Opinion
Guest Voices



United Nations headquarters in New York City is seen in this August 2016 file photo. (CNS/Gregory A. Shemitz)

by Eric LeCompte

View Author Profile

Join the Conversation

Send your thoughts to *Letters to the Editor*. Learn more

May 18, 2018
Share on BlueskyShare on FacebookShare on TwitterEmail to a friendPrint

The Vatican's recent assessment of the economy reveals a Catholic Church that is alive, engaging and relevant.

It reflects a Catholic Church that sees the suffering tied to our financial system as the church delivers aid to hurricane victims, refugees and homeless people. The document is tied to a church working with other faiths, in Puerto Rico and across the Caribbean calling for transparency, relief and an end to poverty. It illuminates the church that in 1999 helped gather 27 million petitions for the G-8 Cologne Summit, the forum of the world's leading industrial nations, urging the cancellation of debt burdens in Africa and across the developing world.

Not only do we see the continued application of Catholic teaching to understand our economy, the release is a culmination of decades of Holy See efforts to diminish poverty through the United Nations, the World Trade Organization and decision making fora around the world.

"Considerations for an Ethical Discernment Regarding Some Aspects of the Present Economic-Financial System" (*Oeconomicae et pecuniariae quaestiones*) shows a church spreading the Gospel outside of our church buildings and into the market place. The 15-page release from the Vatican's Congregation for the Doctrine of the Faith and the Dicastery for Promoting Integral Human Development show a church being relevant to current economic policy debates.

Related: Vatican offices decry 'profoundly amoral culture' of global financial system

While at times a reader may wish there was a glossary of terms, it would be a mistake to think that this is a theoretical document. The technical language of finance can feel complicated, but its use demonstrates that this document is seeking to engage with actual policies — the policies debated at U.S. Congress, United Nations, International Monetary Fund and summit meetings. These economic policies impact our lives almost as much as the oxygen we breathe, and yet too often, because of the jargon, we leave these conversations to lawyers, economists and investors.

The Vatican's document lifts the reality that God has given us a rich and abundant world so each of us can reach our full potential and that we are closest to the Creator when we share these resources among us.

The "Considerations" document is not constrained by conservative or progressive economic theories — although we see a clear conservative emphasis on its focuses of liberty, the rights of the individual and calls for greater financial transparency,

stewardship and responsibility.

Most startling in the release are the serious warnings the Holy See offers on the global financial crisis. Recent reports from the IMF and the U.N. Conference on Trade and Development (UNCTAD) echo the Vatican's document, which says:

> The recent financial crisis might have provided the occasion to develop a new economy, more attentive to ethical principles, and a new regulation of financial activities that would neutralise predatory and speculative tendencies and acknowledge the value of the actual economy … the response seems at times like a return to the heights of myopic egoism, limited by an inadequate framework that, excluding the common good, also excludes from its horizons the concern to create and spread wealth, and to eliminate the inequality so pronounced today.

From there the document explores the technical policies related to financial crisis prevention and addressing inequality. The document explores the need to limit speculative, risky and predatory behavior. The debate of this behavior in Congress revolves around the repeal of the Dodd-Frank Wall Street Reform Act.

Advertisement

When risky behavior was coupled with debt crisis, we had the recipe for a financial crisis that drove more than 100 million people, mostly women and children, into extreme poverty. The release urges we stop the "shadow banking system" and provide processes that "put every country in front of its unavoidable responsibility to allow and favor the reasonable exit routes from the spirals of debt, not placing it on the shoulders of … millions of families carrying untenable financial burdens."

In terms of funding the development of each human person and addressing global inequality, the Vatican takes aim at the ethical considerations around taxation, tax havens, tax avoidance and corruption. The document asserts the needs of states to collect adequate taxes to meet the needs of their people. The Holy See heightens and more profoundly explores its concerns around tax havens or "offshoring." Annually, the developing world loses a trillion dollars because of tax evasion and corruption. The church is highlighting these concerns as the G-7, G-20, the U.N. and the IMF are reviewing solutions for these revenue drains on the developing world.

These issues are being raised as Europe moves forward stronger guidelines to prevent tax evasion and corruption and as Congress considers the Corporate Transparency Act.

Ultimately this teaching presents a challenge to us collectively and an invitation to each of us personally.

The global economy should support each individual to achieve their full potential, and each individual must rise to actively shape the economy to this purpose. The Vatican economy document asserts our responsibility to understand that "what is morally unacceptable is not simply to profit, but rather to avail oneself of an inequality for one's own advantage, in order to create enormous profits that are damaging to others."

In closing, the document offers each of us the invitation: "In front of the massiveness and pervasiveness of today's economic-financial systems, we could be tempted to abandon ourselves to cynicism, and to think that with our poor forces we can do very little. In reality, every one of us can do so much, especially if one does not remain alone."

[Eric LeCompte is the executive director of Jubilee USA Network.]

Read this next: Vatican's financial critique failed to address structural flaws, systemic rewards
Read this next: Vatican document on economics is a serious, intellectually hefty indictment