

International Conference--Centesimus Annus Pro Pontifice Foundation

Rethinking Key Features of Economic and Social Life

Monday May 25 and Tuesday May 26 2015

GROUP DISCUSSIONS (English-speakers)

Chairman: Dr. Joseph Borg (FCAPP Malta)

Rapporteur Dr. James Rice (FCAPP USA)

1st Session

Can Growth Continue without Compulsive Consumption?

The chairman suggested as a starting point for the discussion the following excerpt from our Founder's great encyclical, *Centesimus Annus*:

“It is not wrong to want to live better; what is wrong is a style of life which is presumed to be better when it is directed towards "having" rather than "being", and which wants to have more, not in order to be more but in order to spend life in enjoyment as an end in itself. It is therefore necessary to create life-styles in which the quest for truth, beauty, goodness and communion with others for the sake of common growth are the factors which determine consumer choices, savings and investments.” (*Centesimus Annus* 36)

The group first considered two methods of analyzing the question, first by distinguishing among the principal actors: individuals, business entities and government (to which one might add charities and other non-governmental aid organizations) and considering what might be the ideal and realistic consumption behaviors of each. It was suggested that the approach to consumption is likely on a continuum from the Biblical ideal of selling all and giving it to the poor to the most selfish kind of consumption, with most actors being somewhere toward the middle ground as might be depicted on a “bell curve”. The goal might then be to move to a position more thoughtful than the middle of the curve.

We then considered possible approaches to encouraging growth such as voluntary “taxation” by which individuals might earn a greater say in the community; investment in education, particularly ethical education (whether religious in orientation or not); infrastructural investment with a concern for environmental impacts; and non-governmental organizations (foundations) lying somewhere between governments and the strictly private sector to provide additional support for education, cultural preservation and the like.

Following on the main presentation at the conference, several participants sought to find an adequate definition for the term “compulsive”, recognizing that the concern is for more than the

pathology of a compulsive disorder, which likely affects growth only minimally. The term should be seen in a broader context of moral behavior and the extent to which particular kinds of consumption may foster or be destructive of the common good, or how they might impact others.

The analyses for the various kinds of actors, individuals, entities and government must necessarily differ, but for all categories spending beyond one's means is problematic. Of course, government can, in addition to controlling its own spending, adopt policies that encourage more responsible consumption by entities and individuals, e.g., creating incentives for renewable energy in the face of scarcity or rising costs of fossil fuels.

Another perspective is the potential misuse of personal data by marketers to encourage more frivolous kinds of spending by individuals. While it might be tempting to restrict the gathering of such data, there are benefits to be derived from the information, for example, in monitoring individuals with chronic illnesses and researching rare diseases and in gathering essential economic data.

The point was made that if people were truly rational, they would curb their spending and save more, particularly as the population ages and the number of workers able to fund retirement benefits shrinks. On the other hand, too much spending may ironically have the effect of curbing growth and, ultimately, income as fewer people spend: one person's spending is often another's household income.

The group found that the very definitions of the terms in the question, "growth", "compulsion" and "consumption" are elusive and difficult to measure. For example, is growth merely an economic/monetary matter or must we include such factors as the quality of life?

One possible definition of compulsion would be something that is in conflict with the common good, an approach that seemed to appeal to the group. For government, that would include irresponsible spending which in turn may lead to individual bad behavior as well. However, asserting that ethics should trump economic matters might not work as well in an increasingly non-religious society.

Still another perspective pointed to the invidious shift of responsibility for wages in the private sector from the employers to government by means of welfare programs to prop up low wages. The ever-increasing desire for consumer goods and low prices encourages low pay to the producers of those goods, but government is then expected to pick up the shortfall.

While there was no consensus on the interplay of excess consumerism and economic growth, it seems clear that the application of Catholic Social Teaching principles will benefit the continued examination of the issues.

The chairman at the end of the session suggested that as a personal reflection on the ethical principles in one's professional life the participants should make use of the words of the Archbishop of Westminster, Vincent Cardinal Nichols when he states that, "One striking theme to emerge is the disconnection many business people feel between the way they behave in their ordinary social and family lives and how they feel obliged to behave when engaged in business...to be accepted as a good business manager or executive, they may find themselves adopting a reduced or truncated version of their real rounded selves".