Neo-Liberal Idolatry and Schnitzel

Ah, now I remember why I’m not Catholic. [The Vatican calls for global authority on economy, raps “idolatry of the market”.](http://www.reuters.com/article/2011/10/24/idUS264245887020111024) For the record I’m also not Mormon (I enjoy both beer and caffeine), Islamic (I really like pork – gots to have my schnitzel), Jewish (not into the ritual mutilation of young boys), Hindu (placing my bet on monotheism), nor Pagan (which is [why Halloween always creeps me out](http://www.businessweek.com/news/2011-10-19/halloween-s-pagan-themes-fill-west-s-faith-vacuum-amity-shlaes.html)). But today, I’m particularly not Catholic.

In the above linked article, the Vatican condemns “the idolatry of the market” along with “neo-liberal thinking”. Their solution to the world’s economic problems is to have a global public authority to rule over national governments. The world economy, as they see it, suffers from not enough government. If only government were bigger and stronger all would be all right with the world. In what world is that not idolatry of government?

I wonder if the Vatican longs for a return of the Holy Roman Empire. Once upon a time, the Catholic Church got to write the economic rules of the game for virtually all of Western Europe. They call it the Dark Ages for a reason. Amongst other things, the Catholic Church outlawed the charging of interest which kept financial markets from lining up borrowers and lenders which retarded capital formation, economic growth, and development. Now they explicitly call for a tax on all financial transactions which will do the same. At least they are consistent through the ages – non-Vatican banks are evil.

Here is just one of many places where The Vatican loses me. They do not seem to like poverty (unless they have taken a vow for it), yet they deplore wealth creation. Any striving to better one’s economic condition is frowned upon. Nevertheless, when one does create wealth, The Vatican automatically believes that the wealth should be given to others. It would be “unjust” for some to have much while others have so little.

The industrial revolution began, as [Deirdra McCloskey points out in The Bourgeois Virtues: Ethics for an Age of Commerce](http://www.deirdremccloskey.com/academics/index.php), in the Netherlands and in Great Britain, precisely because that is where the Protestant Reformation began and was embraced. [Max Weber’s protestant work ethic](http://changingminds.org/disciplines/sociology/theorists/weber.htm) has long been a topic of debate in the creation of economic growth. If wealth creation is generally considered to be immoral, or the result of immoral activity, economies will stagnate, people will suffer from unemployment, and poverty will increase.

If the resulting increase in world poverty doesn’t create a moral problem that’s one thing. However, if people believe that poverty alleviation is a moral cause in and of itself, then the creation of wealth cannot be demonized. Philanthropy only comes before wealth in the dictionary.

I wonder if the Vatican noticed that the International Monetary Fund and the World Bank already exist. These are supra-national economic institutions (along with the World Trade Organization) that try to reduce financial calamities, fund poverty alleviation projects, and open markets for poor producers respectively. Has the Vatican recently called for the immediate completion of the Doha Round of WTO talks and I just missed it? Maybe these institutions commit too much idolatry of neo-liberal thinking for their liking. Apparently, we don’t just need a global financial authority; we need one dedicated to the redistribution of the world’s wealth.

This is not to say that the Vatican does not have a point when they claim that too many people blindly chase after wealth out of greed or lust. A flourishing individual finds value outside of money and the marketplace. I would hate it if my household were run like a market economy. Still, there should be room for the marketplace. After all, I need to be able to buy beer and schnitzel somewhere.