

# Minding the commonweal

*Common Wealth for the Common Good A Statement on the Distribution of Wealth in Australia* by the Australian Catholic Bishops Conference, Collins Dove, Melbourne, 1992. ISBN 186371 151 1 RRP \$12.95

**I**N THE MIDDLE OF Australia's greatest social crisis in 60 years, the Catholic bishops, in their long-awaited statement on the distribution of wealth, have denounced the situation in this nation as unjust. They point to 'the great and increasing inequality of wealth and income in Australia, the presence of serious poverty, unemployment and homelessness, and the growth of what is commonly called an "underclass" of gravely disadvantaged people' (pxiv).

These are bold statements to make in an election climate and they have already fuelled a fiery public debate. To root out current injustices the bishops recommend more equitable taxation, greater government activity to revive the economy and a redistribution of wealth and income.

The 212-page document carefully examines current grave distress, with more than a million unemployed, a burgeoning foreign debt of \$150 billion and an increasing gap between rich and poor. The bishops call on Australians to reform 'attitudes towards wealth, poverty, greed and consumerism, and the structures that underlie them' (pxiv). In mid-1992 'nearly 700,000 children were living in homes where nobody had an income-producing job. Youth unemployment was bringing in its wake a sense of hope-

lessness and despair, with consequences that included a rise in the suicide rate and increased recourse to drugs and crime'. (pvi).

The document draws perceptively from the Scriptures and church teaching and relates these to current economic and social debates. The result is a powerful critique of economic and social practices in Australia with 58 recommendations for action. A smaller pamphlet summarises the document and is aimed at a wider mass audience.

The bishops are aware of the need to avoid dogmatism but do not apologise for speaking strongly on the moral issues involved. In the foreword, Cardinal Clancy of Sydney distinguishes 'between the level of doctrinal principles, where teaching authority is invoked, and the offering of contingent judgments on real life situations, where the possibility of differences in viewpoint among believers exists'. (pvi). Of necessity experience and interpretation enter in, allowing differing views about how to act in practice.

By making this distinction clear, the bishops acknowledge the freedom of others to come to their own conscientious decisions about how to evaluate issues and how to act. Thus the authority of the bishops on essential moral principles is preserved, but ap-

plication of these principles rests on prudential judgments about which lay people may be more informed. The bishops are not claiming to bind Catholics to the details of analysis, but do intend to challenge them to clarify their values. This also lets the bishops off the hook politically.

**N**EVER BEFORE HAS the Catholic Church put so much time and work into preparing social statement. In February 1988, the bishops announced the inquiry, modelled on the practice of the US bishops, who had succeeded brilliantly with their significant inquiries into two highly contentious areas: the US economy, and arms policies.

The Australian bishops chose the topic of the distribution of wealth, another sensitive and potentially divisive issue. The Bishops' Committee for Justice, Development and Peace, a tiny group working with Dr Michael Costigan in Sydney, was charged with the task of piloting this explosive cargo through the shoals of public debate. Public hearings were held in many dioceses, and almost 700 submissions were received. Throughout the process, there has been extensive ecumenical collaboration and input from interested non-religious groups and



collapse of big businesses and financial institutions with the loss of savings. Groups most at risk are Aborigines, immigrants, the impaired, women, sole parents, youth and single-income families.

The most dramatic collapse has come in rural Australia where, as one writer put it, farmers are being debased 'into serfdom and peonage' (p79); another writer said 'an increasing peasant underclass' has appeared (p80).

**T**HE THIRD PART OF *Common Wealth for the Common Good* examines how to develop a more just society in Australia, and concludes on a call for sustained social and political action to right injustices and lay the basis for a renewed social order. It also includes a glossary of economic terms, a select bibliography, a discussion guide for groups, and lists individuals and groups who made submissions or responses to the draft.

The bishops abandoned a somewhat defensive chapter on the use of church wealth in the 1991 draft, noting suggestions to review the issue elsewhere. They said that all Catholics, especially the bishops themselves, have the duty to examine their practice and live out this option for the poor, so that the Gospel is truly proclaimed in word and witness (p65).

The bishops squarely confront what they call the spirit of economic rationalism which has so influenced both major political parties; if taken to extremes it leads to individualism, a 'survival of the fittest' and a 'greed is good' mentality. The bishops criticised giving individuals 'the utmost freedom to pursue their own material well-being' without regard to social consequences.

They also criticised the view that sees market freedom as 'sacrosanct', with little role for regulation or redistribution through taxation. 'Some would even advocate the further reduction of welfare. The market is seen as a self-corrective system where efficiency and cost-effectiveness are the primary decision-making criteria.' (p36). They write that many of the economic consequences derived from economic rationalism have been presented dogmatically, without explanation, and with little apparent con-

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organisations. The results of this extensive conversation appeared in the draft statement of January 1991, *Common Wealth and Common Good*, a title almost identical with that of the final document. After much debate, a further round of hearings and receiving about 600 more submissions, the Bishops' Committee has produced the final version, *Common Wealth for the Common Good*.

This final version is much improved over the earlier draft, and its authors have obviously listened carefully to responses to that draft. The final text has been restructured so that the value assumptions are immediately grounded in the Scriptures and the teaching of Jesus, in church tradition and the contemporary Christian call for a renewed 'option for the poor'. So it is not simply a matter 'of echoing enlightened liberal values and their sense of basic human justice and fair play' (px1).

The bishops do not see their option for the poor as a superficial aping of an overseas rhetoric, but as demanded by the experience of God's activity among the Jewish people and the Christian church. 'Failure to care for the poorest and most vulnerable shows that a person is not truly attentive to the voice of God.' The law and the prophets were urging 'a prefer-

ential option for the poor' (p5): the New Testament presents Jesus as 'embodying God's deep concern for the poor and for society's outcasts' (p6), and demanding the same of his followers.

The bishops acknowledge that the message of Jesus has often been distorted or ignored, and even today the powerful 'have at times misinterpreted it as legitimising the status quo' against the poor. But the 'message needs to be repeated in all its purity and simplicity. To the affluent it is an invitation to see the face of Christ in the poor and to release their hold on what the poor need in order to survive.' (p12).

**P**ART TWO OF *Common Wealth* examines in detail the distribution of wealth and poverty in Australia, and seeks to identify the causes of inequity. The bishops' catalogue of the symptoms of social trauma makes distressing reading: increasing unemployment; the huge increase in poverty; homelessness; increasing drug use, crime and suicide; the growing gap between rich and poor; the redistribution of income from poorer groups to the richer during the 1980s; the choice by many richer people to engage in harmful speculation rather than invest in productive enterprises; and the

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cern for their social consequences (p37). The bishops are also sceptical about claims that wealth would trickle down to the poor, or that increased production would automatically be justly distributed; this had not been the experience of Britain or the US during the 1980s (p84).

The document does not condemn a free-enterprise system as sinful in itself, but criticises the exploitation and injustice that have occurred; the too rapid and unsupervised deregulation of financial markets which was exploited by the greedy; the unparalleled extravagance of some of the very rich, as well as their tax evasion and improper political influence; the over-reliance on interest rates and the reduction in government spending.

Against such thinking, the bishops stress that the 'primary social and spiritual value we as Catholics wish to affirm is that of community' (p39), and that human good does not consist in 'having' more; rather it lies in 'being' more. Thus they 'reject the widespread notion that more is better. In fact, acquiring goods simply for the sake of acquiring them is wrong.' (p40)

The 52 recommendations for action begin with moves to help Third World countries, particularly by reducing the impossible debt burden of \$1.35 trillion which is causing the deaths of millions of children (p85). Within Australia, the bishops sharply defend the social security system against wholesale condemnation, saying that it is founded on justice rather than simply benevolence (p60). They note that social security payments were only 7.1 per cent of national income in 1991-92, a figure well below that of most other western countries.

There is considerable room for the government to increase spending here. It would have to be funded by increased taxes, but Australia is comparatively lightly taxed (p108). The bishops recommend reforms to make taxation more equitable, and suggest that the Commonwealth consider reintroducing a wealth tax, provided that it 'not cause hardship to families, small business and the farming community' (p110).

In line with papal thought, the

bishops recommend that workers share in the ownership and management of productive property through co-operative ventures like those in Germany or at Mondragon in Spain (p92). While supporting the right of women to work and receive equal pay, the bishops say that women should not be forced to work at the expense of family responsibilities. They recommend increased family allowances, a minimum guaranteed wage, or greater taxation relief (p6).

They recommend that governments create jobs, especially in badly affected areas and for certain age groups (p98); measures to provide adequate low-cost housing (pp103-4); reforms to the health system and support for a system similar to Medicare; and more funds for education, so that parents can exercise their rights to choose schools maintaining their values.

*Common Wealth for the Common Good* reaffirms the bishops' longstanding support for Aboriginal rights, and action to reduce the injustices and poverty they suffer. The document particularly urges bipartisan political support for a just and proper settlement between Aborigines and other inhabitants of Australia as soon as possible (p121).

**T**HE BISHOPS AFFIRM that Australians have always prided themselves on being 'the land of the fair go', but this had not been much in evidence in the past decade. One of their most significant recommendations calls for a federal government inquiry into the distribution of wealth in Australia, to be completed no later than 1994-95 (p123). The bishops warn that unless action is taken to remedy the unjust distribution of wealth, and consequently of power, divisions in society will become more serious (p132). Only the widespread expression of 'outrage from the grassroots level' can bring about such change in pursuit of the common good (p131).

The document is obviously not the last word on these contentious issues and if this were a second draft instead of the final version, some areas could have been treated more fully. Firstly, the treatment of economic rationalism requires more stringent analysis. Not all the news is bad. There has been notable progress with eco-

nomie restructuring in Australia. Microeconomic reform has led to dramatic improvements on the wharves and other areas. Inflation has dropped to its lowest point in decades, industrial disputes have been relatively few, and overseas earnings in some areas have risen encouragingly. So there are signs of hope and purpose in recent economic changes, as well as severe pain.

Secondly, attention needs to be given to the economic constraints on policy options, particularly arising from our foreign debt and the balance of payments problems. How do these affect the bishops' proposals for increased spending? Other questions, such as the debt of developing countries, also need more discussion.

Thirdly, the document lacks the ecumenical perspective we have come to expect these days. This is the more surprising since the ecumenical collaboration in preparing it was extensive. Yet it says nothing about the historical role of the social gospel movement and makes little acknowledgement of the social activity of other churches.

The document is firmly locked into a Catholic confessional perspective. This is perhaps the most important defect of *Common Wealth*, especially since the churches had earlier collaborated, through the Catholic Commission for Justice and Peace, in making social justice statements. If the bishops are to make further statements, they will have to attend to this issue carefully.

However, the bishops have produced a courageous and much needed challenge to Australians to rethink the direction of social and economic change from the point of view of social justice. *Common Wealth for the Common Good* has also shifted Catholic social thought in this country on to an entirely new and more sophisticated plane. The move is long overdue. The community should take up the debate vigorously from here.

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