

Free Markets with Solidarity & Sustainability: Facing the Challenge,
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The difficulty of doing justice to a book in a review is compounded when the book is an edited volume such as this one, in which a series of authors develop different perspectives on the broad theme of Catholic Social Teaching (CST) and discuss its principles of solidarity and sustainability against the background of a global, free market economy. Hence, I shall not even attempt a comprehensive review in this short essay. Instead, I will simply focus on a handful of issues which I think could serve as interpretive keys in engaging with the work and its authors, motivated by the desire that my readers' curiosities be piqued and that they, in turn, will continue to read the volume themselves.

The work consists of an editorial introduction, "Freedom, Solidarity, and Sustainability: Philosophical and Theological Roots," followed by three main sections: "Constructing Theoretical Foundations" with six contributions, "Assessing the Encyclical Tradition" with three chapters, and "Offering Practical Models and Education" with four. There is a smooth flow from sources of the ideas of solidarity and sustainability in philosophy, theology, law, economics, and anthropology, through their formulation within the framework of CST, to their application in the "social market economy," business, and business education.

Overall, I perceive the volume mainly as a struggle to find and maintain a balance on three issues. The first concerns the free market and globalization, on the one hand, and the CST principles of solidarity and sustainability on the other. The second addresses the three fundamental disciplines or bodies of knowledge involved in creating or maintaining this equilibrium, namely, ethics, economics, and politics. And the third deals with the target audience, whether the book is meant to address American (social, economic, and religious) conservatives and Catholics or a wider, more global readership, which includes, but is not limited to, European conservatives and Catholics. The crux of the matter lies in just how "liberal," and in what sense, could a "good-faith" Catholic be?

Let us now turn to the first issue, which examines how compatible free markets are with the CST directives of solidarity and sustainability. This tension is already implicit in the book title, which could be paraphrased as "the difficulties of living solidarity and sustainability within the context of market economies." The idea resurfaces in an introductory chapter, where editors Martin Schlag and Juan Mercado endeavor to create a defense, a "moral case" for free enterprise (even a "moral case for morals"), in the belief that "free markets are the only ethical form of economy" (5). Why? Because freedom—at once a condition and an outcome of moral agency—can only be exercised (purportedly) in market exchanges.

Moreover, applied to the economy, the “new evangelization” requires that CST cease being “negative and accusatory”; it should, instead, strive to be “positive and encouraging” of free markets. (The reader may naturally wonder if this holds for Francis’ at times scathing critique in *Evangelii Gaudium*.) The precise roles that solidarity and sustainability are expected to play in this effort, however, are left largely unexplored.

In his essay, “Freedom and Solidarity: A Catholic Model of Economic Organization,” Wolfgang Grassl complains that Catholic discussions on the economy are fixated on the defense or rejection of free markets. He attributes this to the dichotomous thinking that classical liberalism has bequeathed to us in the understanding of social realities: “individual versus society, individual versus government, economics versus politics or freedom versus coercion” (158). Grassl also regrets that this intellectual reductionism has distracted us from the genuine purpose of inquiry, which is “integral human development” as explained in the encyclicals *Centessimus annus* and *Caritas in veritate*, among others.

It is, of course, legitimate to concentrate on how solidarity (much less is said about sustainability) affects free markets and the economy, as this volume does. Yet at the same time, we ought to remember that these fundamental CST principles are not meant to be taken in isolation. Rather, they are proposed as forming an organized body or *corpus*, together with the other principles such as human dignity, the common good (with its correlates, the universal destination of goods and the right to private property), subsidiarity, and participation (as reviewed in the *Compendium of the Social Doctrine of the Church*, para. 163). These directives comprise an organic unity that expresses the truth about society, constituting a universal and timeless normative standard for action. In this respect, the historical and systematic clarifications of the concepts behind these principles that Russell Hittinger (“Love, Sustainability, and Solidarity: Philosophical and Theological Roots”) and Jörg Althammer (“Economic Efficiency and Solidarity: The Idea of a Social Market Economy”) offer prove very helpful.

The second “balancing act” pivots on the relationships among economics, ethics, and politics. According to Grassl, they have to be based on a common anthropology, particularly the view espoused by CST that society is not “composed of individuals but of persons. They are defined by relations of which many may be contingent, but some are necessary (in a biological, moral, legal, or theological sense). Personality expresses the human property of resembling God, which individualism completely ignores” (160). Relations, therefore, are intrinsic and constitutive of persons; human beings are not just individuals who become externally and accidentally related to each other through social roles, like those found in the market (producers, consumers, employers, workers, and so forth). Interpersonal relationships and individual pursuits both make up distinctive features of human life.

Upon this common ground Martin Schlag (“Catholic Social Teaching on the Economy: Pope Benedict XVI’s Legacy”) erects the tripartite structure of his version of “democratic capitalism” or “social market economy,” composed of the “political system,” the “economic system,” and the “cultural-moral system” (181). He states that each (sub)system has its own set of values and institutions; that they are “institutionally independent and relatively autonomous, and yet interrelated

[since] the cultural-moral system is meant to pervade and to animate the other two, to be the kind of ‘soul’ of the society.” These three spheres are meant to “check and balance one another’s power” (181). For instance, although based on economic value it makes sense to scrimp on quality control measures in car safety, based on ethical values it does not, because human life is priceless. Ethical values, therefore, trump economic values. This prompts the reader to ask about the ethical limits of economic autonomy and independence in this case.

Further, besides affirming that politics, economics, and ethics overlap as “speculative sciences,” Schlag also distinguishes between “economics as a science” and “economic activity or practical agency” (182). Again, ethical values impact “economics as science” by altering “the underlying epistemology insofar as ethics excludes certain actions as destructive of human happiness.” And in the case of “economic activity or practical agency,” ethics “supplies the overarching values that influence each and every political and economic action” (183). Once again, what is one to make of economic autonomy and independence in this situation?

It is very complicated, indeed, to reconcile an insistence on the autonomy and independence of these social spheres and disciplines as Schlag does with certain prominent features of recent papal teachings. When Benedict XVI denounces “the excessive fragmentation of knowledge” (*Caritas in Veritate*, para. 31) and affirms that “the conviction that the economy must be autonomous, that it must be shielded from ‘influences’ of moral character, has led man to abuse the economic process in a thoroughly destructive way” (*Caritas in Veritate*, para. 34), he doesn’t seem to be advocating independence and autonomy. Neither was he simply expressing disagreement with the methodological reduction of modern economics and other social sciences which mimic the value-neutral epistemology proper to the natural sciences. Rather, Benedict XVI appears to be advocating an integrative, holistic, and hierarchical approach, based on “a further and deeper reflection on the meaning of the economy and its goals” (*Caritas in Veritate*, para. 32) as provided not only by ethics but also by politics.

The third attempt at an equilibrium has to do with the target readership and, consequently, the terminology and language employed. Typically, American conservatives and American Catholics well versed in the writings of Michael Novak should have no trouble following the general story line of the book and agreeing with most, if not all of it. However, conservatives and Catholics from (continental) Europe and beyond are bound to encounter some difficulty in understanding and accepting significant parts of the narrative. That is because they are less comfortable with clear-cut divisions and categorical assertions that tend to abound in the volume—the Anglo-American “liberty under the law” as opposed to the continental European “liberty from the law,” a top-down or deductive CST versus a bottom-up or inductive and pragmatic CST, plain justice or “social justice,” and so forth—preferring instead more nuanced treatments of concepts and positions. This comes as no surprise since what Americans understand by the word “state” is different, for historical reasons, from what the rest of the world does. So this may be just another instance of “American exceptionalism” (or American “unilateralism,” as some would have it). Nevertheless, its probable influence on readers cannot be neglected.

The essays included in the volume and their authors perform several balancing acts, in an attempt to test the limits of liberalism's compatibility with CST. Is justice a concern to do no harm to others, leaving them alone, while one works quietly to maximize his own interests, or is it to actively seek other people's good, even at one's own expense? Is it a matter of procedural fairness, sticking to the rules and preserving the autonomy and independence of different life spheres and disciplines, or is it deliberate involvement in thick and messy personal interactions, audaciously crossing borders beyond the reach of clear-cut guidelines? Given that there is no "Christian Economy" except, perhaps, for that found among monasteries and guilds during the Middle Ages, what are we to make then of the "social market economy"? Whether or not they have been successful in their efforts is for each reader to decide.