

Editorial

Not too late for moral economics

In a stinging rebuke to the Adam Smith heresy among some leading U.S. Catholics, the Papacy of John Paul II has strongly reaffirmed Paul VI's famous encyclical, *Populorum Progressio*, for the 20th anniversary of that call for global economic justice, coming up on March 26. The rebuke takes the form of a short document issued late in January by the Pontifical Commission "Justitia et Pax," which is the subject of our lead economics article on page 4.

The enemies of Christian morality in economics, are Adam Smith, Max Weber, the Rockefeller-backed University of Chicago, and the heritage of President Theodore Roosevelt. The evil feature of Smith's "Invisible Hand" dogma, is that it encourages individuals and governments to adopt practices which do murderous evil to much of humanity, and declares that God, not man, is responsible for the consequences of that wickedness performed by individuals or governments in the name of "free trade."

Although the United States declared its independence, and went to war against Britain in 1776, in rejection of Smith's doctrine, Smith's doctrine was given respectability among both U.S. Protestants and many Catholics later during the 19th century, and became the official policy of the U.S. government under President Theodore Roosevelt.

The one significant factual defect in the Vatican document is that it locates the conflict as one between rich and poor nations. The root of the problem is not the OECD nations whose governments have supported such policies, but the controllers of those Donald T. Regans and Henry Kissingers, those powerful, supranational financier interests which have so far succeeded in imposing their greedy, and often neo-malthusian wills upon the policy-making of governments. The document's omission of this key fact, should probably be seen as reflecting the Church's desire to avoid the appearance of meddling into the internal political processes of the OECD nations.

Although the Introduction of the document insists

that the Church speaks "without proposing action programs which would be outside her field of competence," influential commentators view the document as rejecting the debt-policies of both Fidel Castro and International Monetary Fund, in favor of the moral approach adopted by Peru's President Alan García.

This document expressly leaves the design of "action programs" to the political authorities. It confines itself to identifying the morally abhorrent consequences of prevailing debt policies, and outlining moral guidelines for new forms of "solidarity" among industrialized and developing nations.

The nearest approach to a definite programmatic proposal in the document is underscored in the concluding paragraph of a short sub-section entitled, "Final Proposal": "Without drawing a parallel with what was done after World War II to accelerate the reconstruction and economic recovery of economies seriously damaged during that conflict, is it not imperative to start working on a new system of aid from the industrialized countries to the less prosperous ones, in the interests of all and especially because it would mean restoring hope to suffering populations?"

Perhaps the authors of the document had not overlooked the 1986 proposal of then-Prime Minister of Israel Shimon Peres, that a "New Marshall Plan" be launched as the only visible way to durable peace in the Middle East. The failure of the Reagan administration, and others, to seize the opportunity represented by Peres's proposal, and to use this as a model for solving the problems of debt and global security, was a great tragedy, a mistake for which we shall probably pay with many lives lost unnecessarily.

As the document specifies, the Papacy appeals to our consciences. It is indicated to be our responsibility to propose and implement the "action programs."

If President Reagan wishes to act as a Christian in these matters, even belatedly, one hopes that the Papacy's message will assist him in finding the political will to do so.