

RELIGIOUS LIBERTY AND ECONOMIC FREEDOM¹

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My subject is religious liberty and economic freedom. Concerning the first of these freedoms, one hardly need say that religious liberty is a subject of some urgency for many Christians today. In fact, in some cases, it is now literally a matter of life and death. Every day, it seems, we read of the brutal killing of Catholics and other Christians in the Middle East, in Africa, and in some parts of Asia. Sometimes this has more to do with ethnic and political rivalries than religion *per se*. It is also true that at least some of the violence against Christians flows precisely from antagonism toward Christianity as a religion.

Certainly in Western Europe and North America, the situation is different. Yet it is hard to deny that some governments and particular shades of political opinion seem eager to empty the very concept of religious liberty of any meaningful content. Often this is done, strangely enough, in the name of tolerance. Such measures also reflect a longer history of antagonism toward two specific aspects of Christianity on the part of what might be called secular progressivism. The first antagonism is toward the orthodox Christian vision of morality. The second antagonism is toward the Christian claim that some forms of social organization are not subject to endless manipulation by the state: most notably, marriage, family, and the Church itself.

Although it is the religious liberty of Christians that is most regularly violated today, the Catholic argument for religious liberty does not simply concern the well-being of Christians.

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After all, if a government can nullify or suppress religious liberty, it is surely capable of repressing any other civil or political freedom. To that extent, non-Christians, agnostics, and atheists also have a stake in maintaining strong protections for religious freedom. But curiously enough, it is rare—in fact, extremely rare—for defenders of religious liberty to list economic freedom as one of the rights that can be easily suppressed once religious liberty is effectively undermined.

Thus, I would like to take time to discuss some important aspects of the relationship between religious freedom and economic liberty. As has been mentioned, the relationship is complicated and not always straightforward. Therefore, I will limit myself to three points. First, I want to illustrate how unjust restrictions on economic liberty often flow from efforts to restrict religious freedom. Second, I consider how expansionist welfare states can result in subtle but significant corruptions of the liberty of the Church. Third, and more positively, I suggest that, in some situations, a growth in economic freedom could create pressures for enhanced religious liberty.

The Connection between Economic and Religious Freedom

Today most people are accustomed to thinking about religious liberty as a prerequisite for political freedom. This is perhaps because one of the most prominent unjust restrictions on religious liberty has been formal limitations on the ability of members of particular faiths to participate fully in public life. A good example is that of Catholics who lived in the England of Elizabeth I and James I in the sixteenth and early seventeenth centuries. During this period, the English parliament passed a series of acts that gradually stripped Catholics in England of most of their political rights because of their refusal to conform to the Church of England.

The limitations on the freedom of Catholics, however, went beyond this. Usually overlooked, but perhaps even more damaging, was the state's usurpation of the property and economic freedom more generally of English Catholics. This came in the form of crippling fines levied on recalcitrant Catholics by governments that, not coincidentally, were short on revenue. Successive governments also placed restrictions on the type of commercially related activities that Catholics were allowed to pursue. It was even made difficult for Catholics to bequeath their property to Catholic relatives. Incidentally, similar economic restrictions were endured by those Protestants who refused to conform to the Church of England, many of whom consequently chose to migrate to America.

I suspect that many people, including many Americans, do not know that many of these infringements on the freedom of Catholics crossed the Atlantic. Note, for instance, the colony of Maryland. Named after Charles I's Catholic queen, Maryland was founded in 1632 by English Catholics fleeing religious repression. Interestingly, these Catholics insisted on religious tolerance for *all* Christians in their colony. This resulted in the 1649 Maryland Toleration Act: perhaps the first law ever passed that guaranteed religious liberty to every Christian confession.

Unfortunately, anti-Catholic laws similar to those in England eventually prevailed in Maryland. For our purposes, however, we should note that economic motives played just as significant a role as anti-Catholic animus in driving this change. As the most famous of Maryland Catholics, Charles Carroll of Carrollton—the only Catholic to sign the Declaration of Independence and the wealthiest man in the American colonies at the time—observed, “Selfish men invented the religious tests to exclude from posts of profit & trust their weaker or more conscientious fellow subjects.”

Here is one of the paradoxes of suppressions of religious liberty. Limiting a religious group's participation in political life often results in members of that group focusing on economic success. Consider, for instance, the case of those perennial entrepreneurs: Arab Christians.

Until the beginning of the twentieth century, Christians, overwhelmingly Catholic and Eastern Orthodox, constituted almost 25 percent of the Middle East's population. Less well known is the fact that Middle Eastern Christians traded extensively with their co-religionists throughout the Mediterranean for centuries. They thus played a major role in facilitating East-West commercial exchange between the Christian and Muslim worlds. Here it is worth noting the increasing evidence assembled by contemporary scholars such as Rodney Stark, which suggests that most of the early Christians did not, in fact, come from the impoverished segments of the Roman Empire's population.² Many early Christians, it turns out, were well-educated aristocrats, most notably women. However, an even larger number were Hellenized Jews and what were called "God-fearers," living and working in commercial ports around the Mediterranean. Early Christianity, it appears, was a mostly middle-class religion.

Obviously, the particular economic success of Middle Eastern Christians has something to do with geography. Another cause of their commercial success may well have been the second-class legal status imposed on most Arab Christians from the seventh century onward. In his monumental *History of the Arab Peoples*, the Oxford Arabist and historian, the late Albert Hourani, relates that Christians in most of the Middle East were forced to wear special clothes identifying them as non-Muslims.³ They were also obliged to pay a special tax, frequently banned from carrying weapons, and inhibited from broad participation in political life. Hourani

² Rodney Stark, *The Rise of Christianity: A Sociologist Reconsiders History* (Princeton, NJ: Princeton University Press, 1996).

³ Albert Hourani, *A History of the Arab Peoples* (1991; repr., Cambridge, MA: Harvard University Press, 2010).

notes, however, that these constraints resulted in many Christians' focusing their energies on those aspects of the economy where they were allowed some liberty. Eventually, Middle East Christians dominated, according to Hourani, many spheres of economic life throughout the region, including merchant shipping and banking.

A similar tale can be told about the Jewish people. In the not-so-recent past, being Jewish meant that you could not participate in politics or serve in the military or civil service in the Christian and Muslim worlds. Many Jews were consequently left with little else to do but create wealth in those areas of the economy where they were permitted to flourish.⁴

Now, I hasten to add that these stories of economic success are *not* a good reason to suppress the religious liberty of any group. Indeed, a subsequent problem is that economically successful religious minorities often become the target of governments. Sometimes this results from governments' seeking to increase their revenue. On other occasions, it occurs when governments look for a convenient group to blame for their own political and economic failures.

The Secularizing Welfare State

Let me move, however, to my second observation: the ways in which more gradual, more subtle infringements of economic freedom can undermine religious liberty. Here, I want to specifically reference the welfare state. Since the time of the modern welfare state's founding by Otto von Bismarck, it has steadily expanded in most Western countries. Today the government, according to the Organization for Economic Cooperation and Development, consumes a minimum of 40 percent of annual gross domestic product in virtually all Western European nations. The vast majority of this spending is on welfare programs.

The modern welfare state is of course predicated on the willingness of governments to significantly limit economic freedom. You cannot have large welfare states without more

⁴ See Thomas Sowell, *Migrations and Cultures* (New York: Basic Books, 1997).

regulation, more taxes, and some redistribution of wealth. All such choices corrode, to some extent, economic freedom. To varying degrees, all Western governments, including the United States, have judged that it is worth having less economic freedom and slower wealth-creation in return for the economic security that some believe is realized through welfare states.

Now many people, including myself, have been critical of this choice. In the first place, the economic sustainability of the modern welfare and regulatory state is questionable, especially given the below-replacement birthrates prevailing in almost all European nations. Nor is it clear that welfare states have in fact provided economic security. If you doubt this, then just ask the millions of young Europeans today who cannot find employment. Then there are the ways in which welfare states have contributed to the development of some very unhealthy political dynamics—and not just in Europe but also much of America.

What has this to do with religious liberty? Put simply, there is considerable evidence that welfare states and the inevitable associated reduction of economic freedom have negatively impacted the Church's institutional liberty. Throughout much of the West, many Catholic charitable institutions collaborate very closely with state welfare agencies. In some cases, they are heavily funded by the state. Furthermore, in most instances, these Church organizations are subject to all the same regulations as those of state welfare institutions, albeit with some exemptions concerning activities that the Church regards as intrinsically immoral.

Part of the problem is one of philosophy and culture rather than economics *per se*. Today, as the distinguished American Catholic historian James Hitchcock observes, welfare states are thoroughly grounded on secularist assumptions about human beings.⁵ To the extent that the secularist vision of life reflects a hedonistic and nominalist view of man, it is obviously quite

⁵ James Hitchcock, "The Welfare Snare," *Touchstone*, May/June 2012, <http://www.touchstonemag.com/archives/article.php?id=25-03-003-e>.

different from the vision of the person found in classical Christian anthropology and the natural law. Clashes between these visions explain some governments' efforts to force Catholic welfare agencies to align themselves with particular secular government welfare practices.

The other dimension of the problem is surely the nature of the modern welfare state itself. It tends to encourage monolithic approaches to social and economic issues. That is partly because of the welfare state's top-down approach to social problems. It is also partly a result of its inevitably bureaucratic character.

This situation has created two problems for the Church. The first is that, to the degree that church organizations directly work with, or in some cases, have become virtually subsumed into the welfare state, their independence of action becomes compromised. The second is that there is considerable evidence that government-funding of church-outreach programs to those in need tends to make such institutions susceptible to secularist ways of thinking. As the funds from state contracts begin constituting a significant part of Catholic organizations' financial resources, their culture can easily change. Reliance on such support creates incentives for church organizations to avoid confrontations with state authorities about how they do what they do and why they do it. It is not unknown, for instance, for Catholic organizations receiving or seeking government contracts to subtly downplay their Catholic identity. They thus slowly cease to be institutions that partake of the *Libertas Ecclesiae*. Instead, they start morphing into what George Weigel aptly describes as "mere vehicles for the delivery of state-defined and state-approved 'benefits,'" ⁶ rather than seeking to live out Christ's commandment to love our neighbor in ways consistent with the truth revealed by Christ to his Church.

⁶ George Weigel, "All In for the First Amendment," *NationalReview.com*, September 10, 2012, <https://www.nationalreview.com/nrd/articles/314763/all-first-amendment>.

Then there is the depressing fact that acceptance of state funding can encourage many people working in Catholic organizations to begin viewing the state as their primary master. Again, this should not be surprising. If 70 percent of a Catholic charity's income is derived from government subsidies and contracts, the government *has* effectively become their paymaster.

Of course, the Church has nothing in principle against Catholic organizations working with governments for purposes such as outreach to the poor. Nor does it regard being a recipient of public funding as intrinsically problematic. Given the ways in which accepting such funding can subtly diminish the liberty of the Church itself, however, now is surely the time for Catholics to ask ourselves some hard questions about the general prudence of continuing to accept government financial assistance.

Increasing Economic Freedom Leads to Religious Liberty

There is, however, another way to think about this issue. This involves considering the third question on which I want to briefly reflect: how growth in economic freedom might affect religious liberty. In this regard, Mainland China is a good example of how *expansions* of economic freedom can create pressures for enhanced religious liberty in authoritarian societies.

Since the early 1980s, China has embraced some economic freedom. Of course, China is also plagued with corruption, and what is often called crony capitalism pervades much of the Chinese economy. The Chinese Communist Party, military, and government remain major shareholders in hundreds of Chinese businesses, including, most worryingly, its banking system. All these factors, I suspect, will cause China some significant economic problems in the not-too-distant future. That said, China is unquestionably more economically free and open to the global economy than it was during the dark years of Chairman Mao.

Less well known, however, is that it is precisely in those Chinese provinces that have been permitted to somewhat liberalize their economies that millions of Chinese have embraced Christianity. This should not surprise us. Why? Because once you grant more liberty in one area, it is hard to stop freedom from spreading to other spheres of life. Economic liberty, for instance, requires and encourages people to think and choose freely. Without this, entrepreneurship and free exchange are impossible. It is, however, difficult to limit this reflection and choosing to economic questions. People start asking social questions, political questions, and, yes, religious questions. In addition, many Chinese—in fact, millions of them—have decided that Christianity is *the* answer to their religious ponderings.

This has created immense dilemmas for China's rulers. On the one hand, the regime claims to value many religions' contribution to public life. China's president, for instance, has indicated that China is "losing its moral compass" and that religion can "help fill a void that has allowed corruption to flourish."⁷

The Chinese regime also knows that Christianity in particular denies that the state can exercise any religious authority over the church. Such a claim is unacceptable to China's present rulers because it implicitly challenges the ruling elite's monopoly of power. Hence, we should not be surprised that the regime persecutes Catholics who insist on loyalty to the pope. And not just Catholics! In one of China's wealthiest eastern provinces, Zhejiang, evangelical churches are being told to remove their crosses and are threatened with having their buildings demolished. Why? Because "too many Chinese" are embracing Christianity. Even more surprising, however, is that evangelical preachers are *publically* denouncing the government's actions.

⁷ Benjamin Kang Lim and Ben Blanchard, "Xi Jinping Hopes Traditional Faiths Can Fill Moral Void in China: Sources," Reuters, September 29, 2013, <http://www.reuters.com/article/2013/09/29/us-china-politics-vacuum-idUSBRE98S0GS20130929>.

Now, as social scientists rightly remind us, correlation does not mean causation. The fact, however, that many evangelical preachers in this economically successful and increasingly Christian Chinese province are publically telling the authorities to back off does tell us something. It tells us that once the freedom genie is out of the bottle, it is very hard to put it back in. Plainly, religious freedom is not yet a reality in Mainland China. As figures such as Cardinal Zen will attest, the treatment of many Christians, especially Catholics, by the regime remains deplorable. But, I would suggest, thanks partly to China's somewhat haphazard market-liberalization, pressures for a fuller realization of religious liberty seem to be growing within China.

Conclusion

The three examples of the relationship between religious liberty and economic freedom that I have explored all too briefly illustrate the ways in which different forms of freedom can reinforce each other, but also how corruptions of liberty in one area can damage its vitality in other spheres. One remaining issue, however, is how the Church can better reflect upon these realities.

Answering that question requires a longer discussion but a good start would be for the Church to give as much attention to the conditions that favor true economic freedom in the twenty-first century as the Church gave throughout the twentieth century to the conditions that promote authentic religious liberty. The role of economic liberty in contributing to human flourishing and the common good remains, I would respectfully suggest, insufficiently appreciated in modern Catholic social teaching. This may be because of the Church's traditional and necessary attention to distribution issues. It may also owe something to the fact that much of the frame of reference for modern Catholic social teaching remains locked in the context of

nineteenth-century Western European industrial capitalism: an economic world that no longer exists.

When, during the Second Vatican Council, the Council Fathers considered the subject of religious liberty, they made it clear that their argument for religious freedom was not about tolerance for the sake of tolerance. Nor was it about diversity. It was not even about equality. *Dignitatis Humanae* never said error and truth enjoy the same value. It never said that all religions and all philosophies are equal. In fact, *Dignitatis Humanae* explicitly rejects that claim. Careful readers of the document soon recognize that the Church affirms the religious liberty of individuals and communities as a *precondition* for the honest search for religious *truth*. Truth, Vatican II teaches, is the *foundation* of religious liberty. Vatican II also teaches that truth is the *goal* of religious liberty.

An analogous type of argument needs to be developed in Catholic circles for economic freedom. To be sure, there are plenty of resources in the Church's teaching for developing such a principled case beyond its somewhat fragmented present status. These range from the church fathers and scholastic thinkers to more contemporary writers such as Blessed Antonio Rosmini and Michael Novak. On a broader level, however, the Church's understanding of economic liberty, like its teaching on religious freedom, has a potentially powerful role to play in helping Catholics raise their eyes to the transcendental horizon to which Christ and his Church direct us.

How so? Put simply, the material and economic goods produced through human freedom and enterprise certainly have their own value. But as Pope Francis—and every other pope before him has said—they do not last. Like all worldly things, they eventually disappear from our lives when we are called to meet our Maker to be judged. Those that do last are the basic moral and

spiritual goods developed through human choice and action that anticipate the kingdom that is to come. As the Council Fathers proclaimed in *Gaudium et Spes*:

after we have obeyed the Lord, and ... nurtured on earth the values of human dignity [*humanae dignitatis*], brotherhood [*communiois fraternae*] and freedom [*libertatis*], and indeed all the good fruits of our nature and enterprise, we will find them again, but freed of stain ... and transfigured, when Christ hands over to the Father: “a kingdom eternal and universal, a kingdom of truth and life, of holiness and grace, of justice, love and peace.”⁸

Economic liberty is not, of course, an absolute. Nor is religious freedom. But both *are* rooted in the truth about man that we find in Christian anthropology and the natural law: the truth knowable through Revelation and right reason. In the end, these are the only foundations that make all authentic forms of freedom—religious, political, or economic—to be truly reasonable, to be truly life-giving, and to be truly indivisible. A more radical and a more Catholic message to today’s world is, I would submit, difficult to imagine.

⁸ Pastoral Constitution on the Church in the Modern World (*Gaudium et Spes*), no. 39, http://www.vatican.va/archive/hist_councils/ii_vatican_council/documents/vat-ii_cons_19651207_gaudium-et-spes_en.html.