

Testimony



A Pamphlet from Pax Christi Texas

Anticipating November 28, 2021

Communications with the editor should be sent to j6anthonyblasi@yahoo.com. Pax Christi International was founded in 1945 with the encouragement of Bishop Pierre Marie Théas of Montauban, France, by Marthe Dortel Claudot, as a Christian lay organization dedicated to preventing a repetition of the savagery of the twentieth century's world wars.

Editorial

After the calendar, the Sunday Liturgical Reading reflections are based on the readings for the First Sunday of Advent. Tom Keene's poem is *Consider Bread*. For more of Tom's poems, see <http://www.tomkeeneandthemuse.com/index.php>. After the poem is an essay on my thoughts on the morality of capital accumulation.

Calendar

Times are given for the Central Time Zone.

Monday November 22, 1:00pm (2:00pm ET) online panel discussion "Economic Justice for All at 35," on the 1986 pastoral letter of the U.S. Catholic bishops; Roxana Bendezú (Pax Christi USA), David Hollenbach, SJ (Georgetown University), and Meghan Clark (St. John's University). Register at: <https://us02web.zoom.us/meeting/register/tZlPdO-vrj8tGd0oK41oSTymcqs03-cF6ODa?eType=EmailBlastContent&eld=6b035c2d-7ce6-4779-bb4a-c8bc36c54a11>

Monday December 6, 10:30am-12:00pm (11:30am-1:00pm ET) online "Advancing the Debate about the Humanitarian Impact of Economic Sanctions," presented by the Kroc Institute for International Peace Studies, University of Notre Dame; Maura Policelli (Kroc Institute), Esfandyer Batmaghelidj (Bourse & Bazaar Foundation), Staci George (Carter Center), George A. Lopez (Kroc Institute), U.S. Representative Jim McGovern (Democrat, Massachusetts), Trita Parsi (Quincy Institute for Responsible Statecraft), Francisco Rodriguez (Council on Foreign Relations), and Rana Shabb (Carter Center), moderated by Alistair Millar (Fourth

Freedom Forum). Register at: https://keough.nd.edu/event/advancing-the-debate-about-the-humanitarian-impact-of-economic-sanctions/?utm_source=sfmc&utm_medium=email&utm_campaign=Events+Digest+11.15.2021&utm_term=https%3a%2f%2fkeough.nd.edu%2fevent%2fadvancing-the-debate-about-the-humanitarian-impact-of-economic-sanctions%2f&utm_id=600744&sfmc_id=16334564

Tuesday December 7, 2:00pm, online interactive webinar "Care for Creation," Sr. Jocelyn Fenix, M.M., on the response of the Maryknoll Sisters of Panama to the environmental encyclical of Pope Francis, *Laudato Sí*. Register at: https://mission.maryknoll.us/srjocelynfenix?utm_medium=email&_hsmi=183192499&_hsenc=p2ANqtz-8yDOSVre3x3MeXMtOwzi4wvZ-LFOTrZPGa0piUPQ4xnGPEwiMzoVV9T_ArldgOajC47i7wc_Fs2Q48kfs3kk58DjrEiw&utm_content=183192499&utm_source=hs_email

Thursday December 9, 2:00pm-3:00pm, online "Jesus and Muhammad: On Peace, Forgiveness, and the Golden Rule," Craig Considine (Rice University). \$10.00 registering before November 26, \$15 after; register at: <https://upcsa.org/sol-center-registration/>

Friday December 10, 6:00pm-8:00pm (7:00pm-9:00pm ET) online "Catholic Moral Teaching: What It Is and Is Not," Dr. Jamie Manson (*National Catholic Reporter*). Third in a series on moral theology as it pertains to sexual minorities. Register at: <https://fs18.formsite.com/jennhardin/1w3acsjqd3/index.html>

Saturday December 18, 4:30pm-5:30pm, online "Hinduism and Justice," Rita D. Sherma (Graduate Theological Union, Berkeley, California), sponsored by the Intrafaith Council of the Thanksgiving Foundation, Perkins School of Theology of Southern Methodist University, and the Dallas Holocaust and Human Rights Museum. Register at: https://zoom.us/webinar/register/WN_mTw1pFWkQa-iFu5c8YX4bg

Thursday January 13, 2:00pm, online interactive webinar "Shifts in Mission: Awareness of Systemic Racism," on changes in mission that come from an awareness of white privilege; Sister Marvelous (Marvie) Lomerio Misolas, M.M., representative of the Maryknoll Sisters to the United Nations. Register at: https://mission.maryknoll.us/resistingracism?utm_medium=email&_hsmi=18319

2499&_hsenc=p2ANqtz-8lZXLdcHllbDiZzTlghKt6X3mXLdh_83uKeD3myALQKq0B0VXmCcNkxRhsfB7PTgq5xZj24QwmZM8Fm6LWeeuDTdidpA&utm_content=183192499&utm_source=hs_email

First Reading (Jeremiah 33:14-16)

This particular passage from the Prophet Jeremiah is found in the Hebrew text but not in the ancient Greek (Septuagint). The explanation for this is the translators into Greek used an earlier edition than what became the accepted Hebrew text. An editor of the Hebrew text used an oracle that appears earlier in the book (Jer. 23:5-6) and applies it to Jerusalem rather than to Judah in general. It is the same affirmation of a coming Messiah, which is why it became of particular interest to the editors of the Lectionary.

Second Reading (1 Thessalonians 3:12—4:2)

This brief passage is an encouragement for members of the Christian community in Thessalonica to love one another and to love all, and to live so as to please God. At first, it appears to say no more than “Do good and avoid evil.” However, there is that encouragement not only to love those in one’s own community but also to love all. The first century environment in which Christianity began placed much emphasis on belonging to the right ethnic group, especially the Romans whose empire it was, but Paul was saying to love all. How difficult a message that still appears to be today!

Third Reading (Luke 21.25-28 and 34-36)

The gospel reading from Luke consists of two passages that Luke based on the earlier gospel written by Mark. In fact, the Markan passage was the reading for last Sunday. Luke changes the wording: “And there will be signs in the sun, moon, and stars, and on the earth distress of nations and anxiety over the sound and surging of the sea, when people faint out of fear and anticipation of the things coming in the world...” Luke emphasizes that these are signs that we should explore for meaning: “And when these things begin to come about, stand up and raise your heads, because your redemption is near.”

Of course, it is perfectly possible to experience the disasters that turn our worlds upside down, without seeking or finding any meaning in it. It is perfectly possible to never learn, to never rise above the humdrum: "...take heed lest your hearts be weighed down with carousing, drunkenness, and worries of daily life, and that day come upon you suddenly like a trap..." What turns the world upside down and should disturb us is coming; it has an advent. But this gospel calls for a coming of those whom Jesus addresses to a consciousness. Consciousness too has an advent.

Poem

Consider Bread

Consider how we provide Coca Cola worldwide
for any who can pay just a little bit of cash.

Consider how we let 24,000 people, mostly kids,
die every hour for lack of daily bread.

Consider how a grain of wheat must fall
from its life-giving stem, bury itself and die
in order to rise and yield a hundred-fold.

Consider how our dreamy prayer
of daily bread for all may require
us also to die and rise.

Consider us trading Coca Cola
for just plain bread for all to eat
if only we all rise-up and,
if necessary, die for it.

Tom Keene and Muse
January 12, 2019

On the Morality of Capital Accumulation

Anthony J. Blasi

Morality in the case of capital accumulation is a matter of general practice, not individual conduct. If the general practice of capital accumulation across generations is morally problematic, as I will argue below, the problem resides chiefly in our tax laws, not in individuals leaving wealth as behests to their descendants. An individual is not obligated, for example, to designate the U.S. government as a principal beneficiary in a will, but the moral preference for tax law would be to have an estate tax similar to that of the 1950s, where a steeply graduating rate curve taxed away the bulk of large estates. Of course this does not mean that there are no individual moral imperatives in the use accumulated capital; maintaining honesty in operations, for example, is an individual moral imperative, irrespective of whether control over a business comes from cross-generational capital accumulation or not.

By *capital* I mean simply a total of assets that amount to more than is needed in daily life in the near future. The activity of accumulating assets may be intended for the purchase of a dwelling to live in, an automobile for personal use, or a university education; such are simply instances of saving for legitimate future purposes. Accumulating assets for the purpose of a huge mansion, however, or a luxury vehicle are problematic. A Christian lifestyle hardly allows for materialistic display as an end. Acquiring such things not as ends in themselves but as investments with the expectation that they will generate a future income stream would be instances of capital accumulation, and such are what the present consideration is about.

Capital accumulation typically has two purposes. There is a short term expectation that they will increase in value, and a long term intent to pursue a course of further acquisition simply as a projected psychological state of acquisitiveness. One may purchase a dwelling or invest in a stock portfolio as a hedge against inflation. As the prices of daily commodities that one uses go up, so does the value of a house one owns; as prices of commodities goes up, so do the values of stocks one has purchased. This kind of short-term intent is simply prudent. But an industrial or financial mogul seeking to maximize personal control over sectors of the world economy would be imposing an individual psychological mentality, likely generated by a vague sense of insecurity, on other people. Such

runs counter to the general freedom of the ordinary person that is presupposed in the democratic world view or in its Catholic counterpart, subsidiarity.

An important activity underlying capital accumulation is enterprise, selling one or more products. Enterprises involve the acquisition of raw material, outlays for the land and buildings where the raw material is processed into products for sale, and hiring labor for work in the enterprise. The last of these, labor, is not to be limited to productive manual and mental activity but includes as well the activity of organizing the operations of the enterprise—managing.

The acquisition of raw material is not ethically neutral. Acquiring raw material in amounts more than needed in the productive process, for example, prevents other entrepreneurial enterprises from acquiring what they need in their productive activity. Even acquiring only what one intends to use in one's own productive activity has the effect of withdrawing it from use by others, both in the same line of work or in some other. Moreover, the acquisition of raw material may have attendant environmentally harmful consequences. Both of these consequences do not lead necessarily to the conclusion that raw materials should not be acquired but that their acquisition needs to be justified, and in cases where environmental harm occurs sufficient reparative steps need to be taken to restore the environment.

What kind of ethical justification is needed for withdrawing some raw material from use by others? The products should be useful, not simply saleable. Usefulness alone would require an essay: Useful to whom? Is entertainment useful? How about fashion? Beyond the utility of the product, providing employment for the people producing it can be a justification, as can providing a market for the suppliers of the raw material.

Renting or paying off a bond for the place of production is also not ethically neutral. As with raw, renting or acquiring real estate withdraws it from other uses such as residential or other industrial developments. It may also create market pressure that raises prices for others in a local market. Site selection is evidently relevant here.

Historically, the ethics of hiring labor has received much attention. Karl Marx argued that labor alone added value (usefulness) in entrepreneurial operations. He noted that one could not consistently cheat suppliers of raw materials or cheat on rent or the interest owed on mortgages and bond arrangements. However, one could consistently cheat workers by paying them less than the value that they add to the raw material. Therefore, Marx argued, capital income, i.e. entrepreneurs' income, is unethical. Economists have generally

disputed Marx's contention as a "labor theory of value." They understand value to be measured by prices, which they note is set by forces of supply and demand, not units of use value. The discussion has been a dialogue of the deaf insofar as Marx was writing about use value and taking money only as a measure of profit, while the economists were focusing on monetarily measured investments, costs, and profits. This is not the place to enter that discussion.

I disagree with Marx (a generally brilliant doctor of philosophy, unlike most of the ideologues who claim to be his followers) because unstructured activity by workers does not add value. The structure that is critical to the productive process adds value, whether measured in currency or not. Whether that structure is imposed by the entrepreneur, hired managers, or, as in employed owned enterprises, workers or managers hired by workers—all that is beside the point. Even when a government owns the enterprise and imposes productive structure, a form of socialism, is beside the point.

As with raw material and siting, the imposition of structure is not ethically neutral. It can be justified in the same ways: offering employment, creating market opportunities for suppliers and rentiers, and entering useful products into the market and thus potential into the hands of consumers.

Let us focus on the situation in which enterprises are not justified? Employment may be offered, but is the work adding value? For example, employers of firms that make scam telephone calls or calls that are simply not wanted by the people being called are not engaging in justifiable activity. They are cheating their "customers" or at best inducing them to make purchases they would not make if they were not suggestible. Raw material may be purchased so that it can be processed, but the end result may be wasteful—fur coats for fashion, for example. Or the environmental damage coming from the extraction of the raw material may be too great to repair at the extraction site or may pollute the broader global environment. The labor involved in the productive process may create wasteful or even harmful products, such as growing tobacco or manufacturing cigarettes or most other tobacco products. Or the labor conditions may harm the worker; one thinks of black lung disease among coal miners and unsafe construction sites. Such kinds of enterprise are unethical, as is investing in them.

Assuming a given enterprise results in a genuinely useful product without significant environmental damage or pollution and is operating safely without threatening the well-being of the workers and customers, what about the return to the entrepreneur? Upon retirement or death, the value of structuring the

enterprise transfers to other management. The value created by the structuring activity—which is probably more than that created by the typical employee but far less than the huge profits enjoyed today by the top one per cent—continues, but is not attributable to the founder. There appears to be no justification for additional payment to the founder (though some payment has simply been deferred as a retirement plan, as would be the case for the typical employee). And there seems to be no justification for the enormous payments made to founders and their descendants that are not commensurate with the value added by the structuring activity. Most importantly, there is no justification for continued payments to children or other dependents or descendants of the founder. Such beneficiaries are not creating value, even as the enterprises are withdrawing raw materials, sites, and labor from other activities. Moreover, a class of people, inheritors, is created that has no incentive to cultivate productive virtues. Some might in fact have such virtues as a result of family socialization or educational experiences, but one would only think more of them would develop the productive virtues if they were exposed to the incentives to which other people in general are exposed.

Ethics require, among other things, control over excessive profits, as opposed to compensation commensurate with the value actually contributed by those receiving profit. Such contributions in the realm of profits would pertain to actual managerial or other kinds of productive activity. Ethics require a 100% estate tax on accumulations of entrepreneurial profits.

So far the considerations have focused on capitalism and its profits as forms, and on the value or usefulness of products and the presence or absence of harmful side effects. There is also the question of harm as the intent of the productive activity. For example, one cannot justify the production of nuclear weapons, which kill whole populations of cities—in effect killing the innocent, with the guilty (leaders of an attack against which one is defending, for example) usually in a position to escape. Nuclear weapons produced and maintained as a "deterrent" is tantamount to a threatened terrorism. The history of recent wars has, unfortunately, shown the possibility in the modern era of waging war without nuclear weapons. Consequently, there is no justification for having them and thus for producing them. Nuclear weapons belong in the same category as poison gas or any other weapon designed to kill non-combatants in great numbers along with combatants.

Unlike the ethical considerations concern capitalism as a form, involvement in enterprises that are intended to produce or threaten harm is itself unethical.

There is not only the question in these instances of ethical policy but individual personal morality.

Links

Pax Christi International

<http://www.paxchristi.net/>

Pax Christi U.S.A.

<http://www.paxchristiusa.org>

Pax Christi Texas

<http://www.paxchristitexas.org>

Pax Christi Dallas

<http://www.Paxchristidallastx.org>

Pax Christi San Antonio

<http://www.paxchristisa.org>

Marianist Social Justice Collaborative

www.msjc.net

Sisters of Charity of the Incarnate Word, International JPIC Committee

<http://saccvi.blogspot.com/>

San Antonio Peace Center

<http://www.sanantoniopace.center>

Texas Catholic Campaign to End the Death Penalty

www.txccedp.org

Dialogue Institute of San Antonio
www.thedialoginstitute.org/san-antonio/

Climate Change
www.creation-care.com

Catholic Books Review
<http://catholicbooksreview.org>

Beloved Community Project
<http://belovedcommunityproject.org/>