Varieties of Catholic Social Justice Initiatives Since Rerum Novarum and Their Implications for Contemporary Labor and Employment Policy

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INTRODUCTION

The Catholic Church has developed a large and impressive body of thought that allows it "to analyze social realities, to make judgments about them and to indicate directions to be taken for the just resolution of the problems involved."\(^1\) This system of philosophical and spiritual concepts is the "social doctrine" of the Church, "an integral part of the Christian conception of life,"\(^2\) placed at humanity's service to heal society's problems.\(^3\) At a time when the United States' social contract is under severe strain, Catholic social teaching has much to offer policymakers who seek effective and decisive reform. The keys to this reform

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\(^2\) POPE JOHN PAUL II, ENCYCICAL LETTER CENTESIMUS ANNUS ¶ 5 (1991) [hereinafter CENTESIMUS ANNUS]. An encyclical is a document promulgated by the Pope and addressed to the Catholic clergy, laity, and all people of good will, providing teaching and guidance on a particular area of doctrine or morality.

\(^3\) See generally POPE PAUL VI, APOSTOLIC LETTER OCTOGESIMA ADVENIENS ¶ 42 (1971) [hereinafter OCTOGESIMA ADVENIENS].
lie in unwavering respect for the human person, authentic cooperation and solidarity between labor and capital, and properly circumscribed government intervention.

This Article will (1) elucidates Catholic social doctrine on the subject of human labor; (2) details two historical models demonstrating real-world application of Catholic social doctrine to labor issues; and (3) analyzes the solutions Catholic social doctrine offers American labor policy today using contemporary German labor and corporate law as models because their emphasis on cooperative action between workers and employers inadvertently reflects Catholic social doctrine.

I. CATHOLIC SOCIAL DOCTRINE: RERUM NOVARUM AND BEYOND

Rerum Novarum was the first of the papal encyclicals on social justice. Issued by Pope Leo XIII on May 15, 1891, it addressed what Pope John Paul II called the “worker question”—the conflict between “capital and labour” in the modern industrial age. The year 2011 marks the 120th anniversary of this “immortal document.” What follows is a discussion of some of its major themes—especially as they apply to Catholic activism—and their connection to contemporary Catholic social thought.

A. Catholic Teaching: A System of Mutual Rights and Obligations

Pope Leo XIII was clear that while he pleaded on behalf of the working classes, he believed that both employers and workers had rights and corresponding duties. The worker must “fully and faithfully... perform the work which has been freely and equitably agreed upon,” abstain from violence toward the employer or his or her property, and “have nothing to do with

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4 See CENTESIMUS ANNUS, supra note 1 (emphasis omitted); POPE LEO XIII, ENCYCLICAL LETTER RERUM NOVARUM ¶ 60 (1891) [hereinafter RERUM NOVARUM] (emphasis omitted).

5 CENTESIMUS ANNUS, supra note 1, at ¶ 1 (internal quotation marks omitted) (quoting POPE PIUS XI, ENCYCLICAL LETTER QUADRAGESIMO ANNO ¶ 39 (1931) [hereinafter QUADRAGESIMO ANNO]).

6 See RERUM NOVARUM, supra note 4, at ¶¶ 2, 16.

7 Id. at ¶ 20.
men of evil principles, who work upon the people with artful promises of great results, and excite foolish hopes which usually end in useless regrets and grievous loss."

For their part, owners and employers must not "look upon their work people as their bondsmen, but... respect in every man his dignity as a person ennobled by Christian character." Managers may not misuse men as though they were things in the pursuit of gain, or to value them solely for their physical powers—that is truly shameful and inhuman. ... [T]he employer must never tax his work people beyond their strength, or employ them in work unsuited to their sex and age. His great and principal duty is to give every one what is just[, especially fair wages].

After an extensive discussion on the primacy of private property rights and the immorality and illogic of socialism, the letter asserts that the rights and duties of employers and employees must, to a certain degree, be enforced by the State. Pope Leo XIII explained that the essential purpose of government is the conservation and safety of society, and that “[w]henever the general interest or any particular class suffers, or is threatened with harm, which can in no other way be met or prevented, the public authority must step in to deal with it.” The rights of all must be protected by public authority, but workers “should be specially cared for and protected by the government.”

Pope Leo asserted that government should allow workingmen’s associations—“unions”—to exist, “either of workmen alone, or of workmen and employers together,” something he saw as “notably... needed” by society. In so doing, he began the continuing line of Church support for labor unionism. Indeed, the Catholic Church supports the right of workers to create and join trade unions as a fundamental tenet of
a just socio-economic order. Pope John Paul II, for example, wrote that unions can help create "an authentic culture of work [that allows] workers to share in a fully human way" in the workplace. Aside from this special cultural role, the Church understands that unions secure workers' rights, especially in regard to pay and working conditions. The Church has also recognized that strikes may be justified, but only in limited circumstances and only as a tactic of last resort, to accomplish certain economic goals—such as the improvement of egregious working conditions.

*Rerum Novarum* discusses other reforms necessary to rectify the injustices of industrial society in 1891, many of which are still needed in the world today—120 years later: women and children should be specially protected and prohibited from engaging in certain dangerous work, workers should be protected by maximum-hours regulation, and all workers should have Sundays for rest. Finally, wages must be sufficient "to support a frugal and well-behaved wage-earner," an ancient "dictate of natural justice."

**B. The Importance of Deeper Social Unity**

Furthermore, *Rerum Novarum* envisions the Church's indispensable role in this controversy: The Church ends conflicts, or renders them far less bitter, because She not only seeks just laws regulating industrial and labor relations, but She "aims higher still[:] She lays down precepts yet more perfect, and

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15 See, e.g., *MATER ET MAGISTRA*, supra note 2, ¶ 100 ("It is Our prerogative to be a Father, and there is a special place in Our thoughts and in Our heart for those professional groups and Christian associations of workers [who] . . . strive continually and effectually to promote . . . throughout the world the material and moral interests of the working people.").

16 *CENTESIMUS ANNUS*, supra note 1, ¶ 15.

17 See id.

18 The reason is that conflict is sometimes necessary to attain social justice. See *CATECHISM OF THE CATHOLIC CHURCH* ¶ 2435 (2d ed. 1997) ("Recourse to a strike is morally legitimate when it cannot be avoided, or at least when it is necessary to obtain a proportionate benefit. It becomes morally unacceptable when accompanied by violence, or when objectives are included that are not directly linked to working conditions or are contrary to the common good.").

19 *RERUM NOVARUM*, supra note 4, §§ 41–42.

20 *Id.* ¶ 45. Leo XIII also encouraged benevolent foundations and voluntary insurance organizations to protect the sick, the widowed, the orphaned, and the elderly without State intervention. *Id.* ¶ 48.

21 See *id.* ¶ 16.
tries to bind class to class in friendliness and good feeling." The encyclical’s message is that if society is suffused with Christian precepts, then “the respective classes will not only be united in the bonds of friendship, but also in those of brotherly love.”

In 1931, Pope Pius XI carried this sentiment forward when he wrote in the encyclical, *Quadragesimo Anno*, which means “In the Fortieth Year,” commemorating the 40th anniversary of *Rerum Novarum*:

> [J]ustice alone can, if faithfully observed, remove the causes of social conflict but can never bring about union of minds and hearts. Indeed all the institutions for the establishment of peace and the promotion of mutual help among men, however perfect these may seem, have the principal foundation of their stability in the mutual bond of minds and hearts whereby the members are united with one another. If this bond is lacking, the best of regulations come to naught . . . .

Pope Pius XI emphasized that only when a spirit of charity permeates the ethos of the social contract will society have peace. Pius XI’s motto, “Peace of Christ in the Kingdom of Christ,” captures this conviction. In contemporary parlance, the Church has referred to this ideal as the “civilization of love.”

Unity among and between classes, expressed in the concepts of solidarity and subsidiarity, played an especially important role in Pope John Paul II’s analysis of social questions.

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22 Id. ¶ 21.
23 Id. ¶ 25.
24 *QUADRAGESIMO ANNO*, supra note 5, ¶ 137 (emphasis added). Pope Paul VI echoed Pius XI’s message when he wrote, “If, beyond legal rules, there is really no deeper feeling of respect for and service to others, then even equality before the law can serve as an alibi for flagrant discrimination, continued exploitation and actual contempt.” *See OCTOGESIMA ADVENIENS*, supra note 3, ¶ 23. Pope John Paul II reaffirmed this notion, explaining, “[T]he first and most important task” in building the social order “is accomplished within man’s heart.” *CENTESIMUS ANNUS*, supra note 1, ¶ 51. Thus, there must be a deeper unity between groups; laws and agreements that paper-over deep-seated enmity will not suffice.
25 See *QUADRAGESIMO ANNO*, supra note 5, ¶ 137.
26 Id. ¶ 138 (internal quotation marks omitted).
28 See, e.g., *CENTESIMUS ANNUS*, supra note 1, ¶ 48 (“[D]efects in the . . . State are the result of an inadequate understanding of the tasks proper to [it]. Here again
Centesimus Annus, he wrote that solidarity is one of the "fundamental principles" of the Christian view of social organization, in which the weaker members of society receive a greater degree of support from others and the government. A concomitant duty of states and societies is subsidiarity, the concept that any particular level of government should not perform functions that can be better performed at a lower level, in order to prevent an excessive centralization of power in the state and to maintain the economic freedom necessary to create a prosperous economy.

The principle of subsidiarity must be respected: a community of a higher order should not interfere in the internal life of a community of a lower order, . . . [but] should support it in case of need and help to coordinate its activity with the activities of the rest of society . . . [for] the common good.”; Pope John Paul II, Encyclical Letter Sollicitudo Rei Socialis § 9 (1987) (“[P]olitical leaders, and citizens of rich countries . . . have the moral obligation [to consider,] in personal decisions and . . . government [decisions], . . . this interdependence which exists between their conduct and the poverty and underdevelopment of so many millions of people . . . [This] moral obligation [is] the duty of solidarity . . . ”) (internal quotation marks omitted); Pope John Paul II, Encyclical Letter Laborem Exercens § 8 (1981) [hereinafter Laborem Exercens] (“The call to solidarity and common action addressed to the workers . . . [is] the reaction against the degradation of man as the subject of work, and against the unheard-of accompanying exploitation in . . . wages, working conditions and social security for the worker.”).

29 See Centesimus Annus, supra note 1, ¶ 10 (“[T]he more that individuals are defenceless within a given society, the more they require [others'] care . . . and in particular the intervention of government[.] authority[,] . . . what we . . . call the principle of solidity . . . ”).

30 See id. ¶ 15 (“The State must contribute . . . according to the principle of subsidiarity, by creating favourable conditions for the free exercise of economic activity, which will lead to abundant opportunities for employment and . . . wealth[,] . . . and according to the principle of solidarity, by defending the weakest, by placing . . . limits on the autonomy of the parties who determine working conditions, and by ensuring . . . the necessary minimum support for the unemployed worker.”); see also Quadragesimo Anno, supra note 5, ¶ 80 (“[T]he State ought . . . to let subordinate groups handle matters and concerns of lesser importance . . . [that] it alone can do[.] . . . directing, watching, urging, restraining, as occasion requires and necessity demands.”). Pope Leo XIII implicitly supported this idea, writing in regards to just wages, “[T]o avoid undue interference on the part of the State, especially as circumstances, times, and localities differ so widely, it is advisable that recourse be had to societies or boards . . . or to some other mode of safeguarding the interests of the wage-earners; the State being appealed to, should circumstances require, for its sanction and protection.” Rerum Novarum, supra note 4, ¶ 45.
C. Public Policy and Human Work

Catholicism views ideal public policy not as detached, technocratic manipulation, but as the means of protecting the dignity of every individual in society. As stated in the documents of Vatican II: "[T]he beginning, the subject and the goal of all social institutions is and must be the human person . . . ."31 The popes of the modern age have taught that social justice efforts, in addition to repairing laws and institutions, must in some way go to each human heart, teaching every individual, on both sides, moderation and charity.32 As Pope Paul VI wrote in his 1971 Apostolic Letter, Octogesima Adveniens, which means "Eightieth Anniversary," commemorating the eightieth anniversary of Rerum Novarum, only through a “transcendent love for man” and a “genuine readiness to serve” will men and women find that interior freedom that is the basis of true liberation.33 Otherwise, they will only exchange one master for another.34

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31 PAUL VI, PASTORAL CONSTITUTION GAUDIUM ET SPES ¶ 25 (1965) [hereinafter GAUDIUM ET SPES].
32 See RERUM NOVARUM, supra note 4, ¶ 55; see also OCTOGESIMA ADVENIENS, supra note 3, ¶ 41 ("The quality and the truth of human relations, the degree of participation and of responsibility, are no less significant and important for the future of society than the quantity and variety of the goods produced and consumed. . . . Is not genuine progress to be found in the development of moral consciousness, which will lead man to exercise a wider solidarity and to open himself freely to others and to God?").
33 OCTOGESIMA ADVENIENS, supra note 3, ¶ 45.
34 See id. ¶ 1, 45 ("Otherwise . . . the most revolutionary ideologies lead only to a change of masters; once installed in power . . . these new masters surround themselves with privileges, limit freedom and allow other forms of injustice to become established."). Rerum Novarum states, similarly: “The great mistake” in social studies is to believe that “class is naturally hostile to class, and that the wealthy and the working men are intended by nature to live in mutual conflict.” RERUM NOVARUM, supra note 4, ¶ 19. The Catechism explains, “Economic life brings into play different interests, often opposed to one another. This explains why the conflicts that characterize it arise. Efforts should be made to reduce these conflicts by negotiation that respects the rights and duties of each social partner: those responsible for business enterprises, representatives of wage-earners (for example, trade unions), and public authorities when appropriate.” CATECHISM OF THE CATHOLIC CHURCH, supra note 18, ¶ 2430 (second emphasis added).
Work is the vocation of humanity. The Catholic Church teaches that God gave human beings the world to “make it fruitful and more perfect through their work.” The Catechism of the Catholic Church explains the purpose of the economic order in which human work occurs: “Economic life is not meant solely to multiply goods produced and increase profit or power; it is ordered first of all to the service of persons, of the whole man, and of the entire human community.” That is, work and the economy are for humanity; humanity is not for the economy and work: “Everyone should be able to draw from work the means of providing for his life and that of his family, and of serving the human community.” In sum, Catholic social teaching reminds the men and women working for social justice that the only real, lasting solutions to labor problems will come from this comprehensive and true vision of the human person and his work.

II. CATHOLIC SOCIAL JUSTICE APPLIED: TWO HISTORICAL MODELS

As far as the Church is concerned, the social message of the Gospel must not be considered a theory, but above all else a basis and a motivation for action.

The Church establishes moral boundaries within which any society, to be truly just, can operate, but it does not prescribe specific measures for specific nations or places. As Pope Paul VI wrote in Octogesima Adveniens, “In the face of such widely
varying situations [around the world] it is difficult for us to utter a unified message and to put forward a solution which has universal validity."⁴²

In that respect, there is no uniform "Catholic economic program," or "Catholic solution," to social justice problems besetting nations, regions, and communities. According to St. Josemaría Escrivá, the founder of Opus Dei, as an apostolate that is committed to helping men and women sanctify their daily, ordinary work, Catholic laymen cannot offer their proposals as the "Catholic solutions" to the problems society faces⁴³; instead, he exhorted Catholics to "be Christian enough to respect those brothers in the faith who, in matters of free discussion, propose solutions which differ from [theirs, while also being] Catholic enough not to make a tool of our Mother the Church, [by] involving her in human factions."⁴⁴

Thus, there is no uniform "Catholic solution" to social justice problems; instead, Catholic initiatives take shape on the local level, and local circumstances determine their contours. The following French-Catholic social justice initiatives demonstrate how Catholics have effectively adapted the Church's social doctrine, depending on the situation at hand, to problems of social justice. The first, the Post-War Worker-Priest movement, demonstrates implementation of Catholic social teaching from the bottom-up. The second, the labor-capital cooperativism of late nineteenth- and early twentieth-century Northern France, demonstrates a top-down model. While both models diverge in their approach, they demonstrate that practical application of Catholic social teaching can beneficially affect workers' lives and remedy injustice.

⁴² OCTOGESIMA ADVENIENS, supra note 3, ¶ 4; see also CENTESIMUS ANNUS, supra note 1, ¶¶ 42–43 (contrasting Communism's failures and the menace of unfettered capitalism, stating that the Church's role is not to offer economic models but to teach the moral ends to which any model must be oriented).

⁴³ See ST. JOSEMARÍA ESCRIVÁ, Passionately Loving the World, Homily Given at a Mass on the Campus of the University of Navarre, Spain (Oct. 8, 1967), in CONVERSATIONS WITH SAINT JOSEMARÍA ESCRIVÁ 175 (2007).

⁴⁴ Id.
A. The Worker-Priest Movement

The worker-priests are Catholic priests in France and Belgium who since 1943 have toiled as ordinary industrial workers in their ministry to the working classes. Relieved of parochial duties, they have labored in factories, mines, and workshops—living on their wages—to express radical solidarity with workers and experience the sufferings of the working classes. By doing so, they have sought to reconcile workers and the Church by evangelizing the workplace, helping the workers encounter God in their work.

The Worker-Priest Movement began in 1943 when it was founded by Fathers Henri Godin and Yvan Daniel, who wrote to the Cardinal Archbishop of Paris telling him that the French working classes had been almost completely de-Christianized, and as a result, certain parts of France could be classified as "mission country." Yet, by that time, French priests had already begun to interact with working people outside of ordinary parish life: In World War I many priests were stretcher-bearers, and during World War II many participated in the resistance movements. Thus, the French held Catholic priests in high regard by the end of the Second World War; and so priests were well positioned to start such an ambitious new project.

The worker-priest’s stated mission was to be “a worker among workers, as Christ was a man among men”; his relationship to the workers was one “of linking one’s destiny to their destiny, one’s life to their life, of being the one among them whose hopes go further than their hopes.” To accomplish this mission, the worker-priests “entered wholly into the lives of

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48 Cronin & Flannery, supra note 45; see also Worker-Priests, supra note 47, at 6.
49 See Cronin & Flannery, supra note 45.
50 Worker-Priests, supra note 47, at 9 (internal quotation marks omitted).
the workers."51 They became workers, indistinguishable in appearance, job duties, and status, to the point of living among them in the slums.52

The movement also had its own "martyrs": victims of layoffs, firings, industrial accidents, bad health, and strikes.53 For example, one of the priests, Father Michel Favreau, a dock worker in Bordeaux, was killed when a crane fell on him.54 Some priests were discharged by their employers for being priests, and others were discharged for supporting unions.55 They toiled with the workers, went on strike with the workers, and protested with the workers.56 The worker-priests took part in the general economic strikes of 1947,57 and one was elected secretary of the metal workers' union of Paris.58 This form of radical solidarity brought many French workers back to active practice of the Catholicism.59 Others did not return to Catholic worship, but

51 CRONIN & FLANNERY, supra note 45, at 138. One worker-priest, moved by the solidarity and camaraderie of his co-workers, said, "For me the factory was a meeting place with God. I truly found God's presence in the reactions and attitudes of my comrades." Oscar Cole-Arnal, The Témoignage of the Worker Priests. Contextual Layers of the Pioneer Epoch (1941–1955), in LEFT CATHOLICISM, 1943–1955: CATHOLICS AND SOCIETY IN WESTERN EUROPE AT THE POINT OF LIBERATION 118, 129 (Gerd-Rainer Horn & Emmanuel Gerard eds., 2001). This remark echoed an insight of St. Josemaría Escrivá, who said that God "waits for us everyday, in the laboratory, in the operating theatre, in the army barracks, in the university chair, in the factory, in the workshop, in the fields, in the home and in all the immense panorama of work." ESCRIVÁ, supra note 43.

52 See ARNAL, supra note 46, at 96–99.

53 See id. at 70. Almost all of the worker-priests found their work "brutal, unjust and alienating." Id. at 81. One worker-priest summarized his experience and spoke for many of his priestly colleagues when he wrote:

We had experienced the factory atmosphere, the continual persecution, the lack of liberty, initiative and confidence, the scornful and condescending smiles of the foremen, the hush-money of the management, the penalties, the arbitrary firings, the lay-offs[,] ... the cadence, the incessant march against the clock, the physical and nerve-wracking exhaustion, the nightmares while sleeping and the habitual deception on payday of ridiculously low wages.

Id. (quoting Henri Barreau's private papers).

54 See id. at 139.

55 See CRONIN & FLANNERY, supra note 45, at 138.

56 See ARNAL, supra note 46, at 86–89.

57 See CRONIN & FLANNERY, supra note 45, at 138.

58 See ARNAL, supra note 46, at 87 ("This move was so unprecedented that it caused ripples in both the union and ecclesiastical establishments.").

59 See CRONIN & FLANNERY, supra note 45, at 139–40.
grew in their respect for the Church and its clergy.\textsuperscript{60} Many workers confided in these clergymen who lived among them.\textsuperscript{61} The destitute in the working-class neighborhoods would often come to the priests and tell them about their low wages, brutal working conditions, and exploitation at the hands of their employers and landlords, which the priests often experienced themselves.\textsuperscript{62}

By the 1950s, however, the Worker-Priest Movement began to dissipate: "By 1953, it was obvious that something had gone wrong: of almost 150 worker-priests, some 20 had married and left the church while others had joined Communist unions or Redline causes."\textsuperscript{63} Many of the priests joined the Communist-dominated trade union, the Confederation General du Travail, rather than the Christian Confederation Francaise des Travailleurs Chretiens, because the former was much larger, more influential, and had greater support and popularity among workers.\textsuperscript{64}

As a result, in 1954, the Church imposed new rules on the worker-priests, including forbidding them from working more than three hours per day, restricting their membership and participation in any organization, and requiring them to play a role in the parish church.\textsuperscript{65} Seventy-three worker-priests

\textsuperscript{60} See ARNAL, supra note 46, at 100-01. Father Jacques Loew, one of the leaders of the movement, persisted in reaching out to the workers until they "came to accept him as one of them." Id. at 100. Similarly, another worker-priest, Robert Pfaff, who lived among many communists, received similar rewards for his persistent gestures of friendship toward his—often anticlerical—neighbors, conquering their initial hostility toward him and the Church he represented: "He would chat with them on the streets and drink with them in the cafés. His hard won acceptance was symbolized by the anticlerical woman who shouted to him one day 'Come on in; have a cup of coffee with us; it's a long time since you passed by.' " Id. at 101.

\textsuperscript{61} See id. at 34–36.

\textsuperscript{62} See id. Not only did the working classes change their views of the Church through their contact with the worker-priests, but they altered the worker-priests' view of society, because the priests "had entered into and been caught up by the relentless cycle of [working class] life with all its injustices. So profoundly did this affect them that they experienced a powerful conversion which led them from a distant sympathy to the active life of labor militancy." Id. at 84–85. "Their lives were altered at their very essence." Id. at 111.

\textsuperscript{63} Religion: End of the Worker-Priests, TIME (Sept. 28, 1959), http://www.time.com/time/magazine/article/0,9171,811293,00.html.

\textsuperscript{64} See ARNAL, supra note 46, at 85.

\textsuperscript{65} See CRONIN & FLANNERY, supra note 45, at 140.
refused to obey these directives at first, and they asked how priests could be forbidden to share the condition of oppressed humanity.66

Although the original Worker-Priest Movement died down after 1954, it was revived in 1965.67 Pope Paul VI praised it in 1971 when he wrote, “Is it not in order to be faithful to this desire [to serve] that the Church has sent on an apostolic mission among the workers priests who, by sharing fully the condition of the worker, are at that level the witnesses to the Church’s solicitude and seeking?”68

B. French Initiatives in the Decades Before the Great War

Northern France had a thriving textile industry in the late nineteenth and early twentieth century that implemented the core principles of Catholic social doctrine.69 There were many small factories spread across the North that relied on cooperative relations between industry and labor.70 This was a decentralized corporatism, based in the region rather than the central government, and it proved effective in improving labor relations.71 For this reason, the system deserves to be part of the Catholic social justice imagination: Although it was another French-Catholic social justice initiative, it differed from the Worker-Priest Movement because it sought reform from the top-down, rather than the bottom-up, by focusing on owners’ attitudes and methods of operation rather than on workers’ solidarity.72

66 Id.
67 See id.
68 OCTOGESIMA ADVENIENS, supra note 3, ¶ 48. The Second Vatican Council also endorsed the Worker-Priests’ ministry in its document on the priestly vocation. See PAUL VI, DECREE PRESBYTERORUM ORDINIS ¶ 8 (1965) (“Priests . . . are united among themselves in an intimate sacramental brotherhood. . . . [W]hether they devote their efforts to scientific research or teaching, or whether by manual labor they share in the lot of the workers themselves . . . .”).
70 See MALLERAIS, supra note 69.
71 See id.
72 See ARNAL, supra note 46, at 16; MALLERAIS, supra note 69, at 27–28.
When the textile factories first opened in the mid-nineteenth century, the owners and their families frequently lived on the premises of the plant. Many owners would get to work before their workers, have a short break at lunch time with their wife [sic], and then come back to work until nine or ten at night. The classical liberalism of the nineteenth century taught that a just wage should be determined solely by market forces; yet the factory owners in the North developed charitable institutions for their workers outside the dictates of the market, such as insurance and free housing.

Eventually, the factory owners went further than private charitable initiatives. In 1884, thirty-six factory owners established the Catholic Association of Northern Factory Owners, which created unions—also called “corporations”—that both workers and owners joined. This brought both sides together “through their business interests and professions, rather than dividing them on the grounds of class.” They did so inspired by Papal teaching and the theories and efforts of Marquis Rene de La Tour du Pin and Count Albert de Mun, French aristocrats inspired to win the French working classes back to Catholicism after their experiences in the Franco-Prussian War from 1870 until 1871. To this end, they formed L’Oeuvre des Cercles Catholiques d’Ouvriers, small groups of workers and employers who would meet for “study, spiritual development and conflict resolution.” These “circles” were inspired by the “love of the smallest”—the proletariat—and strove to foster in employers and employees a paternal, charitable, and cooperative spirit. They strove to create work organizations “whose Christian principle of owner duties toward the worker would be its foundation.”

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73 See MALLERAIS, supra note 69, at 9.
74 Id.
75 See id. at 10.
76 Id.
77 Id.
78 See ARNAL, supra note 46, at 16. Even before the issuance of Rerum Novarum, du Pin had argued that workers were entitled to a wage sufficient to support themselves and their families in comfort. See MALLERAIS, supra note 69.
79 ARNAL, supra note 46, at 16.
80 See id. (internal quotation marks omitted).
81 Id. (internal quotation marks omitted).
In 1888, the Catholic Association of Northern Factory Owners also founded Our Lady’s Factory Confraternities, which the workers also joined. These confraternities allowed the workers to spread the faith among their peers—for example, they led their “own ceremonies and public processions.” This dual system went a long way in reducing tensions and promoting harmony between the classes in that region, before and in the years following the publication of *Rerum Novarum*. 

III. IMPLICATIONS FOR CONTEMPORARY U.S. LABOR AND EMPLOYMENT POLICY

Having reviewed Catholic doctrine and several Catholic social justice initiatives, the following question must be asked: What are the implications of these activities and theories for contemporary public policy in a religiously pluralistic, industrial democracy in the modern world? Based on the preceding discussion in Parts I and II, and considering the problems that currently beset the American working and middle classes, the labor and employment policy of the United States should marshal the staunchest solidarity and support for labor in the spirit of the Worker-Priest Movement, but do so within a cooperative system that allies labor and capital in the manner of the Catholic Association of Northern Factory Owners. Such innovation would be a challenge, but it is not an impossible task.

A. The Catholic Blueprint for Social Reform

In *Gaudium et Spes*—the final document of the Second Vatican Council—the Council Fathers wrote, “We can justly consider that the future of humanity lies in the hands of those who are strong enough to provide coming generations with reasons for living and hoping.” What shall be the source of this strength? In this epoch, which is scarred by war, ravaged by economic decline, and afflicted with fear, humanity thirsts for the healing bonds of unity. This impulse, for example, mirrors

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82 Mallerais, supra note 69.
83 Id.
84 See id. at 10–11. This system is an example of what Pope Pius XI endorsed in *Quadragesimo Anno* in 1931. See, e.g., *Quadragesimo Anno*, supra note 5, ¶ 35.
85 *Gaudium et Spes*, supra note 31, ¶ 31.
the ecumenical movement between contemporary Christian communities.\textsuperscript{87} The same yearning affects our political and economic lives and should be channeled toward the reformation of the American social contract.

Furthermore, although there is no precise “Catholic solution” to the social question, there are certain lessons that can be discerned from Catholic doctrine and from the social work of Catholics. The most important lesson is that we must come together in solidarity and brotherhood in order to survive and truly prosper as a nation. The corpus of Catholic activism instructs and inspires Catholics and all people of good will to create new structures and new institutions that start from the belief that our similarities outweigh our differences, and that the interests of management and labor are not inherently locked in conflict.\textsuperscript{88} A new order of political economy should be established—one that places workers’ rights within a different structure, whose chief aim is promoting unity and cooperation with management. As Pope Leo XIII affirmed in \textit{Rerum Novarum}, and Pope John Paul II reaffirmed 100 years later, the “grave problems caused by industrial society” can be solved “only by cooperation between all forces.”\textsuperscript{89}

To effectuate such cooperation, America can look to modern-day Germany for solutions. Even if Germany’s economic model is not explicitly patterned after Catholic social teaching, its “social market” system and its co-determination principles codify a balance between labor and management that mimics Catholic social doctrine. Germany’s model, as a paradigm of applied Catholic social teaching, offers indispensable guideposts for reorganizing American labor relations and political economy toward objectives that are rooted in greater stability, wisdom, and, ultimately, a deeper sense of service to society.

\textsuperscript{87} See id. at 4–6; see also \textit{VATICAN COUNCIL II, DECREE ON ECUMENISM UNITATIS REDINTEGRATIO} ¶ 1 (1964).

\textsuperscript{88} See \textit{OCTOGESIMA ADVENIENS}, supra note 3, ¶ 23; \textit{QUADRAGESIMO ANNO}, supra note 5, at ¶ 137.

\textsuperscript{89} See \textit{CENTESIMUS ANNUS}, supra note 1, ¶ 60; see also \textit{RERUM NOVARUM}, supra note 4, ¶¶ 62–63.
B. The German “Social Market” Model

Germany has a “social market economy” that balances the goals of workers and capitalists through “substantial legislative controls over employment relations.” The essence of this model, according to economist Will Hutton, is “the decentralized state, consensual labor relations, and the stakeholder company that overtly sets out to establish itself as a freestanding, associative organization rather than the creature of its shareholders.”

As part of this social market system, German workers enjoy a “dual system” of protection. Unions represent workers in highly centralized negotiations with employers’ associations, rather than individual companies, through works councils and under the co-determination system. This “dual system of worker governance is given much credit for channeling and resolving conflict, thus contributing to the stability of the German economy.”

Hutton explains:

Despite globalization, the fulcrum of German industrial relations and wage setting remains the agreements and deals reached between industry-wide trade associations and industry-wide unions—more than two-thirds of wage agreements formally or informally are set by collective wage agreements in this way—but the unions behave as responsible business partners because as stakeholders they are integral members of the organization.

The works councils are the intermediary through which management and labor settle conflicts. They have a right to participate in corporate decision making, an entitlement consistent with the Church’s exhortation that workers should have “broader areas of participation in the life of industrial enterprises” so that they “can[,] in a certain sense[,] ‘work for themselves.’” Works councils also have considerable control over staffing decisions, a power used to minimize layoffs through

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90 See JAMES P. BEGIN, DYNAMIC HUMAN RESOURCE SYSTEMS: CROSS-NATIONAL COMPARISONS 156 (1997).
92 See id.
93 BEGIN, supra note 90, at 175 (emphasis added).
94 HUTTON, supra note 91, at 241 (footnote omitted).
95 See BEGIN, supra note 90, at 175.
96 See CENTESIMUS ANNUS, supra note 1, at ¶ 43 (citing LABOREM EXERCENS, supra note 28, ¶ 15).
collaboration with firms to explore every possible alternative to that resort.\textsuperscript{97} Still, works councils are prohibited from engaging in strikes.\textsuperscript{98} And, unions' status as stakeholders ensures that they have a material interest in pursuing the solutions most conducive to the company's long-term financial health. Therefore, this balancing arrangement provides workers with a forum to realize just conditions, yet greatly limits the risk of serious industrial disruption, all while helping each side achieve mutually beneficial solutions to its problems.

Indeed, "there are few advanced societies, perhaps only Japan and Sweden, in which the needs of working people are more integrated into societal and organizational decision making," than Germany.\textsuperscript{99} Yet such integration, while inuring to the benefit of working people, still redounds to the benefit of the German economy and industry, challenging the notion that labor and capital are inherently antagonistic.\textsuperscript{100}

C. German "Co-Determination"

German corporate law includes another important social justice principle, that of co-determinative employment: "The system of corporate governance provides for representatives of the shareholding groups to join representatives of the workforce and unions on supervisory boards that set the overall strategic direction of the company."\textsuperscript{101} Under Germany's co-determination system, corporate boards of directors have an equal number of representatives from management and labor; in fact, "Germany is the only country that has employee membership on a supervisory board as a dominant model."\textsuperscript{102} Recently, this co-determination system has contributed to Germans' firms' persistent employment of high-cost German workers "rather than

\textsuperscript{97} See BEGIN, supra note 90, at 171.
\textsuperscript{98} See id. at 175.
\textsuperscript{99} See id. at 192.
\textsuperscript{100} This is evident in Germany's response to the threat of industrial outsourcing: "Where the most sophisticated production technologies are concerned, workers have a strong interest in preventing technology transfers abroad, which are rightly seen as undermining the viability of jobs at home. In opposing such transfers, workers are acting precisely in the national interest." Eamonn Fingleton, \textit{Germany: The Big Engine that Could}, SANDCASTLE EMPIRE (Mar. 8, 2010), http://www.fingleton.net/?p=223.
\textsuperscript{101} See HUTTON, supra note 91.
\textsuperscript{102} See BEGIN, supra note 90, at 158.
turning to lower paid foreign workers as many of their U.S. counterparts do.103 As economic journalist Eamonn Fingleton has explained, the co-determination system promotes collaboration, and with it, national prosperity:

Although in theory workers might be tempted to use their boardroom power to award themselves unrealistically large wage hikes, in practice this rarely happens. Instead, workers take a moderate approach in the interests of their employer's long-term health. The result is that German corporate executives generally regard co-determination as an aid and not a hindrance as it helps ensure worker flexibility when work procedures need to be changed or tasks reassigned.104

The value of such cooperation and coordination between industry, labor, and government, becomes especially stark when one considers the ongoing woes of the American "Rust Belt," a region pocked with dying factory towns that have lost their industrials plants and, with them, their prosperity, jobs, vitality, and hope.105

According to conventional, Anglo-American economic theory, Germany's system is replete with disincentives and impediments to efficiency, and thus should be performing far worse than America's.106 But the deeper wisdom lies in the German system, which unwittingly comes closer to Catholic social doctrine and has served Germany well during the deep economic depression


104 Fingleton, supra note 100.

105 See, e.g., Alex Kotlowitz, All Boarded Up, N.Y. TIMES MAG., Mar. 4, 2009, available at http://www.nytimes.com/2009/03/08/magazine/08Foreclosure-t.html ("Ravaged by the closing of American steel mills, Cleveland has long been in decline. With fewer manufacturing jobs to attract workers, it has lost half its population since 1960."). Union-side labor lawyer Thomas Kennedy has said that nowhere has he seen the economic devastation that he witnessed in the Detroit area, where he observed endless "mile on mile" of abandoned, rotting industrial property. Thomas Kennedy, Esq., A Labor Union-Side Lawyer Looks at Executive Retention Bonuses in Bankruptcy, Address at the St. John's University School of Law Labor and Employment Law Society Spring Speaker Series (Apr. 2, 2008).

106 For example, as a result of the many governmental protections afforded workers, Germany—along with Sweden—has the highest hourly labor costs in the world: In a 1991 study by the U.S. Department of Labor, Germany and Sweden's hourly labor costs "had an index of 143 on a scale in which the U.S.A was 100." BEGIN, supra note 90, at 185 (citation omitted).
that began in 2008 and still wreaks havoc across the globe.\textsuperscript{107} As Gene Orza, Chief Operating Officer of the Major League Baseball Players Association, recently observed,

\begin{quote}
In the aftermath of the 2008 global economic crisis, the first thing the Germans did was to meet with the unions and develop a global compact for their economy, and the German recovery from the economic crisis of 2008 is the envy of not only Europe, but [President Obama's] [A]dministration too. [P]artnership with labor[ ] has always proven, historically, to be good for [a] country. In fact, it won World War II.\textsuperscript{108}
\end{quote}

Creating this type of "partnership society" in the United States will be one of the most important social justice initiatives of our time.\textsuperscript{109}

\begin{footnotesize}
\begin{itemize}
\item[\textsuperscript{109}] Msgr. George Higgins, one of the most prominent American "labor priests" of the 20th century, encouraged such collaboration: "[S]ecure and stable unions are [the] indispensable prerequisites of a sound social order.... Social justice demands... that the two groups forget their petty differences and jointly try to figure out how they can best serve the welfare, not only of their own members and stockholders, but of all their fellow citizens." \textit{See} CRONIN & FLANNERY, \textit{supra} note 45, at 157.
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D. The Rhineland Model and American Labor Relations

From the Catholic social perspective, the American government has an obligation to establish a “juridical framework within which economic affairs are to be conducted,” one that neither impedes promotion of the public welfare through totalitarian domination of the economy nor relinquishes control of economic life to the excesses of unfettered capitalism.\(^{110}\) It can accomplish this objective by creating institutions based on collaboration and partnership, so that its citizens can move closer to creating the “civilization of love” for which Popes Paul VI and John Paul II called.\(^{111}\) This goal can be achieved by reforming labor relations, corporate governance, and, indeed, the American political economy itself.

Examination of the Supreme Court’s recent decision in Wal-Mart Stores, Inc. v. Dukes provides an example of the utility that could be provided by a German-style labor model.\(^{112}\) There, current and former female employees of Wal-Mart attempted to certify a class of 1.5 million employees in a sex-discrimination lawsuit.\(^{113}\) The Court held that the class could not be certified under the Federal Rules of Civil Procedure because—among other reasons—it lacked a common question of law or fact.\(^{114}\)

But, had a model like Germany’s been available to the aggrieved employees, a union that represented retail workers—or another large segment of service workers that included Wal-Mart employees—would bargain with an association of retail stores to establish terms and conditions for the entire industry. The union would not even have to negotiate with individual chains. This structure would allow both management and labor to focus on implementing equitable conditions at the workplace, either in advance or after the fact. And the result, ultimately, would be an increase in efficiency and productivity because the parties would likely evade the wasteful, ever-accumulating transaction costs of union organizing campaigns and tort-based class-action lawsuits. And were systematic discrimination still an issue for Wal-Mart employees, labor associations’ already established ties with

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\(^{110}\) See CENTESIMUS ANNUS, supra note 1, ¶ 15.

\(^{111}\) See id. ¶ 10 (internal quotation marks omitted); see also Pope Paul VI, Regina Coeli, supra note 27.

\(^{112}\) 131 S. Ct. 2541 (2011).

\(^{113}\) See id. at 2547.

\(^{114}\) See id. at 2556–57.
management, buttressed by legal and administrative backing, would likely resolve the dispute more efficiently than a massive, risky class-action.\footnote{Alongside changing attitudes toward labor relations, we should also restore the preeminent role of administrative law and institutions. As the labor lawyer Thomas Geoghegan has argued, public institutions have been hollowed out over the last forty years, and the trend away from administrative and contract law and toward tort law has transformed America into a "lawsuit nation." See Thomas Geoghegan, \textit{See You in Court: How the Right Made America a Lawsuit Nation} 187 (2007) ("Too many people end up in court when ... deregulation occurs and ... government is less able to execute the laws. ... And ... [that is] costly and ineffective. ... Usually it doesn't work. There's not even a final judgment, and people end up feeling as hunted as Bill Clinton when he was living on the run and being pursued by Ken Starr.")}

\section*{Conclusion}

The Jesuit scientist, Pierre Teilhard de Chardin, explained that all humanity is being pulled toward God as part of His saving plan; Chardin summarized this notion when he wrote, "Everything that rises must converge."\footnote{See Raymond A. Schroth, S.J., \textit{Dante to Dead Man Walking: One Reader's Journey Through the Christian Classics} 184 (2001).} And all honest human work is part of that process.\footnote{See, \textit{e.g.}, \textit{Laborem Exercens}, supra note 28, ¶ 27.} Progressive reform that promotes unity and creates a "partnership society" will draw us toward this convergence and, in doing so, alleviate the tensions, discord, and strife that now rend the American social fabric.

Ours is a time of conflict, seemingly unending upheaval, bewilderment, and chaos on a \textit{worldwide} scale that oppresses the heart of man. But we must be strong enough to face and solve the challenges of our time, so that we may provide our generation and the generations to come with reasons for living and for hoping. Catholic social doctrine, and the movements that have applied it to the problems of recent times and places, provide us with wisdom and inspiration to respond to the great tasks that lie before us.