

VALUES ECONOMICS, THEOLOGY AND LEGITIMACY: CATHOLIC SOCIAL THOUGHT AND ITS IMPLICATIONS FOR LEGAL REGULATORY SYSTEMS

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Abstract

The dominant system of global private economic ordering, grounded in classical liberal economic theory and based on robust private markets and a limited state regulatory role, has come under attack. That attack has been sharpened over the last several decades as the development of many poor states has failed to accelerate and as a consequence of the economic crisis of developed states that began to be felt in earnest in 2008. Like legal systems, economic systems grounded solely on rational activity without a foundation in normative value systems, are either incomplete or subject to perversion. This paper focuses on the values of substantive economics developed recently through application of Catholic theology. It focuses on the Catholic critique of consumerism, its understanding of a necessary labor policy and its sense of just global economics. It will suggest a number of places where socio-economic and theology share common ground, and even something of a common framework of analysis, and that consequentially, there may be some force to arguments that some values may be trans-religious, as well as transcultural. The paper starts with a short consideration of the approach of economics in its modern globalized context, and the contribution of socio-economic to that approach. It then briefly suggests the contours of an economic critique of that modern approach, using as a foil for that purpose Fidel Castro's attacks on economic globalization and arguments in favor of Marxist alternative global economic models. It then considers Catholic social thought as an alternative to both. For that purpose the paper focuses on Catholic social thought as it touches on the issues raised by global economic activity in three respects: materialism, labor rights and globalization. It ends with a consideration of an important criticism of conventional economics in Catholic social thought: that the dominant system is likely to fail because it lacks a legitimate ethical framework. For that purpose, the paper considers a recent revival of an article written by Benedict XVI in the 1980s when, as Cardinal Ratzinger, he suggested that the current dominant system would collapse for lack of a legitimate moral base, a base that could only be provided by Religion.

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