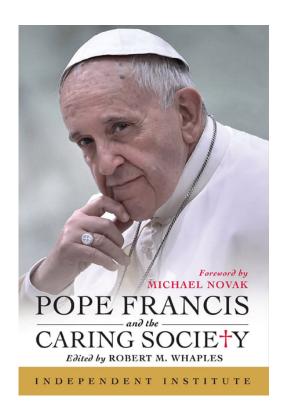
Rebuttal to 'Don't Cry for Me, Argentina'

David J. Theroux is the president and founder of here.

By David J. Theroux (February 2018)



W e are very grateful for this thoughtful review by Professor Hux.

I would suggest, however, that Professor Hux barely addressed the actual content of the book, <u>Pope Francis and the Caring Society</u>, itself but instead primarily wrote an essay on his own skeptical views of "capitalism," the term coined by Karl Marx and commonly used to describe the cooperative system and institutions of free economies, and his incorrect claim that Christian thinking runs separate and contrary to the moral and economic principles upon which such economies rest: "After all, when you get right down to it (as we used to say), a laissez-faire arrangement (or dis-arrangement) of economic

life is an un-deservedly respectable version of Thomas Hobbes's life in a state of nature: the war of all against all: so much for being thy brother's keeper. Nothing conserving about that."

He further errs when stating, "While I think it just that economists (the vast majority of the book's contributors) should judge the Pope's utterances about economic matters, an admittedly sub-rational portion of my mind was disturbed, even perhaps offended, by a certain *presumptuousness*: namely the assumption that Catholic thought should conform to professionally economic values rather than the worldly bowing to the demands of the transcendental; that purveyors of 'the dismal science' should confidently instruct 'Christ's Vicar on Earth' about his responsibilities."

Incidentally, and as Professor Hux does not understand, the derogatory term to describe economics as "the dismal science" was coined by Thomas Carlyle because, when he was writing in support of slavery in the West Indies, he could not find a justification for slavery in economic thought. Carlyle considered blacks to be subhuman ("two-legged cattle") who needed whites to wield the "beneficent whip." In the British anti-slave movement, such Christians as William Wilberforce and Thomas Macaulay joined with economists James Mill, Harriet Martineau, J. S. Mill, Archbishop Richard Whately, and John Bright. The two sides agreed that slavery was wrong because Africans are humans, and all humans have the same rights. In his Occasional Discourse on the Negro Question, Carlyle stated that economics was "a dreary, desolate, and indeed quite abject and distressing one; what we might call . . . the dismal science." Because Carlyle believed slavery to be morally superior to free markets, he called economists who disagreed with him the "dismal science," as he believed that

emancipating slaves would make them worse off.

Furthermore, Professor Hux seems unfamiliar with what Professor Robert Murphy notes in the concluding chapter of Pope Francis and the Caring Society, which Professor Hux somehow omits in his listing of the book's contents. After Thomas Aguinas, natural-law economic principles were first discovered in detail and iteratively developed in depth over a number of generations by the Late Scholastic Catholic clerics in the Middle Ages at the University of Salamanca (see here, here, here, here, here, here, and here). Such economic principles are coincident with natural-law ethical principles, not separate. In addition, he seems to be further unfamiliar with the profound differences of these natural-law economic principles with the "comparative statics" of modernist "neoclassical" economics. What he and Pope Francis fail to see is that they both in effect embrace the "progressive" narrative of "modernist" moral relativism, subjectivism, and utilitarianism in their defense of welfare statism (e.g., Chestertonian distributism, redistribution, or otherwise) but, even on this shaky level, the book refutes their claims in all respects. (For a discussion of the fallacy of the "distributism" of G. K. Chesterton and Hillaire Belloc, please see "Chesterton and Belloc: A Critique," by Walter Block, Marcus Epstein, and Thomas E. Woods, Jr. The Independent Review, Spring 2007, pp. 579-594.)

The peaceful association to be virtuous and to work and serve others in market-based economies through the voluntary exchange of private property is rooted in natural-law principles, and it is no accident that this system has proven to be the one system that, to the extent it has been adopted, has uplifted billions of people out of grinding poverty and misery, created the private institutions of civil society,

protected the environment and, in the process, unleashed vast amounts of private charity (the *only* kind) for those most in need. Indeed, it is the creation of the intrinsic "moral hazards" of socialism ("tragedy of the commons"), in which irresponsibility and predation are incented and protected that Francis mistakenly supports, and has always kept people down and prevented such cooperation and human well-being.

Incidentally, and for the record, as a classical economist, Karl Marx believed in the fallacy of the "labor theory of value," an error that both Adam Smith and David Ricardo also made. In contrast, the Catholic Late Scholastics at Salamanca fundamentally refuted this folly hundreds of years earlier in their sophisticated discovery that human action was objectively based on "marginal utility-subjective value," in which each individual is a unique and purposeful agent in choosing and acting for good or ill. There is no objective value of a good or a service based on the labor time involved in producing it: for example, the same ham sandwich one sees when hungry does not have the same value when one sees it after one has just eaten.

As a result, Professor Hux shows his naiveté in stating that "wealth should be distributed not simply because the powerful should be charitable (a dominant theme of Leo XIII's Rerum Novarum) but because wealth is created partially by labor and justice demands that labor share fully in it—which is to take a considerable cut at the traditional privileges of capital upon which any conventional view of capitalism is based." Wealth is not "created partially by labor and justice demands that labor share fully in it or," and welfare that is coerced is not charity.

As a result, the moral ambivalence of Francis's support for statism can neither be defended on a natural-law or utilitarian basis because it is profoundly false in believing that there is somehow an ethical (or economic) ground for command-and-control powers. Natural-law principles do indeed provide the solid ground needed for determining the ethical and economic means for how we are called to serve others.

As a result, the book, *Pope Francis and the Caring Society*, is endorsed by dozens of Christian natural-law scholars in philosophy, history, theology *and* economics. For example, Christoph Cardinal Schönborn, O.P., Archbishop of Vienna, Austria, responded to the book as follows:

Responding to Pope Francis's welcome call in Laudato si' for dialogue, the authoritative book Pope Francis and the Caring Society is the perfect antidote for the toxic folly of command economies that have long kept billions of people in hopeless destitution and misery. Only the moral process and dynamic creativity of free enterprise and private charity can overcome poverty and create widespread human flourishing worldwide. Grounded in the enduring, Judeo-Christian, natural-law principles of liberty and civic virtue, this fascinating book will inspire and guide people on how to care for those in need to have healthy, prosperous, and rewarding lives. Pope Francis and the Caring Society is highly recommended and must reading.

Incidentally and contrary to Professor Hux, C.S. Lewis was a devout Christian, a natural-law classical liberal who understood these issues and opposed the statism, moral and epistemological subjectivism, and the utilitarianism of modernism as is shown in the following recent book:

• <u>C.S. Lewis on Politics and Natural Law</u>, by Justin Buckley Dyer and Micah Joel Watson (Cambridge University Press, 2016)

Here, incidentally, are two reviews of the book:

- <u>"The Political Magic of C.S. Lewis,"</u> by Peter Wehner (New York Times)
- "C.S. Lewis on Politics and the Natural Law, by Justin Buckley Dyer and Micah Joel Watson," reviewed by John Robinson (*The Independent Review*)

Nevertheless, we greatly appreciate Professor Hux for raising such key issues. We only wish that he had addressed the book's content.

-David J. Theroux, Founder and President, Independent Institute; DTheroux@independent.org