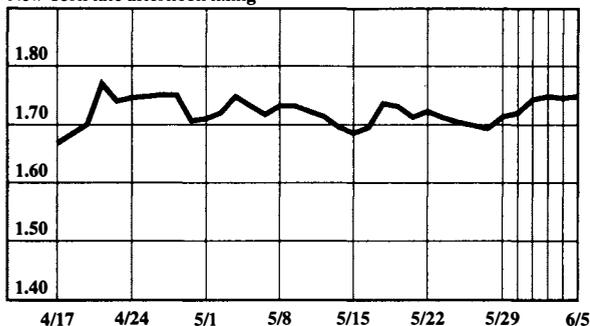


Currency Rates

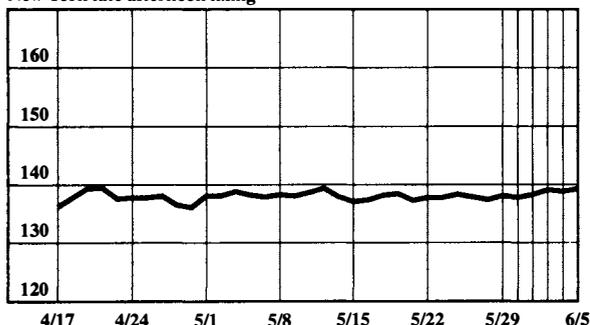
The dollar in deutschemarks

New York late afternoon fixing



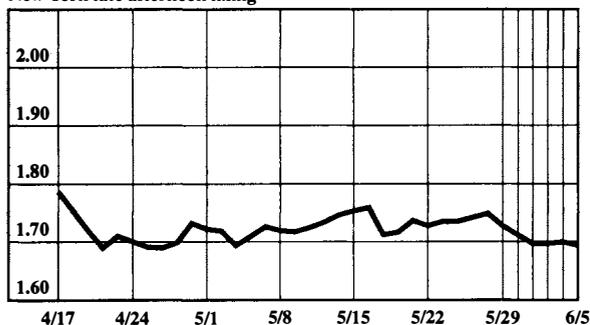
The dollar in yen

New York late afternoon fixing



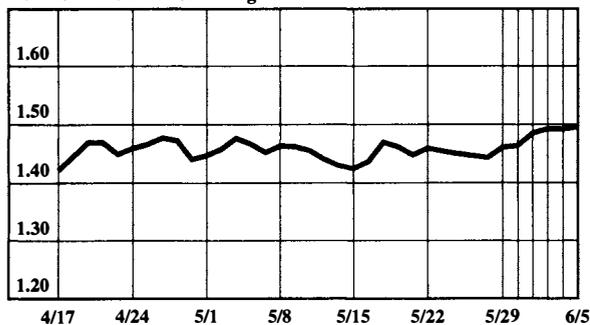
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The campaign against 'Centesimus Annus'

by Nancy Spannaus

A veritable torrent of disinformation has washed over the American media since the release of the encyclical *Centesimus Annus* on May 2, 1991. It seems that the self-appointed experts and commentators are confident that Americans will never get around to reading the lengthy document, and that they can therefore distort its content as much as they like.

Most shocking has been the series of columns by Catholics associated with what is called the neo-conservative movement in the United States. While their cohorts in London and Switzerland had issued dire warnings about the "socialist" leanings of Pope John Paul II, these fellows reversed course, and lavished inordinate praise on the Pontiff for allegedly "repudiating" the social teachings of the Church as they were defined by the 1891 encyclical *Rerum Novarum*.

Of course, Pope John Paul II did no such thing. His encyclical firmly endorses *Rerum Novarum's* outlook on the state's responsibility for ensuring the dignity of human work, and underlines the fact that "many people, perhaps the majority today, do not have the means which would enable them to take their place in an effective and humanly dignified way within a productive system in which work is truly central."

The role of capitalism

It is the argument of neo-conservatives like Michael Novak of the American Enterprise Institute, Llewellyn Rockwell of the Ludwig von Mises Institute, and Richard Neuhaus of the magazine *First Things*, that *Centesimus Annus* wholeheartedly endorses the free market and capitalism. They have to know they are lying.

Take the most obvious example. Llewellyn Rockwell, in his May 3 column in the *Washington Times*, writes as follows:

"Man does not live by bread alone, but in the realm of economics, 'the free market is the most efficient instrument for utilizing resources and effectively responding to needs.' (His [the Pope's] emphasis)," Rockwell attributes to the Pope.

Now look at the original text, which, as provided by the Catholic News Service's *Origins*, does not include any special emphasis in this passage:

"34. It would appear that on the level of individual nations

and of international relations the free market is the most efficient instrument for utilizing resources and effectively responding to needs. But this is true only for those needs which are 'solvent' insofar as they are endowed with purchasing power and for those resources which are 'marketable' insofar as they are capable of obtaining a satisfactory price."

What a fraud Rockwell has perpetrated!

Indeed, the Pope has taken every effort to prevent precisely the conclusion that our free marketeers want to draw. In section 35, he writes the following:

"We have seen that it is unacceptable to say that the defeat of so-called 'real socialism' leaves capitalism as the only model of economic organization. It is necessary to break down the barriers and monopolies which leave so many countries on the margins of development and to provide all individuals and nations with the basic conditions which will enable them to share in development. This goal calls for programmed and responsible efforts on the part of the entire international community."

The socialist countries

It is Michael Novak who attempts to draw the most direct conclusion from this misrepresentation of the Pope's encyclical, by saying that he endorses the "market economy" for his native Poland and other East bloc nations. Novak goes so far as to praise the Pope for "nuancing" his message, but basically reversing previous critiques of capitalism by the Church.

Yet, *Centesimus Annus* specifically seeks to avoid this conclusion. In section 19, the Pope praises countries which try to rebuild "a democratic society inspired by social justice," but "at the same time, [these attempts] try to avoid making market mechanisms the only point of reference for social life, and they tend to subject them to public control, which upholds the principles of the common destination of material goods."

Most important as an omission, however, is the failure of Novak and the other major columnists to note the central parameter for economy which the encyclical puts forward: its guarantee of the dignity of human labor. This dignity is still being abused today, John Paul II says, both in the Third World and elsewhere, and even in those places where the values of the free market are idolized. To bypass this central issue, is to commit a conscious fraud.

It is not surprising that these commentators, whose view is shared, by the way, by the self-professed liberal Georgie Anne Geyer, would ignore the encyclical's message for the Third World. Nor is it surprising that they would misidentify "liberalism" as limited to "libertarianism," instead of the Adam Smith school of economics which it is.

Perhaps it is impossible for pragmatic neo-conservatives to comprehend the unity of morality and economics, which is what the Pope tries to convey. If so, one would wish they would not pretend to be experts who end up spreading destructive lies.

Soviets show interest in papal encyclical

On May 22, an unprecedented seminar to discuss the encyclical of Pope John Paul II *Centesimus Annus* was jointly organized in Moscow by the Soviet Committee for European Cooperation and Development, and the Vatican's Pontifical Council for Dialogue with Non-Believers. According to reports published in the Milan Catholic daily *Avvenire*, the meeting, on the theme "Democracy and moral values," was "special" due to the participation of some of the most influential members of Gorbachov's intelligentsia.

Vadim Zagladin, a political adviser to President Gorbachov, underlined the major interest and discussion in Moscow about the social doctrine of the Catholic Church. "In *Centesimus Annus*, John Paul II has elaborated a very rich document which deserves great attention, projected into the future," he said, "for it not only tries to explain what has happened, but invites us to look with confidence to the ideas which can change the future." The new morality of perestroika, according to Zagladin, needs a dialogue with the Christians "who are the pioneers of the discovery of human and moral values."

Avvenire reports on the surprising experience of discussion with Soviet leaders seriously engaged in quoting and debating Popes and encyclicals. One of the most competent religious experts, Prof. Nikolai Kowalski, a member of the Central Committee of the Communist Party and adviser to Gorbachov on religious affairs, intervened to emphasize the great interest in the encyclical in the Soviet Union, because Soviet "new thinking" finds many parallels in it. "For us, what the Pope says about free market economics is especially interesting," he said. "As you know there is a debate in our country on the type of future economic system, and when the Pope warns of the dangers of consumerism, this is a very important issue upon which we should reflect." Kowalski also refers to the Pope's notion of dialogue and tolerance in a pluralistic society and the danger of fundamentalism, as relevant to the changes in the Soviet Union.

Cardinal Poupard, the president of the Pontifical Council for Dialogue with Non-Believers, spoke about the culture of the old Europe as based on the Christian Gospel and referred to democracy, not as a social contract, but as "the expression of an ideal of growth of humanity" in which man is free from slavery and misery.