarised at paragraph 69, above. The response to the use of that quote is appropriate in regard to allegation 3. The Pope does not "endorse the bleakest predictions" of climate change. The Pope has accepted that there is sufficient evidence to take major and urgent action to address climate change through carbon reduction; see paragraphs 23 and 26 of the encyclical. Placing urgency on the need for a response, as the Pope stresses, does not mean he has endorsed the bleakest predictions. The Pope's call for urgent action does not depend on, for example, whether

the earth's average temperature is estimated to be one or two degrees higher at some particular point in time or whether millions or tens of millions will be displaced by rising sea levels over the a particular period of time.

97. Allegations 4, 6 and 10 are critical of the Pope's adoption of solutions, either because they are not appropriate or because they are outside his competence and/or his role as Pope.

- 4: Pope Francis is "bestowing a quasi-religious status on contentious policy prescriptions".
- 6: "[Pope Francis]' solutions' are secular economic and political opinions".
- 10: Pope Francis' solutions are inconsistent with "Christian moral teaching [which] has long set out broad principles to be applied in wider society... [and] the church has left it to secular authorities to determine the prudential means for achieving the common good."

98. The claim that Pope Francis has advocated "policy prescriptions" and "solutions" is wrong, as is demonstrated in Attachment 2 in respect of the editorial's use of quotation 2. The encyclical does not advocate policy prescriptions, which is apparent from the following passages:

“Finally, we need to acknowledge that different approaches and lines of thought have emerged regarding this situation and its possible solutions. At one extreme, we find those who doggedly uphold the myth of progress and tell us that ecological problems will solve themselves simply with the application of new technology and without any need for ethical considerations or deep change. At the other extreme are those who view men and women and all their interventions as no more than a threat, jeopardizing the global ecosystem, and consequently the presence of human beings on the planet should be reduced and all forms of intervention prohibited. Viable future scenarios will have to be generated between these extremes, since there is no one path to a solution. This makes a variety of proposals possible, all capable of entering into dialogue with a view to developing comprehensive solutions.” (Paragraph 60, emphasis added)

“On many concrete questions, the Church has no reason to offer a definitive opinion; she knows that honest debate must be encouraged among experts, while respecting divergent views. But we need only take a frank look at the facts to see that our common home is falling into serious disrepair.” (Paragraph 61, emphasis added)

“Given the complexity of the ecological crisis and its multiple causes, we need to realize that the solutions will not emerge from just one way of interpreting and transforming reality. ... The Catholic Church is open to dialogue with philosophical thought; this has enabled her to produce various syntheses between faith and reason. The development of the Church’s social teaching represents such a synthesis with regard to social issues; this teaching is called to be enriched by taking up new challenges.” (Paragraph 63, emphasis added)

99. *Laudato Si'* provides a compelling case for the international community to take urgent and effective action to address climate change and to address other threats to the environment. It acknowledges that there will be a variety of matters to consider, including those in which the Church has no definitive opinion, and that solutions will not emerge from just one way of transforming reality. This is a reasonable and logical position to take.
100. The premise in allegation 10, that solutions and prescriptions have been offered, is false. In addition, it makes the claim that "Christian moral teaching has long set out broad principles to be applied in wider society". It is not clear if the editorial writer is attempting to draw a distinction between Catholic and other Christian positions in regard to the content of its moral teaching or in regard to public advocacy. The content of the Catholic Church's moral teaching extends to the care for Creation and the protection of the environment for the benefit of future generations. That is a common position among Christian churches.
101. In regard to its public advocacy, the Catholic Church has not limited itself to broad principles. The specificity and detail of the public advocacy depends on the issues involved. In some cases the Church will argue for the proper *application* of a principle; for example, in regard to the holding in detention the children of asylum seekers. The scope of *applied* Catholic social teaching has been discussed in paragraphs 10 to 17, including the subject of prudential judgment. The editorial claims that the Church leaves it to "secular authorities to determine the prudential means for achieving the common good". Poland is cited as an example: " St John Paul II worked tirelessly to tear down communism but left it to secular leaders to set up a new order in Poland". St John Paul II's own encyclicals, which are referred to in section C, demonstrate the error of this claim.
102. It must be said that there is one respect in which *Laudato Si'* seeks to bring about change: by impressing on Catholics, and citizens generally, the need to adopt lives that are more conducive to the proper care of Creation. In the introduction to the encyclical Pope Francis signals his intention to address "the throwaway culture and the proposal of a new lifestyle" (paragraph 16). Section III of Chapter 6 of the encyclical is entitled "Ecological conversion" and is introduced by:
- "Here, I would like to offer Christians a few suggestions for an ecological spirituality grounded in the convictions of our faith, since the teachings of the Gospel have direct

consequences for our way of thinking, feeling and living. More than in ideas or concepts as such, I am interested in how such a spirituality can motivate us to a more passionate concern for the protection of our world. A commitment this lofty cannot be sustained by doctrine alone, without a spirituality capable of inspiring us, without an 'interior impulse which encourages, motivates, nourishes and gives meaning to our individual and communal activity' " (Paragraph 216, footnote omitted.)

103. Allegation 9 starts with a description of the encyclical as an "outburst":

"...this outburst betrays a fundamental ignorance of economic history that, given the Pope's influence and moral authority, has the potential to hurt those he cares for most — the poor. ... Yet it is the remarkable increase in output in recent decades, owing to a surge in profitable trade, specialisation and innovation — unprecedented in human history — that has ushered in the biggest reduction in poverty in history, proportionately and in absolute terms."

104. Allegation 9 is similar to the claim that was raised by quotation 2, which is discussed at paragraphs 9 to 11 of Attachment 2 and summarised at paragraph 67, above. The disrespectful tone in the first part of allegation is based on a claim that Pope Francis does not know what is blindingly obvious. The disrespect is compounded by the fact that the Pope had acknowledged the benefits of economic growth and development:

“Humanity has entered a new era in which our technical prowess has brought us to a crossroads. We are the beneficiaries of two centuries of enormous waves of change: steam engines, railways, the telegraph, electricity, automobiles, aeroplanes, chemical industries, modern medicine, information technology and, more recently, the digital revolution, robotics, biotechnologies and nanotechnologies. It is right to rejoice in these advances and to be excited by the immense possibilities which they continue to open up before us, for “science and technology are wonderful products of a God-given human creativity”. The modification of nature for useful purposes has distinguished the human family from the beginning; technology itself “expresses the inner tension that impels man gradually to overcome material limitations”. Technology has remedied countless evils which used to harm and limit human beings. How can we not feel gratitude and appreciation for this progress, especially in the fields of medicine, engineering and communications? How could we not acknowledge the work of many scientists and engineers who have provided alternatives to make development sustainable?” (Paragraph 102, emphasis added, footnotes omitted)

“In order to continue providing employment, it is imperative to promote an economy which favours productive diversity and business creativity. ... To claim economic freedom while real conditions bar many people from actual access to it, and while possibilities for employment continue to shrink, is to practise a doublespeak which brings politics into disrepute. Business is a noble vocation, directed to producing wealth and improving our world. It can be a fruitful source of prosperity for the areas

in which it operates, especially if it sees the creation of jobs as an essential part of its service to the common good.” (Paragraph 129, emphasis added)

105. Allegation 9 is unfounded and unfair and, given the tenor of the language, shows an intention to attack Pope Francis personally. A person familiar with Catholic social teaching could not have made this sort of claim in all honesty. In the past, the Church has drawn attention to the harm caused to individuals and the environment as a result of some forms of economic development. Pope Benedict XVI, for example, raised his concerns in his 2009 encyclical *Caritas in Veritate* while acknowledging that economic growth had lifted billions out of poverty:

- “The economic development that Paul VI [in his encyclical *Populorum Progressio*] hoped to see was meant to produce real growth, of benefit to everyone and genuinely sustainable. It is true that growth has taken place, and it continues to be a positive factor that has lifted billions of people out of misery — recently it has given many countries the possibility of becoming effective players in international politics. Yet it must be acknowledged that this same economic growth has been and continues to be weighed down by malfunctions and dramatic problems, highlighted even further by the current [Global Financial] crisis.” (Paragraph 21, emphasis added)
- “Yet it should be stressed that progress of a merely economic and technological kind is insufficient. Development needs above all to be true and integral. The mere fact of emerging from economic backwardness, though positive in itself, does not resolve the complex issues of human advancement, neither for the countries that are spearheading such progress, nor for those that are already economically developed, nor even for those that are still poor, which can suffer not just through old forms of exploitation, but also from the negative consequences of a growth that is marked by irregularities and imbalances.” (Paragraph 23, emphasis added)
- “Economic activity cannot solve all social problems through the simple application of commercial logic. This needs to be directed towards the pursuit of the common good, for which the political community in particular must also take responsibility. Therefore, it must be borne in mind that grave imbalances are produced when economic action, conceived merely as an engine for wealth creation, is detached from political action, conceived as a means for pursuing justice through redistribution.” (Paragraph 36, emphasis added).

106. Before leaving this aspect it might be noted that part of the central section of the editorial, which elaborated on recent international economic growth, includes the following claim:

“The advanced world, where poverty is now, thankfully, largely a relative concept, struggles to regain the economic vitality of the period before the 2008 financial crisis.”

107. This passage reveals an extraordinary denial of the extent and importance of poverty in the advanced world, the major causes of which are the lack of jobs and decent wages. For the people living in poverty, poverty is real and not a relative concept. In the advanced world we have seen decreasing wage levels and rising levels of unemployment. Poverty is unacceptably high and there are few signs that the advanced world will return to pre-2008 levels any time soon. If we are to return to pre-2008 levels, which still produced unacceptably high levels of poverty in Australia and elsewhere, we need to ensure that the systemic causes of the Global Financial Crisis and the Great Recession are not allowed to re-appear.
108. Allegations 11 and 12 claim are concerned with some matters raised in paragraphs 173 and 175 of the encyclical:
- 11. "In advocating radical change in economic structures and world governance, Francis has stepped over important demarcations between church and state, blurring the lines between God and Caesar."
 - 12 Pope Francis' proposals would result in "turbocharging the UN or other agencies as secular theocracies".
109. Paragraphs 173 and 175 of the encyclical are the source of four quotations which are discussed in Attachment 2, paragraphs 24 to 29 (quotations 9, 10, 12 and 13.) and summarised in paragraphs 73 to 76, above. The quotations are in the Chapter 5, entitled "Lines of approach and action", and under the heading "Dialogue on the environment in the international community". The passages propose international arrangements to deal with regional and global agreements and norms that are needed for environmental and economic matters that cross borders. The editorial describes them as proposals for "bureaucratic tyranny" and for institutions for "*re-slicing the economic pie, not enlarging it*". These descriptions are misleading about the nature of the matters raised.
110. The responses in Attachment 2, at paragraphs 28 and 29, and summarised in paragraphs 73 to 76, above, are sufficient to dispose of allegations 11 and 12. The matters raised in the four passages in the encyclical are not exceptional or objectionable. There is no basis for the claims in the editorial that the *advocating* these matters is overstepping "important demarcations between church and state" and that they "would result in turbocharging the UN or other agencies as secular theocracies". The colourful language is not justified.

ATTACHMENT 1

The economics of *Laudato Si'*

The following passages from *Laudato Si'* cover the matters that are most pertinent to a discussion in this paper the Pope's views on climate change and the operation of contemporary economic systems. They leave out very significant areas, such as those on the theology of Creation. The underlining has been added to assist the reader.

Introduction

1. “As examples [of themes which will reappear as the Encyclical unfolds], I will point to the intimate relationship between the poor and the fragility of the planet, the conviction that everything in the world is connected, the critique of new paradigms and forms of power derived from technology, the call to seek other ways of understanding the economy and progress, the value proper to each creature, the human meaning of ecology, the need for forthright and honest debate, the serious responsibility of international and local policy, the throwaway culture and the proposal of a new lifestyle. These questions will not be dealt with once and for all, but reframed and enriched again and again.” (Paragraph 16, emphasis added)

Climate change

2. “The climate is a common good, belonging to all and meant for all. At the global level, it is a complex system linked to many of the essential conditions for human life. A very solid scientific consensus indicates that we are presently witnessing a disturbing warming of the climatic system. In recent decades this warming has been accompanied by a constant rise in the sea level and, it would appear, by an increase of extreme weather events, even if a scientifically determinable cause cannot be assigned to each particular phenomenon. Humanity is called to recognize the need for changes of lifestyle, production and consumption, in order to combat this warming or at least the human causes which produce or aggravate it. It is true that there are other factors (such as volcanic activity, variations in the earth's orbit and axis, the solar cycle), yet a number of scientific studies indicate that most global warming in recent decades is due to the great concentration of greenhouse gases (carbon dioxide, methane, nitrogen oxides and others) released mainly as a result of human activity.” (Paragraph 23, emphasis added)
3. “Warming has effects on the carbon cycle. It creates a vicious circle which aggravates the situation even more, affecting the availability of essential resources like drinking water, energy and agricultural production in warmer regions, and leading to the extinction of part of the planet's biodiversity.” (Paragraph 24)
4. “Climate change is a global problem with grave implications: environmental, social, economic, political and for the distribution of goods. It represents one of the principal

challenges facing humanity in our day. Its worst impact will probably be felt by developing countries in coming decades.” (Paragraph 25, emphasis added)

5. “Many of those who possess more resources and economic or political power seem mostly to be concerned with masking the problems or concealing their symptoms, simply making efforts to reduce some of the negative impacts of climate change. However, many of these symptoms indicate that such effects will continue to worsen if we continue with current models of production and consumption. There is an urgent need to develop policies so that, in the next few years, the emission of carbon dioxide and other highly polluting gases can be drastically reduced, for example, substituting for fossil fuels and developing sources of renewable energy. Worldwide there is minimal access to clean and renewable energy.” (Paragraph 26, emphasis added)
6. “The human environment and the natural environment deteriorate together; we cannot adequately combat environmental degradation unless we attend to causes related to human and social degradation. In fact, the deterioration of the environment and of society affects the most vulnerable people on the planet...” (Paragraph 48)
7. “The problem is that we still lack the culture needed to confront this crisis. We lack leadership capable of striking out on new paths and meeting the needs of the present with concern for all and without prejudice towards coming generations.” (Paragraph 53, emphasis added)

A variety of opinions and solutions

8. “Finally, we need to acknowledge that different approaches and lines of thought have emerged regarding this situation and its possible solutions. At one extreme, we find those who doggedly uphold the myth of progress and tell us that ecological problems will solve themselves simply with the application of new technology and without any need for ethical considerations or deep change. At the other extreme are those who view men and women and all their interventions as no more than a threat, jeopardizing the global ecosystem, and consequently the presence of human beings on the planet should be reduced and all forms of intervention prohibited. Viable future scenarios will have to be generated between these extremes, since there is no one path to a solution. This makes a variety of proposals possible, all capable of entering into dialogue with a view to developing comprehensive solutions.” (Paragraph 60, emphasis added)
9. “On many concrete questions, the Church has no reason to offer a definitive opinion; she knows that honest debate must be encouraged among experts, while respecting divergent views. But we need only take a frank look at the facts to see that our common home is falling into serious disrepair.” (Paragraph 61, emphasis added)
10. “Given the complexity of the ecological crisis and its multiple causes, we need to realize that the solutions will not emerge from just one way of interpreting and transforming reality. ... The Catholic Church is open to dialogue with philosophical thought; this has enabled her to produce various syntheses between faith and reason. The development of the Church’s social teaching represents such a synthesis with regard to social issues; this

teaching is called to be enriched by taking up new challenges.” (Paragraph 63, emphasis added)

Theology: the common destination of goods

11. “Whether believers or not, we are agreed today that the earth is essentially a shared inheritance, whose fruits are meant to benefit everyone. For believers, this becomes a question of fidelity to the Creator, since God created the world for everyone. Hence every ecological approach needs to incorporate a social perspective which takes into account the fundamental rights of the poor and the underprivileged. The principle of the subordination of private property to the universal destination of goods, and thus the right of everyone to their use, is a golden rule of social conduct and “the first principle of the whole ethical and social order”. The Christian tradition has never recognized the right to private property as absolute or inviolable, and has stressed the social purpose of all forms of private property. Saint John Paul II forcefully reaffirmed this teaching, stating that “God gave the earth to the whole human race for the sustenance of all its members, *without excluding or favouring anyone*”. ... He clearly explained that “the Church does indeed defend the legitimate right to private property, but she also teaches no less clearly that there is always a social mortgage on all private property, in order that goods may serve the general purpose that God gave them”. (Paragraph 93, emphasis added, footnotes omitted)
12. “The natural environment is a collective good, the patrimony of all humanity and the responsibility of everyone.” (Paragraph 95, emphasis added)
13. “Humanity has entered a new era in which our technical prowess has brought us to a crossroads. We are the beneficiaries of two centuries of enormous waves of change: steam engines, railways, the telegraph, electricity, automobiles, aeroplanes, chemical industries, modern medicine, information technology and, more recently, the digital revolution, robotics, biotechnologies and nanotechnologies. It is right to rejoice in these advances and to be excited by the immense possibilities which they continue to open up before us, for “science and technology are wonderful products of a God-given human creativity”. The modification of nature for useful purposes has distinguished the human family from the beginning; technology itself “expresses the inner tension that impels man gradually to overcome material limitations”. Technology has remedied countless evils which used to harm and limit human beings. How can we not feel gratitude and appreciation for this progress, especially in the fields of medicine, engineering and communications? How could we not acknowledge the work of many scientists and engineers who have provided alternatives to make development sustainable?” (Paragraph 102, emphasis added, footnotes omitted)
14. “The technocratic paradigm also tends to dominate economic and political life. The economy accepts every advance in technology with a view to profit, without concern for its potentially negative impact on human beings. Finance overwhelms the real economy. The lessons of the global financial crisis have not been assimilated, and we are learning all too slowly the lessons of environmental deterioration. Some circles maintain that current economics and technology will solve all environmental problems, and argue, in popular and non-technical terms, that the problems of global hunger and poverty will be resolved

simply by market growth. They are less concerned with certain economic theories which today scarcely anybody dares defend, than with their actual operation in the functioning of the economy. They may not affirm such theories with words, but nonetheless support them with their deeds by showing no interest in more balanced levels of production, a better distribution of wealth, concern for the environment and the rights of future generations. Their behaviour shows that for them maximizing profits is enough. Yet by itself the market cannot guarantee integral human development and social inclusion. At the same time, we have “a sort of ‘superdevelopment’ of a wasteful and consumerist kind which forms an unacceptable contrast with the ongoing situations of dehumanizing deprivation”, while we are all too slow in developing economic institutions and social initiatives which can give the poor regular access to basic resources. We fail to see the deepest roots of our present failures, which have to do with the direction, goals, meaning and social implications of technological and economic growth. (Paragraph 109, emphasis added, footnotes omitted.)

The need to protect employment

15. “Any approach to an integral ecology, which by definition does not exclude human beings, needs to take account of the value of labour, as Saint John Paul II wisely noted in his Encyclical *Laborem Exercens*.” (Paragraph 124, emphasis added)
16. “We are convinced that “man is the source, the focus and the aim of all economic and social life”. ... It follows that, in the reality of today’s global society, it is essential that “we continue to prioritize the goal of access to steady employment for everyone”, no matter the limited interests of business and dubious economic reasoning.” (Paragraph 127, emphasis added, footnotes omitted)
17. “We were created with a vocation to work. The goal should not be that technological progress increasingly replace human work, for this would be detrimental to humanity. Work is a necessity, part of the meaning of life on this earth, a path to growth, human development and personal fulfilment. Helping the poor financially must always be a provisional solution in the face of pressing needs. The broader objective should always be to allow them a dignified life through work. Yet the orientation of the economy has favoured a kind of technological progress in which the costs of production are reduced by laying off workers and replacing them with machines. This is yet another way in which we can end up working against ourselves. The loss of jobs also has a negative impact on the economy “through the progressive erosion of social capital: the network of relationships of trust, dependability, and respect for rules, all of which are indispensable for any form of civil coexistence”. In other words, “human costs always include economic costs, and economic dysfunctions always involve human costs”. To stop investing in people, in order to gain greater short-term financial gain, is bad business for society.” (Paragraph 128, emphasis added, footnotes omitted)
18. “In order to continue providing employment, it is imperative to promote an economy which favours productive diversity and business creativity. ... To claim economic freedom while real conditions bar many people from actual access to it, and while possibilities for employment continue to shrink, is to practise a doublespeak which brings politics into disrepute. Business is a noble vocation, directed to producing wealth and improving our

world. It can be a fruitful source of prosperity for the areas in which it operates, especially if it sees the creation of jobs as an essential part of its service to the common good." (Paragraph 129, emphasis added)

Integral ecology and the common good

19. "Since everything is closely interrelated, and today's problems call for a vision capable of taking into account every aspect of the global crisis, I suggest that we now consider some elements of an *integral ecology*, one which clearly respects its human and social dimensions." (Paragraph 137)
20. "An integral ecology is inseparable from the notion of the common good, a central and unifying principle of social ethics. The common good is 'the sum of those conditions of social life which allow social groups and their individual members relatively thorough and ready access to their own fulfilment'" (Paragraph 156, emphasis added, footnote omitted)
21. "Underlying the principle of the common good is respect for the human person as such, endowed with basic and inalienable rights ordered to his or her integral development. It has also to do with the overall welfare of society and the development of a variety of intermediate groups, applying the principle of subsidiarity. Outstanding among those groups is the family, as the basic cell of society. Finally, the common good calls for social peace, the stability and security provided by a certain order which cannot be achieved without particular concern for distributive justice; whenever this is violated, violence always ensues. Society as a whole, and the state in particular, are obliged to defend and promote the common good." (Paragraph 157, emphasis added)
22. "We know that technology based on the use of highly polluting fossil fuels – especially coal, but also oil and, to a lesser degree, gas – needs to be progressively replaced without delay. Until greater progress is made in developing widely accessible sources of renewable energy, it is legitimate to choose the less harmful alternative or to find short-term solutions. But the international community has still not reached adequate agreements about the responsibility for paying the costs of this energy transition. In recent decades, environmental issues have given rise to considerable public debate and have elicited a variety of committed and generous civic responses. Politics and business have been slow to react in a way commensurate with the urgency of the challenges facing our world. Although the post-industrial period may well be remembered as one of the most irresponsible in history, nonetheless there is reason to hope that humanity at the dawn of the twenty-first century will be remembered for having generously shouldered its grave responsibilities." (Paragraph 165, emphasis added)
23. "In the present condition of global society, where injustices abound and growing numbers of people are deprived of basic human rights and considered expendable, the principle of the common good immediately becomes, logically and inevitably, a summons to solidarity and a preferential option for the poorest of our brothers and sisters. This option entails recognizing the implications of the universal destination of the world's goods, but, as I mentioned in the Apostolic Exhortation *Evangelii Gaudium*,^[123] it demands before all else an appreciation of the immense dignity of the poor in the light of our deepest

convictions as believers. We need only look around us to see that, today, this option is in fact an ethical imperative essential for effectively attaining the common good." (Paragraph 158, emphasis added)

24. "The financial crisis of 2007-08 provided an opportunity to develop a new economy, more attentive to ethical principles, and new ways of regulating speculative financial practices and virtual wealth. But the response to the crisis did not include rethinking the outdated criteria which continue to rule the world. Production is not always rational, and is usually tied to economic variables which assign to products a value that does not necessarily correspond to their real worth. This frequently leads to an overproduction of some commodities, with unnecessary impact on the environment and with negative results on regional economies.[133] The financial bubble also tends to be a productive bubble. The problem of the real economy is not confronted with vigour, yet it is the real economy which makes diversification and improvement in production possible, helps companies to function well, and enables small and medium businesses to develop and create employment." (Paragraph 189, emphasis added.)
25. "Here too, it should always be kept in mind that 'environmental protection cannot be assured solely on the basis of financial calculations of costs and benefits. The environment is one of those goods that cannot be adequately safeguarded or promoted by market forces'." (Paragraph 190, footnote omitted)
26. "Whenever these questions are raised, some react by accusing others of irrationally attempting to stand in the way of progress and human development. But we need to grow in the conviction that a decrease in the pace of production and consumption can at times give rise to another form of progress and development. Efforts to promote a sustainable use of natural resources are not a waste of money, but rather an investment capable of providing other economic benefits in the medium term. If we look at the larger picture, we can see that more diversified and innovative forms of production which impact less on the environment can prove very profitable. It is a matter of openness to different possibilities which do not involve stifling human creativity and its ideals of progress, but rather directing that energy along new channels." (Paragraph 191, emphasis added)
27. "The principle of the maximization of profits, frequently isolated from other considerations, reflects a misunderstanding of the very concept of the economy. As long as production is increased, little concern is given to whether it is at the cost of future resources or the health of the environment; as long as the clearing of a forest increases production, no one calculates the losses entailed in the desertification of the land, the harm done to biodiversity or the increased pollution. In a word, businesses profit by calculating and paying only a fraction of the costs involved." (Paragraph 195, emphasis added)

The role of politics

28. "What happens with politics? Let us keep in mind the principle of subsidiarity, which grants freedom to develop the capabilities present at every level of society, while also demanding a greater sense of responsibility for the common good from those who wield greater power. Today, it is the case that some economic sectors exercise more power than

states themselves. But economics without politics cannot be justified, since this would make it impossible to favour other ways of handling the various aspects of the present crisis. The mindset which leaves no room for sincere concern for the environment is the same mindset which lacks concern for the inclusion of the most vulnerable members of society.” (Paragraph 196, emphasis added)

“What is needed is a politics which is far-sighted and capable of a new, integral and interdisciplinary approach to handling the different aspects of the crisis.” (Paragraph 197)

ATTACHMENT 2

The Weekend Australian has misrepresented *Laudato Si'* and Pope Francis

1. The editorial in *The Weekend Australia* of 27-28 June 2015 contains 13 quotations from the encyclical *Laudato Si'* to support its criticisms of Pope Francis and his encyclical. In this Attachment the relevant parts of the editorial are set out, with the passages quoted in the editorial being numbered and underlined. Each of the passages is then reproduced and underlined in its original context, including relevant footnotes. Responses are then made to the way in which the editorial has used the quoted passages.
2. The relevant parts of the editorial are reproduced in the Appendix at the end of this Attachment.

A. Quotations 1 and 2

3. The editorial states:

Much of his 40,000-word letter to the world is a denunciation, dressed up as religious instruction, of free-market principles and an enthusiastic embrace of the most dire, catastrophist warnings of the global environmental movement. [1] “To degrade the integrity of the earth by causing changes in its climate ... these are sins,” he writes, urging the world to reject the [2] “magical conception of the market” and bestowing a quasi-religious status on contentious policy prescriptions.

4. Quotation [1] is from paragraph 8 of the encyclical:

“8. Patriarch Bartholomew has spoken in particular of the need for each of us to repent of the ways we have harmed the planet, for “inasmuch as we all generate small ecological damage”, we are called to acknowledge “our contribution, smaller or greater, to the disfigurement and destruction of creation”.^[14] He has repeatedly stated this firmly and persuasively, challenging us to acknowledge our sins against creation: “For human beings... to destroy the biological diversity of God’s creation; for human beings to degrade the integrity of the earth by causing changes in its climate, by stripping the earth of its natural forests or destroying its wetlands; for human beings to contaminate the earth’s waters, its land, its air, and its life – these are sins”.^[15] For “to commit a crime against the natural world is a sin against ourselves and a sin against God”.^[16]”

5. Quotation 1 is not from Pope Francis, but from Patriarch Bartholomew. Footnote 15 reads: “Address in Santa Barbara, California (8 November 1997); cf. JOHN CHRYSAVGIS, *On Earth as in Heaven: Ecological Vision and Initiatives of Ecumenical Patriarch Bartholomew*, Bronx New York, 2012.” This is the same source for footnote 16

6. Quotation 2 is from paragraph 190 of the encyclical:

190. Here too, it should always be kept in mind that “environmental protection cannot be assured solely on the basis of financial calculations of costs and benefits. The environment is one of those goods that cannot be adequately safeguarded or promoted by market forces”. [134] Once more, we need to reject a magical conception of the market, which would suggest that problems can be solved simply by an increase in the profits of companies or individuals. Is it realistic to hope that those who are obsessed with maximizing profits will stop to reflect on the environmental damage which they will leave behind for future generations? Where profits alone count, there can be no thinking about the rhythms of nature, its phases of decay and regeneration, or the complexity of ecosystems which may be gravely upset by human intervention. Moreover, biodiversity is considered at most a deposit of economic resources available for exploitation, with no serious thought for the real value of things, their significance for persons and cultures, or the concerns and needs of the poor.

7. Footnote 134 shows that the quotation is taken from paragraph 470 of the *Compendium of the Social Teaching of the Catholic Church*. The relevant part of that source in the compendium refers, by footnote 993, to St John Paul II’s encyclical *Centesimus Annus*, at paragraph 40. Included in paragraph 40 of St John Paul II’s encyclical is the following:

“Here we find a new limit on the market: there are collective and qualitative needs which cannot be satisfied by market mechanisms. There are important human needs which escape its logic. There are goods which by their very nature cannot and must not be bought or sold. Certainly the mechanisms of the market offer secure advantages: they help to utilize resources better; they promote the exchange of products; above all they give central place to the person's desires and preferences, which, in a contract, meet the desires and preferences of another person. Nevertheless, these mechanisms carry the risk of an "idolatry" of the market, an idolatry which ignores the existence of goods which by their nature are not and cannot be mere commodities.” (Emphasis added)

8. Response to editorial: quotations 1 and 2

Quotation 1 incorrectly attributes this view to Pope Francis. Obviously, Pope Francis cites it with approval because it is consistent with Catholic doctrine. The following explanation of “social sins” appears in the *Compendium of the Social Doctrine of the Catholic Church*:

“118. *Certain sins, moreover, constitute by their very object a direct assault on one's neighbour. Such sins in particular are known as social sins.* Social sin is every sin committed against the justice due in relations between individuals, between the individual and the community, and also between the community and the individual. Social too is every sin against the rights of the human person, starting with the right

to life, including that of life in the womb, and every sin against the physical integrity of the individual; every sin against the freedom of others, especially against the supreme freedom to believe in God and worship him; and every sin against the dignity and honour of one's neighbour. Every sin against the common good and its demands, in the whole broad area of rights and duties of citizens, is also social sin. In the end, social sin is that sin that 'refers to the relationships between the various human communities. These relationships are not always in accordance with the plan of God, who intends that there be justice in the world and freedom and peace between individuals, groups and peoples'." (Italics are in original text. The footnote to the quotation is "John Paul II, Apostolic Exhortation *Reconciliatio et Paenitentia*, 16")

Quotation 2, which calls for the rejection of a magical conception of the market is based on the fact that environment is one of those goods that cannot be adequately safeguarded or promoted by market forces, as St John Paul II had previously stated. There is nothing surprising or novel about the substance of this quotation.

The editorial seeks to use quotations 1 and 2 to establish that they "bestowing a quasi-religious status on contentious policy prescriptions". *Laudato Si'* makes it clear that there is a sound theological basis for the assertion that Christians, and others, should care for their common home and protect God's creation. The editorial seeks to be an arbiter of whether a matter is quasi-religious. There is nothing "quasi" about the theology to which the encyclical refers.

Furthermore, the encyclical does not advocate policy prescriptions, as is apparent from the following passages:

"Finally, we need to acknowledge that different approaches and lines of thought have emerged regarding this situation and its possible solutions. At one extreme, we find those who doggedly uphold the myth of progress and tell us that ecological problems will solve themselves simply with the application of new technology and without any need for ethical considerations or deep change. At the other extreme are those who view men and women and all their interventions as no more than a threat, jeopardizing the global ecosystem, and consequently the presence of human beings on the planet should be reduced and all forms of intervention prohibited. Viable future scenarios will have to be generated between these extremes, since there is no one path to a solution. This makes a variety of proposals possible, all capable of entering into dialogue with a view to developing comprehensive solutions." (Paragraph 60, emphasis added)

"On many concrete questions, the Church has no reason to offer a definitive opinion; she knows that honest debate must be encouraged among experts, while respecting

divergent views. But we need only take a frank look at the facts to see that our common home is falling into serious disrepair.” (Paragraph 61, emphasis added)

“Given the complexity of the ecological crisis and its multiple causes, we need to realize that the solutions will not emerge from just one way of interpreting and transforming reality. ... The Catholic Church is open to dialogue with philosophical thought; this has enabled her to produce various syntheses between faith and reason. The development of the Church’s social teaching represents such a synthesis with regard to social issues; this teaching is called to be enriched by taking up new challenges.” (Paragraph 63, emphasis added)

B. Quotation 3

9. The editorial states:

[3] “We need to grow in the conviction that a decrease in the pace of production and consumption can at times give rise to another form of progress and development,” *Yet it is the remarkable increase in output in recent decades, owing to a surge in profitable trade, specialisation and innovation — unprecedented in human history — that has ushered in the biggest reduction in poverty in history, proportionately and in absolute terms.*

10. Quotation 3 is from paragraph 191 of the encyclical:

“191. Whenever these [environmental] questions are raised, some react by accusing others of irrationally attempting to stand in the way of progress and human development. But we need to grow in the conviction that a decrease in the pace of production and consumption can at times give rise to another form of progress and development. Efforts to promote a sustainable use of natural resources are not a waste of money, but rather an investment capable of providing other economic benefits in the medium term. If we look at the larger picture, we can see that more diversified and innovative forms of production which impact less on the environment can prove very profitable. It is a matter of openness to different possibilities which do not involve stifling human creativity and its ideals of progress, but rather directing that energy along new channels.”

11. Response to editorial: quotation 3

Quotation 3 is used to suggest that Pope Francis is blind to the benefits of economic growth and its ability to lift people out of poverty.

The quotation has to be read in its context and it is unexceptional. It is in response to the fact that some argue that it is irrational to stand in the way of progress and development. This is not a passage encourages opposition to “progress and development”, but asks us to consider whether there are other forms of progress and development. The Pope's point

arises in the context of a discussion of economic development, which includes recognition of the value of growth and development:

“Humanity has entered a new era in which our technical prowess has brought us to a crossroads. We are the beneficiaries of two centuries of enormous waves of change: steam engines, railways, the telegraph, electricity, automobiles, aeroplanes, chemical industries, modern medicine, information technology and, more recently, the digital revolution, robotics, biotechnologies and nanotechnologies. It is right to rejoice in these advances and to be excited by the immense possibilities which they continue to open up before us, for “science and technology are wonderful products of a God-given human creativity”. The modification of nature for useful purposes has distinguished the human family from the beginning; technology itself “expresses the inner tension that impels man gradually to overcome material limitations”. Technology has remedied countless evils which used to harm and limit human beings. How can we not feel gratitude and appreciation for this progress, especially in the fields of medicine, engineering and communications? How could we not acknowledge the work of many scientists and engineers who have provided alternatives to make development sustainable?” (Paragraph 102, emphasis added, footnotes omitted)

“In order to continue providing employment, it is imperative to promote an economy which favours productive diversity and business creativity. ... To claim economic freedom while real conditions bar many people from actual access to it, and while possibilities for employment continue to shrink, is to practise a doublespeak which brings politics into disrepute. Business is a noble vocation, directed to producing wealth and improving our world. It can be a fruitful source of prosperity for the areas in which it operates, especially if it sees the creation of jobs as an essential part of its service to the common good.” (Paragraph 129, emphasis added)

Pope Francis does not neglect the need for economic growth, nor the need to free people of poverty, as the editorial implies. Paragraphs 127-9 of the encyclical emphasise the need to create work opportunities; for example:

“Work is a necessity, part of the meaning of life on this earth, a path to growth, human development and personal fulfilment. Helping the poor financially must always be a provisional solution in the face of pressing needs. The broader objective should always be to allow them a dignified life through work.” (Paragraph 128)

“In order to continue providing employment, it is imperative to promote an economy which favours productive diversity and business creativity. ... Business is a noble vocation, directed to producing wealth and improving our world. It can be a fruitful source of prosperity for the areas in which it operates, especially if it sees the creation of jobs as an essential part of its service to the common good.” (Paragraph 129)

Pope Benedict XVI expressed similar views on these matters in his 2009 encyclical *Caritas in Veritate*; for example:

- “The economic development that Paul VI [in his encyclical *Populorum Progressio*] hoped to see was meant to produce real growth, of benefit to everyone and genuinely sustainable. It is true that growth has taken place, and it continues to be a positive factor that has lifted billions of people out of misery — recently it has given many countries the possibility of becoming effective players in international politics. Yet it must be acknowledged that this same economic growth has been and continues to be weighed down by malfunctions and dramatic problems, highlighted even further by the current [Global Financial] crisis.” (Paragraph 21, emphasis added)
- “Yet it should be stressed that progress of a merely economic and technological kind is insufficient. Development needs above all to be true and integral. The mere fact of emerging from economic backwardness, though positive in itself, does not resolve the complex issues of human advancement, neither for the countries that are spearheading such progress, nor for those that are already economically developed, nor even for those that are still poor, which can suffer not just through old forms of exploitation, but also from the negative consequences of a growth that is marked by irregularities and imbalances.” (Paragraph 23, emphasis added)
- “Economic activity cannot solve all social problems through the simple application of commercial logic. This needs to be directed towards the pursuit of the common good, for which the political community in particular must also take responsibility. Therefore, it must be borne in mind that grave imbalances are produced when economic action, conceived merely as an engine for wealth creation, is detached from political action, conceived as a means for pursuing justice through redistribution.” (Paragraph 36, emphasis added).

Quotation 3, especially when read in its context, is a sensible point does not support the claim in the editorial and cannot be the basis of criticism.

C. Quotation 4

12. The editorial states:

The Pope endorses the bleakest predictions about climate change, ignoring the inexactness of the science and the extended pause in rising temperatures: [4] “Doomsday predictions can no longer be met with irony or disdain.”

13. Quotation 4 is from paragraph 161 of the encyclical:

“161. Doomsday predictions can no longer be met with irony or disdain. We may well be leaving to coming generations debris, desolation and filth. The pace of consumption, waste and environmental change has so stretched the planet’s capacity that our contemporary lifestyle, unsustainable as it is, can only precipitate catastrophes, such as those which even now periodically occur in different areas of

the world. The effects of the present imbalance can only be reduced by our decisive action, here and now. We need to reflect on our accountability before those who will have to endure the dire consequences.

14. Response to editorial: quotation 4

The editorial is misleading. It juxtaposes the quotation with the allegation that the Pope has endorsed the bleakest of predictions on climate change and has ignored relevant science. The quotation is about more than climate change. The context covers environmental degradation. In regard to climate change, the critical passage is:

“The climate is a common good, belonging to all and meant for all. At the global level, it is a complex system linked to many of the essential conditions for human life. A very solid scientific consensus indicates that we are presently witnessing a disturbing warming of the climatic system. In recent decades this warming has been accompanied by a constant rise in the sea level and, it would appear, by an increase of extreme weather events, even if a scientifically determinable cause cannot be assigned to each particular phenomenon. Humanity is called to recognize the need for changes of lifestyle, production and consumption, in order to combat this warming or at least the human causes which produce or aggravate it. It is true that there are other factors (such as volcanic activity, variations in the earth’s orbit and axis, the solar cycle), yet a number of scientific studies indicate that most global warming in recent decades is due to the great concentration of greenhouse gases (carbon dioxide, methane, nitrogen oxides and others) released mainly as a result of human activity.” (Paragraph 23, emphasis added)

The Pope does not "endorse the bleakest predictions" of climate change. The Pope accepts that there is sufficient evidence to take substantial and urgent action to address climate change through carbon reduction:

“Climate change is a global problem with grave implications: environmental, social, economic, political and for the distribution of goods. It represents one of the principal challenges facing humanity in our day. Its worst impact will probably be felt by developing countries in coming decades.” (Paragraph 25, emphasis added)

“Many of those who possess more resources and economic or political power seem mostly to be concerned with masking the problems or concealing their symptoms, simply making efforts to reduce some of the negative impacts of climate change. However, many of these symptoms indicate that such effects will continue to worsen if we continue with current models of production and consumption. There is an urgent need to develop policies so that, in the next few years, the emission of carbon dioxide and other highly polluting gases can be drastically reduced, for example, substituting for fossil fuels and developing sources of renewable energy. Worldwide there is minimal access to clean and renewable energy.” (Paragraph 26, emphasis added)

Pope Francis acknowledges that the breadth of the debate, including the views of those who believe that the issues can be resolved by technology, and the range of solutions. We have already referred to the passages in the encyclical dealing with this aspect (see response to the use of quotations 1 and 2). Those passages include:

“Finally, we need to acknowledge that different approaches and lines of thought have emerged regarding this situation and its possible solutions. .[T]here is no one path to a solution. This makes a variety of proposals possible, all capable of entering into dialogue with a view to developing comprehensive solutions.” (Paragraph 60)

"On many concrete questions, the Church has no reason to offer a definitive opinion; she knows that honest debate must be encouraged among experts, while respecting divergent views. But we need only take a frank look at the facts to see that our common home is falling into serious disrepair." (Paragraph 61)

Given the complexity of the ecological crisis and its multiple causes, we need to realize that the solutions will not emerge from just one way of interpreting and transforming reality.” (Paragraph 63)

The openness to a range of views and solutions does not minimise the urgency to take action. Placing great urgency on the need for a response, as the Pope does, does not mean the endorsement of the bleakest view. Neither quotation 4, nor any other passage in the encyclical, supports the claim made in the editorial that the Pope "endorses the bleakest predictions about climate change, ignoring the inexactness of the science and the extended pause in rising temperatures".

D. Quotation 5

15. The editorial states:

Technology linked to business, he says, [5]“proves incapable of seeing the mysterious network of relations between things and so sometimes solves one problem only to create others.”

16. Quotation 5 is from paragraph 20 of the encyclical:

“20. Some forms of pollution are part of people’s daily experience. Exposure to atmospheric pollutants produces a broad spectrum of health hazards, especially for the poor, and causes millions of premature deaths. People take sick, for example, from breathing high levels of smoke from fuels used in cooking or heating. There is also pollution that affects everyone, caused by transport, industrial fumes, substances which contribute to the acidification of soil and water, fertilizers, insecticides, fungicides, herbicides and agrottoxins in general. Technology, which, linked to business interests, is presented as the only way of solving these problems, in fact

proves incapable of seeing the mysterious network of relations between things and so sometimes solves one problem only to create others.”

17. Response to editorial: quotation 5

The editorial takes quotation 5 out of context, with the implication that this is another way in which progress is being denied and criticised in the encyclical. Paragraph 20 of the encyclical identifies some common forms of pollution and makes the point that, what we may call, commercialised technology "is presented as the only way of solving these problems" and responds with the observation that it "*sometimes* solves one problem only to create others" (emphasis added). This observation is consistent with our experience. The quotation does not support any criticism of the encyclical or the Pope.

E. Quotations 6 and 7

18. The editorial states:

Francis also dismisses carbon trading as [6]“a new form of speculation” that would avoid [7]“the radical change present circumstances require”.

19. Quotations 6 and 7 are from paragraph 171 of the encyclical:

“171. The strategy of buying and selling “carbon credits” can lead to a new form of speculation which would not help reduce the emission of polluting gases worldwide. This system seems to provide a quick and easy solution under the guise of a certain commitment to the environment, but in no way does it allow for the radical change which present circumstances require. Rather, it may simply become a ploy which permits maintaining the excessive consumption of some countries and sectors.”

20. Response to editorial: quotations 6 and 7

The Pope does not "dismiss" carbon trading as a solution, as claimed in the editorial, but points to the potential problem that such a system would be a new form of speculation that would not achieve the radical reduction needed in carbon emissions. This is an entirely appropriate observation in a discussion about the breadth of matters raised in the encyclical; and in circumstances where the European Union's carbon trading scheme has been beset by substantial difficulties. Furthermore, as pointed out earlier in response to quotations 1, 2 and 4, Pope Francis made it clear that he was avoiding technical solutions to the matters being addressed.

F. Quotation 8

21. The editorial states:

The pace of consumption, waste and environmental change has so stretched the planet's capacity, he claims, [8] "that our contemporary lifestyle, unsustainable as it is, can only precipitate catastrophe". That sweeping assertion should be tested.

22. Quotation 8 (like quotation 4) is from paragraph 161 of the encyclical:

"161. Doomsday predictions can no longer be met with irony or disdain. We may well be leaving to coming generations debris, desolation and filth. The pace of consumption, waste and environmental change has so stretched the planet's capacity that our contemporary lifestyle, unsustainable as it is, can only precipitate catastrophes, such as those which even now periodically occur in different areas of the world. The effects of the present imbalance can only be reduced by our decisive action, here and now. We need to reflect on our accountability before those who will have to endure the dire consequences."

23. Response to editorial: quotation 8

This quotation appears in the same paragraph as quotation 4. Paragraph 161 appears in a section entitled "Justice between generations". It includes the observation:

"We can no longer speak of sustainable development apart from intergenerational solidarity. Once we start to think about the kind of world we are leaving to future generations, we look at things differently; we realize that the world is a gift which we have freely received and must share with others. Since the world has been given to us, we can no longer view reality in a purely utilitarian way, in which efficiency and productivity are entirely geared to our individual benefit. Intergenerational solidarity is not optional, but rather a basic question of justice, since the world we have received also belongs to those who will follow us." (Paragraph 159, emphasis added)

The editorial claims that the "sweeping assertion [in the quotation] should be tested". The catastrophes referred to in quotation 8 are the sort that " periodically occur in different areas of the world". There are many examples where economic development has occurred to the detriment of those who will follow us; for example, land clearing causing loss and degradation of soil, chemicals being released into rivers, the loss of natural flood mitigation in river systems, mining operations undertaken without controlling toxic wastes. These have caused periodic catastrophes for communities around the world and have occurred under different kinds of economic systems, including capitalist and communist, and those with a mixture of the elements of each. The editorial claims that the assertion should be tested: it has and it is correct.

Quotation 8 does not support any valid criticism of Pope Francis.

G. Quotations 9 to 13

24. The editorial states:

To cut emissions, the Pope wants [9]“enforceable international agreements” and [10]“globally regulatory norms”. He also would extend this new form of bureaucratic tyranny to his main moral imperative, re-slicing the economic pie, not enlarging it: [11]“The time has come to accept decreased growth in some parts of the world, in order to provide resources for other places to experience healthy growth.” To that end, he favours [12]“stronger and more efficiently organised international institutions” with functionaries appointed by agreement among nations, and [13] “empowered to impose sanctions.

25. Quotations 9 and 10 are from paragraph 173 of the encyclical:

“173. Enforceable international agreements are urgently needed, since local authorities are not always capable of effective intervention. Relations between states must be respectful of each other’s sovereignty, but must also lay down mutually agreed means of averting regional disasters which would eventually affect everyone. Global regulatory norms are needed to impose obligations and prevent unacceptable actions, for example, when powerful companies dump contaminated waste or offshore polluting industries in other countries”

26. Quotation 11 is from paragraph 193:

“193. In any event, if in some cases sustainable development were to involve new forms of growth, then in other cases, given the insatiable and irresponsible growth produced over many decades, we need also to think of containing growth by setting some reasonable limits and even retracing our steps before it is too late. We know how unsustainable is the behaviour of those who constantly consume and destroy, while others are not yet able to live in a way worthy of their human dignity. That is why the time has come to accept decreased growth in some parts of the world, in order to provide resources for other places to experience healthy growth. Benedict XVI has said that “technologically advanced societies must be prepared to encourage more sober lifestyles, while reducing their energy consumption and improving its efficiency”. [Footnote: *Message for the 2010 World Day of Peace, 9*]”

27. Quotations 12 and 13 are from paragraph 175, which reads:

“175. The same mindset which stands in the way of making radical decisions to reverse the trend of global warming also stands in the way of achieving the goal of eliminating poverty. A more responsible overall approach is needed to deal with both problems: the reduction of pollution and the development of poorer countries and regions. The twenty-first century, while maintaining systems of governance inherited from the past, is witnessing a weakening of the power of nation states, chiefly because the economic and financial sectors, being transnational, tends to prevail over

the political. Given this situation, it is essential to devise stronger and more efficiently organized international institutions, with functionaries who are appointed fairly by agreement among national governments, and empowered to impose sanctions. As Benedict XVI has affirmed in continuity with the social teaching of the Church: “To manage the global economy; to revive economies hit by the crisis; to avoid any deterioration of the present crisis and the greater imbalances that would result; to bring about integral and timely disarmament, food security and peace; to guarantee the protection of the environment and to regulate migration: for all this, there is urgent need of a true world political authority, as my predecessor Blessed John XXIII indicated some years ago”. [Footnote: Caritas in Veritate, paragraph 67] Diplomacy also takes on new importance in the work of developing international strategies which can anticipate serious problems affecting us all.”

28. Response to editorial: quotations 9 and 10

Quotations 9 and 10 have to be read in context. The editorial limits the proposals in the encyclical to emissions, but Pope Francis' concerns are broader than emissions. Paragraph 173 of the encyclical appears in a section entitled "Lines of approach and action" and under the heading "Dialogue on the environment in the international community". The Pope's commentary in this section covers a range of environmental issues and attempts to address them. Paragraph 173 points to the kind of regional and global agreements and norms that are need for matters that cross borders. There is nothing exceptional or objectionable about this passage.

Immediately after the recitation of quotations 9 and 10, the editorial describes it as "this new form of bureaucratic tyranny to his main moral imperative". This description is without foundation and reveals a degree of bias that has coloured the editorial. The editorial is not an objective analysis of what Pope Francis has raised.

29. Response to editorial: quotations 11 to 13

Quotation 11 is used as evidence that Pope Francis' "main moral imperative", which, it is claimed, is the re-slicing, and not growing, the economic pie. It claims that Pope Francis does not want to enlarge the economic pie. However, the quotation is not concerned with that issue.

Quotation 11 is preceded by the observation that we "know how unsustainable is the behaviour of those who constantly consume and destroy, while others are not yet able to live in a way worthy of their human dignity". This is a valid observation, which echoes a

passage in Pope Benedict XVI's Message for the 2010 World Day of Peace. That passage, which highlights the consistency between the writings of both popes, reads:

“To be sure, among the basic problems which the international community has to address is that of energy resources and the development of joint and sustainable strategies to satisfy the energy needs of the present and future generations. This means that technologically advanced societies must be prepared to encourage more sober lifestyles, while reducing their energy consumption and improving its efficiency. At the same time there is a need to encourage research into, and utilization of, forms of energy with lower impact on the environment and “a world-wide redistribution of energy resources, so that countries lacking those resources can have access to them”.[Footnote] The ecological crisis offers an historic opportunity to develop a common plan of action aimed at orienting the model of global development towards greater respect for creation and for an integral human development inspired by the values proper to charity in truth. I would advocate the adoption of a model of development based on the centrality of the human person, on the promotion and sharing of the common good, on responsibility, on a realization of our need for a changed life-style, and on prudence, the virtue which tells us what needs to be done today in view of what might happen tomorrow.[Footnote]” (Paragraph 9)

The first of the references in this passage is from Pope Benedict's encyclical *Caritas in Veritate*, published in 2009. The second footnote is to St Thomas Aquinas in *Summa Theologica*.

The introductory words to quotations 12 and 13 in the editorial claims (“To that end”) refer to its claim that Pope Francis is proposing institutions for the purpose of “*re-slicing the economic pie, not enlarging it*”: to re-slice the economic pie, not enlarge it. This is a false description of what the Pope has advanced in relation those institutions, as the above response to quotations 9 and 10 demonstrates.

It is wrong to claim that the Pope is not concerned about growth. How else could the needs of the poor and unemployed be addressed without growth? The Pope does not suggest that the needs of the poor can be met through redistribution. The Church's and Pope Francis' attitude to economic development has been addressed in response to the editorial's use of quotation 3. The Church advocates sustainable economic growth that will provide work for all who can work and argues that it is the obligation of governments, supported by business. This kind of point was made by Pope Francis in the encyclical:

“In order to continue providing employment, it is imperative to promote an economy which favours productive diversity and business creativity. ... To claim economic freedom while real conditions bar many people from actual access to it, and while

possibilities for employment continue to shrink, is to practise a doublespeak which brings politics into disrepute. Business is a noble vocation, directed to producing wealth and improving our world. It can be a fruitful source of prosperity for the areas in which it operates, especially if it sees the creation of jobs as an essential part of its service to the common good." (Paragraph 129)

The support for international agreements and regulatory norms (at paragraph 175 of the encyclical), from which quotations 12 and 13 are taken, is based on the recognition that the powers of nation states to address economic and environmental matters have been weakened thereby reducing the capacity of governments acting alone to address vitally important matters. Pope Francis nominates "the reduction of pollution and the development of poorer countries and regions" as matters that need to be addressed and quotes Pope Benedict identifying a wider range of needs: to manage the global economy; to revive economies hit by the crisis; to avoid any deterioration of the present crisis and the greater imbalances that would result; to bring about integral and timely disarmament, food security and peace; to guarantee the protection of the environment and to regulate migration. It is on the basis of these concerns that Pope Francis has argued that "it is essential to devise stronger and more efficiently organized international institutions, with functionaries who are appointed fairly by agreement among national governments, and empowered to impose sanctions". The proposal that governments cooperate to establish efficient, fair and empowered institutions is an entirely reasonable proposition. It is not, as the editorial misleadingly suggests, for the purpose of "*re-slicing the economic pie, not enlarging it*".

Appendix to Attachment 2

Extracts from the editorial in *The Weekend Australian* entitled *Papal prescription for a flawed economic order*

June 27-28, 2015, page 23

Much of his 40,000-word letter to the world is a denunciation, dressed up as religious instruction, of free-market principles and an enthusiastic embrace of the most dire, catastrophist warnings of the global environmental movement. [1] "To degrade the integrity of the earth by causing changes in its climate ... these are sins," he writes, urging the world to reject the [2] "magical conception of the market" and bestowing a quasi-religious status on contentious policy prescriptions. Francis and his advisers, as Paul Kelly wrote this week, emerge as environmental populists and economic ideologues of a quasi-Marxist bent. The Pope says he wants the encyclical to be part of Catholic social teaching.

But his “solutions” are secular economic and political opinions. They are not part of the church’s deposit of the faith and they are not tenets of faith and morals. Catholics at the sensible centre of the political spectrum have reason to be annoyed that their leader is trying to reposition the church so far to the green-left that it would risk becoming irrelevant. In this, the flock is not obliged to follow the shepherd. Some Christians have long struggled to reconcile the tenets of liberalism with the selflessness that is central to Christian teaching. But this outburst betrays a fundamental ignorance of economic history that, given the Pope’s influence and moral authority, has the potential to hurt those he cares for most — the poor. It deserves urgent rebuttal. [3] “We need to grow in the conviction that a decrease in the pace of production and consumption can at times give rise to another form of progress and development,” the Pope writes. Yet it is the remarkable increase in output in recent decades, owing to a surge in profitable trade, specialisation and innovation — unprecedented in human history — that has ushered in the biggest reduction in poverty in history, proportionately and in absolute terms.

....

The Pope endorses the bleakest predictions about climate change, ignoring the inexactness of the science and the extended pause in rising temperatures: [4] “Doomsday predictions can no longer be met with irony or disdain.” Yet in seeking to reconcile the divide between science and faith, he is lukewarm about the potential of technology to solve environmental problems. Technology linked to business, he says, [5] “proves incapable of seeing the mysterious network of relations between things and so sometimes solves one problem only to create others”. Francis also dismisses carbon trading as [6] “a new form of speculation” that would avoid [7] “the radical change present circumstances require”. The pace of consumption, waste and environmental change has so stretched the planet’s capacity, he claims, [8] “that our contemporary lifestyle, unsustainable as it is, can only precipitate catastrophe”. That sweeping assertion should be tested. The Pope exaggerates environmental degradation caused by humans — still barely 4 per cent of the earth’s land area is urbanised — and forgets that greater incomes curb degradation and, ultimately, reverse it. Many of the cities of Japan, the US and Europe are today largely smog-free. World Bank data shows forest areas are again expanding in high-income countries, where carbon dioxide emissions per capita have been falling since 1990.

....

To cut emissions, the Pope wants [9] “enforceable international agreements” and [10] “globally regulatory norms”. He also would extend this new form of bureaucratic tyranny to his main moral imperative, re-slicing the economic pie, not enlarging it: [11] “The time has come to accept decreased growth in some parts of the world, in order to provide resources for other places to experience healthy growth.” To that end, he favours [12] “stronger and more efficiently organised international institutions” with functionaries appointed by agreement among nations, and [13] “empowered to impose sanctions”.