

Papal Teaching on Private Property (1891-1981)
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INTRODUCTION

Catholic social teaching deals with social ethics, viz., how people are to work together to bring about a just social order in which everyone can live a fulfilled life in an atmosphere of peace and freedom. The Popes of the past two centuries have used Catholic social teaching as their means for addressing problems arising in the social, political, and economic orders, e.g., development, the third world debt, and the arms race. This teaching draws upon clearly recognizable sources: divine revelation, the natural law, the teaching of their predecessors, and contemporary insights.

This book deals with just one aspect of Catholic social teaching, the principle of private property. Much of moral discourse involves principles, which give good direction to human choices and actions. The principle of private property is only one among many principles in social ethics, but continues to be the source of controversy.

The Catholic Church presents herself to us as a moral guide, entrusted with a divine commission to guide us into a surer knowledge of God's plan, or design, for His human universe. Her moral teaching appeals to both revelation (Scripture) and good reason (the natural law tradition). The moral teaching of the Catholic Church in the area of social ethics is most clearly found in the social encyclicals of the pontiffs, beginning especially with Leo XIII in 1878.

The popes who wrote social encyclicals are very forward looking and progressive in their teachings. Leo XIII was called the "working man's pope," and much of the social reform he advocated is now commonplace in social legislation of the nations. The reforms called for by the recent pontiffs challenge us to move beyond our present positions.

The principle of private property is ultimately directed to providing security for fathers of families so that they may ensure the development of family life. It helps us to understand how this planet earth was destined to serve the material needs of every person living on it. It gives us some insight into the goodness and providence of our God.

What the reader wants to look for in the pages ahead are two things. First, what degree of continuity can be found in papal teaching on private property between *Rerum Novarum* (1891) and *Laborem Exercens* (1981)? Second, how have the pontiffs of this century adapted this principle to the new problems and developments?

One caution to the reader is in order. We must avoid using twentieth century eyes to view nineteenth century or early twentieth century situations. We must not be anachronistic. To understand the problems of a previous age, we need to reconstruct that period, and see how people of those times viewed their problems.

Many books have been written about the principle of private property, since it is such a richly diversified topic. The contribution of this volume is the gathering together of the

many influences which shaped the teaching of the Magisterium in social ethics in the specific area of property rights. These influences include, among others, the problems facing a pope, the drafters and theologians who assisted the writing of social encyclicals, schools of thought which influenced contemporary debates, and various objections leveled at this teaching.

The aim of this book is to show that there is a high degree of continuity in papal teaching on the principle of private property. New problems are constantly emerging which require new applications of this principle. In the process, various dimensions of the principle are emphasized and developed further, revealing more of the full richness of the principle. This study is an illustration of a basic position in Catholic social teaching: the basic principles remain unchanged, while new applications are constantly called for. If we know true principles for a just social order, then we can more effectively move in the direction of lasting solutions.

Matthew Habiger, O.S.B.

“So that in all things God may be glorified.”

I. BACKGROUND ON LEO XIII AND *RERUM NOVARUM*

A. Economic Situation in the 19th Century

Pope Leo XIII inherited a world of problems upon his ascent to the chair of Peter in 1878. (1) Karl Marx published his *Communist Manifesto* in 1848. He predicted even then an inevitable class conflict between the bourgeoisie-capitalists and the working class, the taking over the power of the State by the proletariat, and the proletariat dictatorship of private property. The enemies of the proletarian movement were identified: the Christian religion (especially the Catholic Church with its hierarchical structure under the papacy), the bourgeoisie, and the political state. The church of his time was traditionally allied with monarchy, aristocracy, and property. In many ways the struggle for the allegiance of the workingman was between two contestants: the Church and Marxism. Montalembert had said in 1850: "There is no middle ground. Today one must choose between Catholicism and socialism."

Leo had no direct experience with either democracy or nationalism. (2) However, he had a grasp of issues, knew the problems of the workingman by direct involvement with them (3), and was able to blend the patrimony inherited from the past with the insights of the 19th century. He wrote many notable encyclicals on such topics as liberty, the nature of the state, and slavery.

His most well-known and influential encyclical is *Rerum Novarum* (English: On the Condition of Labor), 1891, which is regarded as the *magna carta* of Catholic Social Teaching. (4) All major anniversaries of this document have been commemorated with the proclamation of another social encyclical, the latest being *Laborem Exercens* in 1981 on the 90th anniversary.

To understand *Rerum Novarum* one must understand the 19th century which was the product of both the French Revolution and the Industrial Revolution. (5) The Enlightenment had begun already a century before, and spawned an ideology known as continental Liberalism in philosophy, politics, and economics. (6) In philosophy, liberalism demanded total freedom from authority. Freedom of expression in the press was to be total. The Church and her moral guidance was to be resisted. Civilization was thought to be on a course of progress whose favorable outcome was inevitable. Economic liberalism displayed some of the problems of this ideology. The individual (capitalist) was to be left alone in his pursuit of wealth. Society was divided into a few wealthy self-made men, and the throng of destitute laborers. Private property rights were absolute in the sense that the capitalist could do with his property anything he wished. This is the period of capitalism at its worst—laissez-faire capitalism.(7)

B. THE SOCIAL QUESTION FACIING PEOPE LEO XIII IN 1890

The Industrial Revolution was not an unmixed blessing, and left tremendous problems and social dislocations, often referred to as the social question. (8) The encyclical *Rerum Novarum* (On the Condition of Workers) was written in response to the social question, and was the first of the major social encyclicals.

The Industrial Revolution is associated with the period between 1750 and 1900. The first main feature of this period is the attainment of personal freedom due to French influence. A second main feature is the influence of England, which initiated the industrial revolution. (9) With the shift from an agricultural state to an industrial state came also a shift in population from the rural areas to the cities. Maps showing the industrialization of Europe and the United States between 1850 and 1910 reveal striking contrasts. (10) A fourth main feature is the arrival of mechanical transport—the railway and the steamship—which facilitated the penetration of great land areas, with the result that new Empires and new international rivalries were created. The fifth main feature is the rise of nationalism and imperialism.

The Industrial Revolution required an urban labor force that would bow to the discipline of the machine. Men, women, and children were compelled to work long hours in the unwholesome factories. They were forced to give up their holidays, their winter slack seasons, their ties to agriculture, and the cohesiveness of their families.

What happened in England in the early 19th century was repeated on the Continent and the United States later in the century. The labor force for English factories came from four main sources. First, the starving hand workers in home industries could no longer compete with the machine and had to submit to factory employment. Second, the enclosure movement, reaching its crescendo during the period 1760-1820, depopulated the countryside and sent the peasantry roaming the highways and drifting towards the towns. Third, the rapid increase in population during the industrial revolution provided an ever-increasing supply of hands for the factories. A fourth source of labor was Ireland, whose impoverished people sought to better their conditions in the English workshops.

One of the greatest evils in the early factory system was the terrible exploitation of children. In England the children who first toiled in the factories were orphans or came from pauper families. Local authorities virtually sold them at the age of five to work in the mills. A second great evil was the excessive lengthening of the working day. A third effect of early industrial society was low wages, especially after the depression following the end of the Napoleonic wars in 1815. This affected handicraft workers, factory employees, and agricultural laborers. A fourth undesirable social consequence of the Industrial Revolution was the congestion of large numbers of people in unsanitary, pestilential cities.

To these evils still others must be added. Women too had to toil in the factories and mines. Employees were often paid in commodities, either in consumer goods

furnished by the employer or in the articles made in the shops reckoned at exorbitant prices. The English “Truck Acts” of 1817-31 outlawing wage payments in goods remained unenforced, and the system was not effectively attacked until 1870; it was finally abolished in 1887. Breaches of factory discipline, such as arriving late for work or missing a day even because of sickness, were penalized with heavy fines deducted from the wages. Until the 1830’s stealing small sums was a felony punishable by death. There were literally hundreds of capital offenses. Debtors could be imprisoned and often they starved to death because the authorities did not furnish food.

The development of industrial production and urbanization uprooted and victimized masses of people. Conditions in the early factories and in the towns were horrible almost beyond belief. Only after decades of struggle, organization, and the passage of protective legislation was labor able to enjoy some of the fruits of machine production. Out of the widespread misery of the early 1800’s grew a diversity of promised panaceas; utopian, revolutionary, reformist, cooperative, and trade union ideas were promoted to relieve the condition of the “laboring poor.” (11)

C. SOLUTIONS BEING PROPOSED TO THE SOCIAL QUESTION

Many solutions were being proposed during the second half of the 19th century to the social question, and most of these took the shape of socialism. Some socialistic measures proposed to counter the extreme individualism of laissez-faire capitalism include nationalization of the land, progressive taxation, and collective appropriation of the means of production. With these measures there is some room for agreement in democracy and Catholic social teaching. But militant forms of socialism press for more stringent measures. Some forms absolutize class warfare as inescapable until such time as a proletarian classless society emerges. Some forms of socialism are aggressively atheistic and view religion as a definite obstacle to the progress of society. Many varieties of socialism are reductionist and espouse a philosophy of crass materialism. For them, there is no hereafter, and man is to concentrate upon making this life and this world as enjoyable as possible. The goal of this life is material abundance.

The earliest type of socialism was the utopian variety of thinkers such as Saint-Simon, Fourier, and Robert Owen. They sought to emancipate not the proletariat alone, but all humanity. They regarded the competitive capitalist market economy as irrational and unjust, and sought to replace it by the kingdom of reason and eternal justice. A new and more perfect order was to be achieved through education and, wherever possible, by the example of model experiments.

A second stream of socialist thought has been called Christian Socialism. The leading Christian socialist in England was Charles Kingsley (1819-75), famous novelist, journalist, clergyman, and professor of modern history at Cambridge. Kingsley wrote the famous phrase about religion being “an opium dose for ... the

people,” since inscribed on the Kremlin walls in Moscow. The Christian Socialists attacked existing social inequities, and used Christ’s teachings to justify improved conditions for the workers. Their chief works were reviving the cooperative movement, advocating sanitary reforms, and experimenting in workers’ education.

State socialism was another variety of protest against existing society, and especially against laissez-faire. Advocates of this doctrine regarded the state as some impartial power which was tugged this way and that by the contending classes as it tried to moderate their quarrels. As soon as labor became strong enough it would influence the state to introduce socialism. The three outstanding state socialists were Blanc, Lasalle, and Rodbertus. Blanc is regarded as the founder of state socialism. Lasalle hoped that universal suffrage would make the state subservient to the socialists.

So-called scientific socialism was developed by Marx and Engels. The ideas of Marxian socialism may be summarized briefly. First, it teaches the materialist conception of history, that the mode of production and exchange is the basis of all social structure; from this it follows that all social changes and political revolutions are to be sought not in the philosophy, but in the economics of each epoch. Second, in volume I of *Das Kapital* (1867) Marx developed his economic analysis of capitalism. His central theme was the labor theory of value, the existence of “surplus value” and “exploitation,” and the “contradictions” of capitalism. Third, Marxism proclaimed the class struggle, with the working class destined to take over political power in order to establish socialism. Marx and Engels considered that their discovery of the laws of evolution of social systems ranked in importance with Darwin’s law of evolution in organic nature. Finally, Marx believed that the working class should abolish the existing machinery of government and set up its own state. After the complete victory of the proletariat, a classless society would be achieved, and the state would wither away because it would no longer be required as an instrument of force.

Finally, we have anarchism as a variant of the socialist idea. The anarchists regarded government and private property as the two great evils of modern times. The former was invariably viewed as a form of tyranny, and the latter was held to result in the exploitation of the working class. The first man who made anarchism a conscious mass movement was Pierre Joseph Proudhon (1809-65), the forerunner of French syndicalism. Actually he was an ardent supporter of private property, and he attacked only property enjoyed without labor. More spectacular than Proudhon was the fiery Russian anarchist Michael Bakunin (1814-76). He organized a secret international anarchist brotherhood in Italy. He worked with Marx and Engels but was expelled from the First International. Bakunin approved of common ownership of the land and other means of production, but private ownership of consumer goods. He emphatically repudiated the idea of government, preferring to rely on free cooperation of independent groups (12).

Over and above the various branches of socialism already mentioned was a Catholic branch with such representatives as Bishop von Ketteler in Germany, Albert de Mun and Rene la Tour du Pin of France, Cardinal Mermillod of Switzerland, and all the members of the Union of Fribourg which met from 1884 until the issuance of *Rerum Novarum*. These Catholic social theorists may be styled “socialist” in that they were critical of exaggerated individualism and laissez-faire capitalism. The solutions they proposed to the social question were a moderate form of socialism, avoiding the extremes of materialism, atheism, inevitable class warfare, abolition of private property, and the all-powerful state. They proposed such measures as greater protection for the worker, fair wages, the right of everyone to property, the state acting in a supervisory capacity, labor associations and unions, and improvement of working conditions. (13)

D. POPE LEO’S SOLUTION: MAN HAS A NATURAL RIGHT TO PRIVATE PROPERTY

Leo was decidedly opposed to socialism as a solution to the social question. In the main, for Leo, the term “socialism” means “early Marxism.” Although Bakunin and his anarchical tendencies was the predominant form of socialism in Italy, Leo would have known the writings and ideas of major contributors to the various branches of socialism throughout Europe. One of the first encyclicals Leo wrote, *Quam Apostolici* (1878), was directed against socialists. In this encyclical Pope Leo viewed socialism as more than a proposed solution to an economic problem.

The word ‘socialism’ here designates a body of interrelated doctrinal positions held in common by several different political groups, organizations, or parties. Whatever their names – socialists, communists, or even nihilists – they fall under the same condemnation so long as they subscribe to the same principles. These principles are: denial of all authority; equality of all men in both duties and rights; dissolubility of the bond of marriage, and consequently, of all family ties; in fine, socialists oppose the right of property despite the fact that this right is guaranteed by natural law. All these doctrines are supported and spread by means of an intense propaganda which more and more frequently incites to violence. (14)

Because some branches of socialism took positions destructive of Christian values, Leo had no choice but to openly refute and condemn them.

Leo was not making blanket condemnation of every form of socialism. What Leo does make unmistakably clear in *Quam Apostolici Muneris* are certain positions, or certain directions, which are against a Catholic perception of society based upon God’s plan, as known through Divine Revelation; and based upon the natural law as known through right reason. During his 25-year pontificate, Pope Leo wrote encyclicals on all the following topics. His position on the nature of the Church and the State (*Immortale*

Dei 1885), on marriage (*Arcanum Divinae Sapientiae* 1880), on education (*Libertas Praestantissimum* 1888), and the natural right to property (*Rerum Novarum* 1891) etc., are all very clear.

Pope Leo XIII's primary document on the social question is *Rerum Novarum*. It deals with many major topics, among which are the role of the state, a just wage, workers' rights, the role of the Church vis-à-vis the state, and the inadequacies of socialism. We are concerned with *Rerum Novarum* only insofar as it deals with Leo's position on private property.

The immediate problem Pope Leo wished to address in this encyclical was how to bridge the wide gulf which separated the wealthy few from the impoverished masses (RN 2). The Socialists' solution, to abolish private property, Leo found totally unacceptable: "They are emphatically unjust, because they would rob the lawful possessor, bring the State into a sphere that is not its own, and cause complete confusion in the community" (RN 3). The solution which Leo advocated centered around the concept of private property. "Every man has by nature the right to possess property as his own" (RN 5). When a laborer hires out to another his strength or his industry, he intends to acquire a full and real right, not only to the remuneration, but also to the disposal of that remuneration as he pleases. It is precisely in this power of disposal that ownership consists, whether the property be land or movable goods (RN 4).

Leo establishes a working principle here. He wishes to show that the principle of private ownership is rooted in the law of nature (natural law), is in conformity with human nature, is enforced by legitimate civil law, and the authority of the Divine Law. This is spelled out in RN 8:

With reason, therefore, the common opinion of mankind, little affected by the few dissidents who have maintained the opposite view, has found in the study of nature, and in the law of nature herself, foundations of the division of property, and has consecrated by the practice of all ages the principle of private ownership, as being pre-eminently in conformity with human nature, and as conducing in the most unmistakable manner to the peace and tranquility of human life. The same principle is confirmed and enforced by the civil laws – laws which, as long as they are just, derive their binding force from the law of nature. The authority of the Divine Law adds its sanction, forbidding us in the gravest terms even to covet that which is another's: "Thou shalt not covet thy neighbor's wife; nor his house, nor his field, nor his man-servant, nor his maid-servant, nor his ox, nor his ass, nor anything which is his" (Dt 5:21).

He reiterates this principle again in RN 12: "Our first and most fundamental principle, therefore, when We undertake to alleviate the condition of the masses, must be the inviolability of private property. This laid down, we go on to show where we must find the remedy that We seek." In describing the benefits of private ownership, whereby

a sensible head of a family will make provisions for the future, the pontiff again summarizes his position:

We have seen that this great labor question cannot be solved except by assuming as a principle that private ownership must be held sacred and inviolable. The law, therefore, should favor ownership, and its policy should be to induce as many people as possible to become owners (RN 35).