

***Rerum Novarum* and Economic Thought: Some Comments on Professor Waterman from an Italian Point of View**

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1 Introduction

The purpose of this paper is not to express dissent with Waterman's interesting essay (Waterman, 2016), but to offer a somewhat different perspective on some of the questions he has very properly raised and, to some extent, answered. I will draw on some recent work of mine but follow the thread of his exposition and, of course, refer to that celebrated document, *Rerum Novarum*, as “*RN*,” as he does. Although this paper may be seen as a series of observations prompted by Waterman's, which the reader is encouraged to go back to, it can also be read independently. While Waterman has exhaustively explored Leo XIII's worldview, I concentrate directly on the *RN* world image, which I find to be surprisingly indeterminate and catastrophic at the same time. The encyclical's famous opening themes are Socialism and the individual right of property. Did the Church introduce the right of property as a defense against state expropriations? Here, I differ from Waterman in answering in the negative. What is the theological or philosophical argument the Church produced when asserting this right? Here, my acquaintance with Liberatore's 1889 treatise in Political Economy—Liberatore being the main drafter of *RN*—allows me to propose a more detailed explanation than Waterman's, though his is basically correct. Interestingly, Waterman suggests that there is no contact between *RN* and economic thought—a consequence of the Church's organicist conception of society. Here, too, I bring in some qualifications.

2 The *RN* Worldview: An Exploration of Its Unreality

I would certainly agree that on first reading *RN*, “an economist of the present day may be struck by a nagging sense of unreality” (Waterman,

2016, p. 1). The unreality of the social and economic situation pictured in *RN* goes, however, deeper than just its lack of conformity with our present-day statistical knowledge of the nineteenth century economic and social history and I would like to try to capture some of these further dimensions. It is not that the picture is false; the eeriness of *RN*, its disconcerting haziness, is due to the extreme indeterminacy of the context in which *RN* sets itself, a sort of atemporal generalized catastrophe caused by industry or, perhaps more precisely, by the factory system, which the dismayed reader finds hard to locate within any set of temporal and geographic coordinates. Thus, on the one hand, *RN* appears to endorse and adopt the historical topos of the English Industrial Revolution as a descent to hell of the working class; on the other, it can blithely ignore the significant economic, social, and legislative progress made by England and the countries engaged in the industrial catching-up process, such as Germany, Belgium, Northern France, and the USA, over the nineteenth century. Only when some coordinates are fixed, and however they are fixed, can we see that its picture is false. When Bairoch (1997) talks of *RN* as a “belated document,” he is setting it against the chronology of the Industrial Revolution, and then the message conveyed by the document is bound to appear anachronistic. He also refers to its legislative proposals, which are feeble than had already been carried out in most European countries, including the Habsburg and the Tsarist Empires (p. 487). Thus, *RN*, speaking of nowhere, can afford to ignore the English Factory Acts strewn over the nineteenth century—the campaign for an 8 hour work day, a target achieved in Australia in 1856, and more generally backed by the First International in Geneva in 1866—or the impressive social reforms, the main lines of a true welfare state, carried out in Germany in the Seventies and Eighties of that century. Misner (1991) seems to suggest that the Pope and the German bishops were pleased with this achievement, but *RN* is studiously silent on this, as on many other social reforms carried out in those and even earlier decades, not only in England but also in the continental European countries (p. 452).

On the other hand, modern industrialization had hardly started in Italy. Hence, many observers argued, Italy was lucky in that it had no social question to deal with. And yet, in his *Lettere meridionali* (“Southern Letters”), published in 1878, the Italian patriot and historian Pasquale Villari had outlined the dreadful discoveries that had awaited the hopeful

builders of the new Italy—filth, bad or inexistent sanitation, chronic undernourishment, chronic disabling epidemic diseases, dejection, dire poverty arising from conditions of semi-servitude in the Southern rural districts (some of which in the territories that had belonged to the Pontifical States), and almost universal illiteracy (sub-Saharan, as indeed some dismayed Piedmontese army officers had noticed). As to the social conditions of Naples, the completely non-industrial capital of the South, many appalled visitors in addition to Villari, himself a Neapolitan, in the decades preceding *RN* had described them: Jessie White Mario (1877), Renato Fucini (1878), Matilde Serao (1884). Indeed, a visit to Naples had become a literary exercise in horror reporting for many writers, Italian and foreign (for example, Axel Munthe, 1887). In 1884, as in 1837, the city was struck by a terrifying epidemic of cholera, during which eight thousand people died in the city, another seven thousand in the surrounding area. The second edition of *Lettere meridionali* (Villari, 1884) appeared under the title: *Lettere meridionali e altri scritti sulla questione sociale in Italia*: “Southern letters and other writings on the social question in Italy.” But of this “social question,” arising not from the inception of industry or of the factories, but from the extreme pathological backwardness of the South, there is not a word in *RN*, although its drafters were bound to be acquainted with it (Costa, 2010a, p. 58). Liberatore himself, for example, as Villari, was a Neapolitan. There are many other significant omissions in the encyclical. But there is a commission as well: it openly conveys a fundamental, gigantic, historical and theological error that has somehow escaped such keen readers of *RN* as Fortin (1997) and Waterman (2016), as it has, if I am not mistaken, all other students of *RN*. Yet, it is in full light. Here is its initial sentence:

That the spirit of revolutionary change, which has long been disturbing the nations of the world, should have passed beyond the sphere of politics and made its influence felt in the cognate sphere of practical economics is not surprising.

It may not be surprising, but it is false (Costa, 2010a, pp. 60–61). For the Industrial Revolution preceded the French Revolution and, what is more, took place in England, a country that had remained and would remain Christian. The English economist W. S. Jevons had well illustrated in his *The State in Relation to Labour* (1882), had the drafters of *RN* felt inclined to seek relevant information, the role of three Christian

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institutions dating back to the Middle Ages: the Parishes, the Poor Laws, and the Law of Apprenticeship, in the unfolding of the English factory system. It would seem that the Pope and his advisers and drafters did not feel bound to any duty of historical objectivity, or perhaps had no notion of the need for such a constraint on their doctrinal activity.

3 Waterman's Itinerary

Which comes first, the new theory of the right of property or the Church's anti-socialism? Waterman recalls that "anti-socialist themes are to be found in no fewer than thirteen of Leo's encyclicals which precede *RN*," and the charge that "it assails the right of property sanctioned by natural law" is present in *Quod Apostolici Muneris* (1878). The explanation of these twin features of the Church's position in the second half of the nineteenth century is far from clear and simple. Waterman's tentative solution is roundabout. In his overall argument, we can distinguish the following steps:

(i) The Church spurned all modern philosophies, for they had supported the Enlightenment, hence Liberalism, a movement that was bent on denying the Church its proper role in the state in many European countries. Hence, Leo XIII's programmatic return to St. Thomas (Waterman, pp. 7–8).

(ii) The recognition of the possibility that the will may become disconnected from the right reason and pursue its own crazy aims is the circumstance that allows the Church to defend the need for an autocratic and theocratic state (Waterman, p. 8).

(iii) As to Socialism, although it is not its followers who are encroaching on the Church's wealth and its very economic and social rooting in European societies, they approve of it and provide the theory that justifies it: the denial of the right of individual property (Waterman, pp. 11–12). Hence the Church's commitment to the defense of this right.

(iv) In this connection, however, the Thomistic doctrine is not helpful, for it conceives of this right as of human, not divine, origin, as, on the other hand, had been taught by St. Augustine. Thus, *RN* buttresses "a traditional, Thomistic theory derived from human rationality" with a "pseudo Lockean version derived from a labor theory of appropriation" which happens to be "radically incompatible with it" (Waterman, p. 12). I will briefly comment on each of these points in the next two sections.

4 The Right of Individual Property as a Shield against the Expropriation of Church Goods

(i') There are at least two decisions here: that the Church should have an official philosophy (highly questionable), and that it should be sought in the far past. Notice that there were several eminent Catholic philosophers in the nineteenth century, such as Vincenzo Gioberti, Antonio Rosmini, and Franz Brentano. (Each of them at some stage in his life ran afoul of the Vatican.)

(ii') The possible disconnection of the will from reason is a theme of the late scholastics rather than St. Thomas. Its political implications are not as direct as Waterman would seem to suggest (p. 8). For example, the late scholastics were surprisingly liberal in their political theory, which is why Taparelli and Liberatore did not like them! Nor is it at all obvious that Thomistic philosophy should lead to an autocratic or authoritarian form of government. Leo's *Libertas, Praestantissimum* (1888), on whose importance I would agree with Waterman, admits only of two individual natural rights: of association and, of course, of property—not of conscience, not of speech, of press, not of religion. Why? Because man might sometimes make bad use of them. This simple argument is an obvious *non sequitur*, but is certainly not deduced from Thomistic or any other philosophical doctrine. On the whole, it seems to me that if Leo and his advisers were strongly nostalgic of the *Ancien régime* and obsessively anti-socialist, this was not due to their newly and painfully acquired, faltering Thomism.

(iii') The measures taken by many European states to disestablish the Catholic Church, i.e., to deprive it of its almost super-national position and its separate jurisdictions, courts, immunities, fiscal exemptions, and other privileges were dictated by liberalism, not by socialism, and cannot be seen as attacks on the individual right of property (Jemolo, 1974, p. 38, p. 54). The individual right of property was never encroached upon by the European states. The foundation and endowment of abbeys, monasteries, and other religious collective bodies had always taken the form of concessions, not necessarily irrevocable, by the sovereign. When, in 1854, a law for the confiscation of ecclesiastical goods was under discussion in Turin (Turin was the capital of the Kingdom of Sardinia, whose main territories were Piedmont, Liguria, Savoy, and Sardinia), the very popular priest and educator don Giovanni Bosco (later a saint of world-wide

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following) had a pupil of his, the ethereal, angelic young boy Domenico Savio (later proclaimed a saint himself) transcribe from the charters of the Abbey of Hautecombe, the historical see of the House of Savoy, a long string of frightening curses cast by the ancient counts of Savoy on those of their heirs who dared to usurp the goods of the Church. Don Bosco had Domenico Savio send the transcripts to the King Victor Emanuel II of Savoy, causing him, in spite of his reputation for bravery earned in the battlefields, some distress (Gorresio, 1958, p. 237). Soon afterwards, Victor Emanuel's mother died. Don Bosco's campaign of threats against the House of Savoy went on nonetheless and reached a new peak when the Rattazzi law proposal, enjoining the dissolution of most convents in the Kingdom, came up for debate in Parliament. As the law proceeded from one branch of Parliament to the other, the wife, the brother, and an infant son of Victor Emanuel died, in full accordance to don Bosco's threats (or prophecies): *Erunt mala super mala in domo tua* ("Evil after evil will fall on your house"). (Gorresio, pp. 239–40). Don Bosco reproached the King with his failing to honor the pledges undertaken by his ancestors, not because the new laws violated the individual right of property. On the other hand, the priest and philosopher Antonio Rosmini founded in 1828 his own religious order, *Istituto della carità*, which was finally approved by the Vatican in 1837. A special feature of its constitution was that its members were under no obligation to confer their individual wealth to the congregation, a provision clearly meant to protect the individual Rosminians (as the priests belonging to *Istituto della carità* were also called) from falling into a state of destitution had the congregation itself been dissolved by the Austrian government and its wealth confiscated.

On the whole, it seems to me that Waterman's explanation for the Church's surprising adoption of the individual right of property as one of the main tenets of its social doctrine, and its related condemnation of socialism for its denial of that right, is not convincing. I have none better. The problem must be left to future research.

5 The Right of Individual Property as a Natural Right

(iv') The various attempts to derive the right of individual property from natural law, hence, to prove that it is a natural right, have a common premise: the individual right to subsist to the necessary provisions. But man is a forward looking creature. In spite of the injunction to be

content with today's bread (the Lord's Prayer is never mentioned in this context), he needs some assurance for tomorrow's. But only the land's property can guarantee the required continuity in consumption (Liberatore, 1889, pp. 155–56; *RN*) or, alternatively, in production and investment (Taparelli d'Azeglio, 1949, p. 206). De Sourberghe (1950) suggested calling this “the pseudo-Lockean argument” (p. 591). When Liberatore in 1889 took up this problem again, almost half a century had elapsed since the publication of his teacher's treatise. His task was now to reformulate the “pseudo-Lockean argument” in Thomistic terms and buttress it with a few quotations from St. Thomas. Thus, he argued that labor was not a generator of the property of the soil, but the purpose of its appropriation: “The soil cannot be worked upon, if it is not presupposed that it is appropriated. But the laborer is not authorized by nature to occupy the soil and hold it as his, but for the end of working on it” (Liberatore, p. 156). And he explains that one's needs in this matter distinguish between the efficient cause, the final cause, and the concrete determination. The efficient cause of the right of property is nature. The concrete determination is the first occupation, an act of free will by which an individual attributes a piece of land to himself. The end is the production of wealth, through labor. More generally, Liberatore's task was to show the compatibility of his thesis with the early tradition of church doctors that de Sousberghe has suggested calling “the Scholastic Tradition,” unknown in 1840 to Taparelli and Liberatore. The Scholastic Tradition is well expressed in the sentence coming from the famous authoritative collection of Church laws called Gratian's Decree (1140) (de Sousberghe, pp. 582–83; Fortin, 1997, p. 197):

Jure gentium est distinctio possessionum et servitus; jure naturae est communis omnium possessio et omnibus una libertas.

So, the allotment of goods to individuals and the subjection into slavery of some of them by the others belong to the law of peoples (a law of human origin); by the law of nature (a universal divine law accessible to human reason), there is common property and freedom for everybody. Embarrassingly, it says the opposite of Taparelli's and Liberatore's contention and of what Leo had unhesitatingly maintained in several encyclicals. The additional trouble was that St. Thomas, like all other fathers in the Scholastic Tradition, adhered to it. But the resourceful Liberatore found a way to compose these contrary positions. He argued

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that *jus naturae* and *jus gentium* are by no means opposites or exclusive of each other. In particular, there is a lot of *jus naturae* in *jus gentium*. Consider, for example, the right of property:

That, which by itself enjoys the consent of all civilized peoples, cannot issue but of nature; but individual property does in itself enjoy the consent of all civilized peoples. Hence individual property is a natural right. (Liberatore, p. 158)

Both premises of this syllogism are questionable, to say the least, but, in this way, Liberatore manages to offer a reductive, sterilized interpretation of the Scholastic Tradition (Costa, 2010b.) His 1889 doctrine is thoroughly non-Lockean. While Locke takes seriously the notion of the earth as a collective gift by God to humankind, and, hence, feels the need for an elaborate theory of original appropriation, for one cannot simply seize a piece of land of common property, Liberatore implicitly follows his teacher Taparelli in denying any legal significance to the concept of collective property and, hence, is content with occupation, as if the land were *res nullius*. Some passages in Liberatore would lead the reader to conjecture that the author, without mentioning Locke, openly disagrees with Locke's theory:

You say that you have worked those fields. Yet those fields do not belong to you, but to humankind. If then you have deployed your strength on a land that is not yours: by what right do you claim it as yours? You say that you have made it fertile; maybe: but who asked you to take up this charge? ... How can you prove that that gift was made to you? Show us the document certifying the donation. (p. 152)

And yet these arguments that Liberatore spurned in 1889 became Church doctrine in *RN*. Waterman argues that “the property rights theory of *RN* is a conflation of two radically incompatible elements: a rational, Thomistic theory derived from human rationality and a pseudo-Lockean version derived from a labour theory of appropriation” (p. 12). My reservation is that Liberatore's 1889 construction is not Thomistic. It is neo-Thomistic, perhaps, elaborate, clever, and dubious. Why wasn't it adopted in *RN*? In other words, when he set out to write the first draft of *RN*, what need did Liberatore have of Locke? The Lockean theory (at least as it was then understood) guarantees independence of the right

of property from *jus gentium*, the main desideratum of the Pope. But Liberatore had achieved this end by softening the distinction between *jus naturae* and *jus gentium*. Part of the Scholastic tradition was the notion of the earth as a gift by God to the whole humanity. And it was because, as a good Christian, Locke took this idea very seriously, that he had to invent an elaborate theory of original appropriation: what is collectively own is not *res nullius*. But to Liberatore, as to his teacher Taparelli, this notion had no legal consequence whatever. Thus he finds in occupation a perfectly satisfactory solution to the problem of original appropriation. And indeed, occupation recurs in *RN*, in spite of its apparent adoption of the Lockean theory. The mystery remains. One might wonder whether Liberatore felt uneasy with his reductive interpretation of the Scholastic Tradition and felt the need for a more decisive argument. Given his remarkable self-assurance (as it comes forth in his book), this is psychologically implausible. Fortin (1997) conjectures that in order to clear the field of any residual doubt on the matter by decision of the Pope himself in *RN* any mention of *jus gentium* was to be avoided (p. 197). But, in fact, it does pop up again, albeit in a somewhat cryptic form:

The fact that God has given the earth for the use and enjoyment of the whole human race can in no way be a bar to the owning of private property. For God has granted the earth to mankind in general, not in the sense that all without distinction can deal with it as they like, but rather that no part of it was assigned to any one in particular, and that the limits of private possession have been left to be fixed by man's own industry, and by the laws of individual races. (*RN*, p. 8)

In the Latin edition, “the laws of individual races” is “*instituti populorum*,” the law of peoples, i.e., *jus gentium*. “Human industry” is Locke; “*Instituti populorum*” is the Scholastic Tradition. Where, then, is synthesis between the 1888 neo-Scholastic construction advanced by Liberatore and the Lockean theory? No synthesis is even attempted (Costa, 2010b, pp. 261–62).

6 Economic Thought: Three Theories of Society

As Waterman observes, “there is little if anything in *RN* that might count as ‘economic thought,’” if, by this phrase, we mean a positive study of

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a market economy (Waterman, 2016, p. 16). And the same is true, he argues, of the whole tradition of Catholic social teaching which unfolds from *RN*. And yet, *RN*, to a large extent, rests on Liberatore's *Principii di Economia Politica*, a work in which the economic studies by himself and his teacher Taparelli d'Azeglio over forty years are synthesized. Thus, it might seem that an acquaintance with classical political economy lies at the very origins of Catholic Social Thought. Upon a closer look, this impression is not confirmed (Costa, 2018). Liberatore's survey of classical political economy manifests his strong hostility to the subject. He enthusiastically underwrites all the standard prejudices against it, but never clearly explains the reasons for his deep aversion. In particular, he never shows that the possibility of a political economy is foreclosed by some tenet of Thomistic philosophy or theology. Moreover, he invokes the possible disconnectedness of the will from reason to explain his rejection of the assumption of *homo economicus*; to assume away the impact of the passions on the will is unrealistic, argues Liberatore (pp. 239–40; Costa, p. 198). His main concerns are with: (i) socialism—he is obsessively anti-socialist and complains that political economists are not firm enough in their defense of the right of property of the land; (ii) the right of individual property—he produces, as we have seen in section 4, the neo-Thomistic doctrine; (iii) an attempt at establishing the legitimacy of the industrial market economy, taking as axiomatic that the rent on land is the paragon of ethical legitimacy, and showing that the other forms of income derive and hence draw their legitimacy from it.

And yet, *RN* deals with many economic problems, and even a strictly normative treatment cannot be carried out without some knowledge of the field to which it applies (Waterman, p. 22). The solution is usually found not in high-powered theology, but in ideology, or in that popular sort of ideology, common sense. The following three passages, each containing a distinctive theory of society, offer an example of this sad circumstance:

It must be first of all recognized that the condition of things inherent in human affairs must be borne with, for it is impossible to reduce civil society to one dead level. Socialists may in that intent do their utmost, but all striving against nature is in vain. There naturally exist among mankind manifold differences of the most important kind; people differ in capacity, skill, health, strength; and unequal fortune is a necessary result of unequal

condition. Such inequality is far from being disadvantageous either to individuals or to the community. Social and public life can only be maintained by means of various kinds of capacity for business and the playing of many parts; and each man, as a rule, chooses the part which suits his own peculiar domestic condition.

It must be first of all recognized that the condition of things inherent in human affairs must be borne with, for it is impossible to reduce civil society to one dead level. Socialists may in that intent do their utmost, but all striving against nature is in vain. There naturally exist among mankind a noticeable uniformity in capabilities; people are more or less equal in capacity, skill, health, strength; but they differ somewhat in ambition and desire of self-aggrandizement. From this inevitable diversity arise of necessity their availability for the different social tasks, hence unequal fortunes and unequal conditions. Such inequality is far from being disadvantageous either to individuals or to the community. Social and public life can only be maintained by means of various roles for business and the playing of many parts; and each man, as a rule, chooses the part which suits his own peculiar aspiration.

The difference of natural talents in different men is, in reality, much less than we are aware of; and the very different genius which appears to distinguish men of different professions, when grown up to maturity, is not upon many occasions so much the cause, as the effect of the division of labor. The difference between the most dissimilar characters, between a philosopher and a common street porter, for example, seems to arise not so much from nature, as from habit, custom, and education. When they came into the world, and for the first six or eight years of their existence, they were perhaps, very much alike, and neither their parents nor playfellows could perceive any remarkable difference. About that age, or soon after, they come to be employed in very different occupations. The difference of talents comes then to be taken notice of, and widens by degrees, till at last the vanity of the philosopher is willing to acknowledge scarce any resemblance. But without the disposition to truck, barter, and exchange, every man must have procured to himself every necessity and conveniency of life which he wanted. All must have had

the same duties to perform, and the same work to do, and there could have been no such difference of employment as could alone give occasion to any great difference of talents.

Let us call the three passages *A*, *B*, and *C*. *A* is from *RN*, section 8. *C* denies one of the circumstances which *A* proclaims as holding by natural necessity, the inborn differences in abilities and aptitudes, and offers an explanation of the observed differences in terms of social structure. *C* is drawn from the *Wealth of Nations*, book 1, chapter 2. According to Misner (p. 459), Liberatore claimed to have read the main economists, including Adam Smith, and indeed in his book there are a few quotations from the *Wealth of Nations* (Liberatore, 1889, pp. 68–69, p. 92, p. 130). If he ever came across *C*, it made no impact on him. For not only did he not accept Smith's thesis, but he did not draw from it the idea that alternatives to *A* were conceivable. In *A*, common sense conservatism takes up the form of a dreary necessary law governing human affairs. What about *B*? *B* is an apocryphal variant of *A* offered for discussion's sake: it provides an alternative to *A* as to where the main human differences lie: not in aptitudes but in attitudes (Costa, 2010a, pp. 47–49). Equal in plausibility to *A* (notice that Adam Smith does not need to invoke any inborn difference in his explanation *C* of observed social differences), it corrects a flaw in *A*'s logic. For if the natural distribution of individual abilities and talents corresponds to society's requirements, what need is there for the incentives provided by social differences to achieve the desired matching?

Still, *A* is interesting for it suggests that there is no hostility by the drafters of *RN* to admit the positive social role of individual self-interest. Self-interest is also invoked in the justification of the need for the right of property. It is not exactly true that "there is no understanding that human self-interest...may be recruited to provide incentives to the right conduct" (Waterman, p. 20). Only *RN* sees it at work in a hierarchical society, where the social differences act as incentives for its deployment, but not in market society; as Waterman concludes, "this was invisible to Leo and his advisers in 1891" (p. 20).

7 Conclusions

Waterman effectively narrates the story of the increasing intellectual distance between the Church and its "eldest daughter," France, during the

eighteenth century, and the persecution and humiliation, coming near to extinction, to which the popes were subjected during the Napoleonic period. The shock was deep and long lasting, resulting in a permanent mistrust for modern philosophy and thought. The other outstanding student of *RN*, Ernest Fortin, underlines the interruption of the cultural life of the Church, with the consequence that it found itself, at the beginning of the Restoration, alienated from itself as well as from the world at large (Fortin, 1997, pp. 209–10). This does not explain why Leo decided to turn to St. Thomas rather than the Late-scholastics, if not to the very able contemporary Catholic philosophers. Unlike his immediate or near immediate predecessors, Leo XIII was a clever, intellectually sophisticated, and psychologically balanced man. His representation of the social world, as expressed in *RN*, is all the more staggering: a sort of timeless self-propagating catastrophe. Still, however little he wished to know of the world in which he lived, he had to fight to defend his Church whose earthly establishment, in spite of the Restoration, was under attack by several European States, liberal or not. Can the introduction of the right of individual property in the Catholic doctrine be explained as an attempt by the Church to shield itself from the programmatic uprooting of its institutions that was everywhere underway? This is what Waterman suggests. I have argued in section 3 that this is implausible. Fortin sees the introduction of the right of individual property in the Church's doctrinal armory as a necessary step in the battle with the Church's other enemy: socialism (p. 196). Waterman rightly observes that the Church's hostility to socialism is itself a fact that requires an explanation. How was the doctrinal innovation of the right of property carried out in *RN*? Here is Waterman:

St. Thomas denied that *individuals* have a natural right to property and followed St. Augustine in attributing to the *state* the right and duty to assign property rights to individuals by human positive law. Useful as Thomism was for Leo in general, therefore, it was wholly unserviceable in defending private property against the temporal power. It was, therefore, necessary to elide that part of St. Thomas's doctrine which would embarrass the ideological defense of the papacy and supplement the remainder with a bowdlerized version of Locke. (p. 12)

I must say that I admire Waterman's splendid intuition. Having the advantage of a close study of *Liberatore* (1889), I have been able

to say a little more on this. Liberatore had found a way to reconcile the very recent papal contention that the right of individual property was enjoined by natural law with the Scholastic Tradition, of which St. Thomas was part. On the whole, Liberatore's 1889 construction made sense and is, to this day, the neo-Scholastic doctrine of property. He had no need of Locke; indeed, as I have shown in section 4, some of his premises are non-Lockean. It is therefore a true challenge to the historian to explain the about-face carried out by Liberatore himself in *RN*. The outcome is unfortunately a logical mess, as Waterman had perceived.

Fortin admired *RN* for it offered "a thoroughly pre-modern and to a large extent Thomistic guide" to the modern industrial world (p. 195). His only complaint was that its introduction of the right of individual property was a break from Church tradition, and the enrollment of Locke in its defense a dangerous compromise with modern thought (Fortin, p. 200). But while Fortin is extremely effective in his account of the *RN*'s aberrations from Catholic tradition, what he can gather from *RN* as evidence of the clarifying and constructive suggestions by the renewed Thomism in face of the modern world amounts to a few laudable commonplaces. This is also the conclusion reached by Waterman in his search for the positive and normative content of *RN*. Waterman's main question is instead what prevented *RN* from being modern, and more generally, what kept the Church's Social Doctrine "insulated from modern economic thought for another century" (p. 21). He offers several conjectural answers of smaller and greater explanatory power. The most interesting is no doubt the circumstance that an organicist conception of human society is indeed a deep-seated feature of Catholic social outlook. This implies that society is necessarily hierarchical and with no inner capacity for self-coordination. In particular, the deployment of individual self-interest is potentially disruptive. Consideration of theories *A* and its corrected version, *B*, of section 5 shows that an organicist conception of society may reserve a role for self-interest and economic incentives. What needs to be explained is why this does not extend to a market society.

Waterman's paper is an essay in the history of ideas. What is exciting about Waterman's work is that he shows how the interplay of ideas explains actual historical developments. I have no basic disagreement with his essay. Sometimes his love of neat, tidy pictures goes too far. I hope I have illustrated in this paper that decayed ideas, i.e., ideologies and prejudices, play also a very important part in human and in Church affairs.

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