

## Understanding Trade in *Populorum Progressio* and *Caritas in Veritate*

*Dan Fleming*

---

**Abstract:** This article explores the Catholic understanding of a just system of international trade as it is promulgated in Pope Paul VI's encyclical *Populorum Progressio* (1967) and Pope Benedict XVI's encyclical *Caritas in Veritate* (2009). By situating each encyclical in its historical and theological context the article reveals that Benedict's understanding of just trade between nations is a development and specification of what was suggested by Paul VI. The article gives an overview of what each Pope suggests is required from a just system of international trade and, in doing so, reveals that the continuum of Catholic Social Teaching on trade contains important insights for our current context.

---

### Introduction

Pope Benedict XVI's most recent encyclical *Caritas in Veritate* builds on and makes specific the foundational arguments about just trade found in Pope Paul VI's 1967 encyclical *Populorum Progressio*. In this article I will critically analyse how trade is dealt with in both of these documents. For this purpose, trade is defined as a relationship between traders of both raw and manufactured goods which entails each party receiving a price for the goods they supply or produce and the labour required to do so. Whilst the concept of trade is relevant on a local level, both encyclicals focus on international trade and I will do the same. Before dealing with the issue of trade as it is developed in each encyclical, I will locate each of the encyclicals within their theological and historical context. The former will involve discussion of the Catholic understanding of the human person and the latter will involve an overview of the historical situation within which each document was written.

## The human person

As Charles Curran has noted, “one’s understanding of the human person influences, grounds and directs one’s understanding of how human society should function.”<sup>1</sup> Within Catholic teaching there are three foundational aspects of the human person that influence, ground and direct Catholic Social Teaching.

These aspects are:

1. Human dignity;
2. The human person as a social creature; and
3. The idea of a transcendental humanism.

We will briefly explore each in turn.

## Human dignity

The Church’s understanding of human dignity has been present in its social teaching from the first social encyclical, Pope Leo XIII’s *Rerum Novarum*.<sup>2</sup> In *Rerum Novarum*, Pope Leo builds an argument for the value of human work on the value of human persons.<sup>3</sup> This understanding of human dignity is developed and promulgated in its most specific form in Vatican II’s *Gaudium et spes* which locates the Church’s understanding of human dignity in the affirmation found in Genesis that humankind is created in God’s image and that it is “very good” (Gen 1:31).<sup>4</sup> Since this dignity is given freely by God it cannot be earned or given based on fulfilling particular criteria. For Catholic ethics, human dignity exists prior to any qualification.<sup>5</sup> As we will see, this affirmation has important consequences for the

---

<sup>1</sup> Charles E. Curran, *Catholic Social Teaching 1891 - Present: A Historical, Theological and Ethical Analysis* (Washington: Georgetown University Press, 2002), 127.

<sup>2</sup> Pope Leo XIII, *Rerum Novarum: On The Conditions of the Working Classes – 1891 (hereafter RV)* (London: Catholic Truth Society, 1960).

<sup>3</sup> Patrick T. McCormick and Russell B. Connors, *Facing Ethical Issues: Dimensions of Character, Choices and Community* (New York: Paulist Press, 2002), 35.

<sup>4</sup> Vatican II Council *Gaudium et spes: Pastoral Constitution of the Church in the Modern World - 1965 (Hereafter GS)* (Homebush: Society of St Paul, 1978), no. 12

<sup>5</sup> Curran, *Catholic Social Teaching*, 132. This human dignity is specified further in *Gaudium et spes* as pertaining to different aspects of the human person. For example, the document discusses the dignity of the human person as an embodied subject; in relationship with

way social ethics are developed. However, the Church not only affirms the dignity of individuals, but also acknowledges the fact that human beings live amidst, and rely upon, a network of social relationships. Human beings are both individual and social creatures.

### **The social creature**

The goodness and importance of the social nature of humankind has also been affirmed from the beginning of Catholic social teaching.<sup>6</sup> Again, *Gaudium et spes* takes this up and specifies it, devoting an entire chapter to “The Community of Mankind [sic]”.<sup>7</sup> This part of the document builds on the dignity of individuals and moves to the suggestion that all individuals form part of one family. The document argues that in order for the human family to develop authentically its members must grow in love together towards the *common good*.<sup>8</sup> This lends itself to the heart of the Christian message - that love of God and love of neighbour go hand in hand and constitute the most important commandments (Mt 22:36-40; Mk 12:39-41; Lk 10:27-28). Such an idea of authentic development implies that each and all must cooperate in an orientation towards the common good if this is to be a fruitful process.<sup>9</sup> *Gaudium et spes* develops this idea in light of the doctrine of the Trinity, suggesting that the perfect gift of each member of the Trinity to one another in truth and charity provides an example for how the human family is to love one another.<sup>10</sup> This concept becomes increasingly poignant in an age of globalisation where technical development is effectively removing all of the barriers that once kept people apart:

---

God; in relationship with others; and in a material world. See *GS*, nos. 12 and 14; no. 12; no. 25; no. 15, respectively.

<sup>6</sup> See for example *RV*, no. 36.

<sup>7</sup> *GS*, nos. 23–32.

<sup>8</sup> *Gaudium et spes* defines the common good as the sum of the conditions which allow social groups and the individuals within them to flourish. *GS*, no. 26.

<sup>9</sup> *GS*, no. 25.

<sup>10</sup> *GS*, no. 24.

One of the salient features of the modern world is the growing interdependence of men [sic] one on the other, a development promoted chiefly by modern technical advances.<sup>11</sup>

However, technical development alone is not enough for authentic development. *Gaudium et spes* is quick to point out that:

dialogue among men [sic] does not reach its perfection on the level of technical progress, but on the deeper level of interpersonal relationships. These demand a mutual respect for the full spiritual dignity of the person.<sup>12</sup>

This *full spiritual dignity of the person* underlies the concept of transcendent humanism.

### Transcendent humanism

Although this concept may have been implicitly present from the beginning of the social encyclicals, it is Pope Paul VI who promulgates it explicitly in *Populorum Progressio*. His transcendent humanism is built on the understanding that the human person's purpose is to achieve self-fulfillment through development, which is defined as moving "from less than human conditions to truly human ones".<sup>13</sup> Paul VI argues that this fulfillment is integrally related to the human person's dignity and the rights this implies for the basic material goods required to flourish.<sup>14</sup> However, Paul VI subordinates *material* goods to *transcendent* goods, suggesting that the move from a less than human condition to an authentically human condition involves moving from basic survival to a desire for peace, the common good and - above all - faith.<sup>15</sup> This anthropology which encompasses all aspects of the human person allows *Populorum Progressio*, and the social encyclicals which came after it, to locate social ethics within the life of faith. For the social teaching of the Church,

---

<sup>11</sup> GS, no. 23.

<sup>12</sup> GS, no. 23.

<sup>13</sup> Pope Paul VI, *Populorum Progressio: On the Development of Peoples - 1967* (hereafter *PP*) (Boston: Daughters of St Paul, 1969). no. 20.

<sup>14</sup> Curran, *Catholic Social Teaching*, 130. *PP*, no. 21.

<sup>15</sup> Allan Figueroa Deck, "Commentary on *Populorum Progressio*," in *Modern Catholic Social Teaching: Commentaries and Interpretations*, ed. Kenneth R. Himes (Washington: Georgetown University Press, 2005), 299-300. *PP*, no. 21.

the human person cannot develop authentically without some reference to her spiritual nature.

With this basic understanding of the three aspects of the human person that underlie Catholic ethics in mind we are now in a good position to consider the historical context that lies behind *Populorum Progressio*.

### 1967 in context

It is worth noting very briefly some of the history which preceded *Populorum Progressio's* context in the 1960s. The mid 1700s to the late 1800s saw the rise of local capitalism. This movement was built upon both the British factory revolution and the European conquest of the Americas and the resulting slave trade.<sup>16</sup> The rise of the machine revolution, including the important petroleum and electrification industries as well as efficient printing and transport methods, saw this local capitalism spread to a national level from the late 1800s until around 1960.<sup>17</sup> As a consequence, social concern in these eras was limited to the local and national level and that literature relevant to our topic was focused on local and national trade.<sup>18</sup> This is evident in *Rerum Novarum* in its concern for the welfare and rights of workers to be paid a fair wage for their labour within a local context – a particularly poignant social issue when it was written in 1891.

The 1960s saw the beginning of the electronic revolution which paved the way for more rapid means of communication and transport both on the national and international level.<sup>19</sup> This provided fertile conditions for the birth of the phenomena we now know as globalisation: a radical breaking of geographical and cultural barriers and, as *Gaudium et spes* notes, a growing interdependence of the global

---

<sup>16</sup> Joe Holland, *Modern Catholic Social Teaching* (New York: Paulist Press, 2003), 291.

<sup>17</sup> Holland, *Modern Catholic Social Teaching*, 292.

<sup>18</sup> It should be noted that this comment is intended as a general observation. In specific areas, such as Great Britain, forms of international trade were already beginning to operate.

<sup>19</sup> Deck, "Commentary on *Populorum Progressio*," 293.

human family on one another.<sup>20</sup> This radical “togetherness” of the human family was coupled with the rise of capitalism on both the local and national level and led to a global capitalist system. In the 1960s this was fuelled by a “euphoria” of economic growth.<sup>21</sup> Despite the fact that this system of global capitalism clearly began with an increasing gap between rich and poor on an international level (we are now thinking in terms of rich and poor countries as well as rich and poor individuals), the naïve assumption held by many was that a global society of high consumption would naturally provide the conditions for poor countries to catch up to rich ones eventually.<sup>22</sup>

By 1967, Paul VI could see that this understanding was flawed. His prophetic insight was that developing nations, especially in Africa, Latin America and Asia, were trapped in a cycle of poverty, dependence and debt. His own experiences in poor countries lend a sense of passion and urgency to his argument.<sup>23</sup> The factors underlying this cycle were the ways in which these nations were colonised by Europeans and also internal governmental problems. However, Paul VI would go further than these issues in *Populorum Progressio*, and draw attention to the emerging multinational corporations which were organised to exploit poorer countries by paying very little for raw produce, manufacturing and labour and also the trade and banking arrangements that were designed to support rich nations and exploit poor ones.<sup>24</sup> With this contextual knowledge in mind we are now in a position to explore international trade practices in the 20<sup>th</sup> century.

### Trade in the 20<sup>th</sup> Century

---

<sup>20</sup> GS, no. 23.

<sup>21</sup> Barbara Ward, "Looking Back on *Populorum Progressio*," in *Readings in Moral Theology No. 5: Official Catholic Social Teaching*, ed. Charles E. Curran and Richard A. McCormick (New York: Paulist Press, 1986), 130.

<sup>22</sup> Ward, "Looking Back on *Populorum Progressio*," 130.

<sup>23</sup> PP, no. 4.

<sup>24</sup> McCormick and Connors, *Facing Ethical Issues*, 36.

As we have noted, by the time Paul VI wrote *Populorum Progressio* globalisation had well and truly begun. This phenomenon provided the necessary conditions for international trade. The availability of rapid transportation and communication meant that it became increasingly efficient, and eventually cost-effective, for countries to specialise in certain raw goods and manufactured products and trade these, rather than mastering all forms of production. This process was aided by an increasing effort on the part of governments to reduce obstacles to international aid by forming trade agreements with other countries.<sup>25</sup> International trade has much to commend it. In giving the opportunity for countries to produce and profit from low cost goods for their nation (for example, raw materials mined in Australia) and import goods that would be expensive to produce at home (for example, Australia importing coffee beans from Africa) it would seem that both countries profit. However, the trade relationship can easily be abused if there are no laws governing it. We now turn to Paul VI's critique of this issue in *Populorum Progressio*.

### **Just trade in *Populorum Progressio***

Pope Paul VI's understanding of *just trade* is revealed amidst his critique of the system of *free trade*. The following definition of free trade is helpful for our ensuing discussion:

*Free trade* is the trade of goods, services, or intellectual property across national borders, substantially unencumbered by governmental policies. Free trade is driven by market forces: domestic buyers desiring to purchase foreign products or services and foreign sellers willing to sell to those domestic customers. Free trade emphasises the limited role of government through restrictions on international trade such as tariffs and nontariff barriers.<sup>26</sup>

Paul VI supports this concept when it occurs within a just relationship but notes that a just relationship can only occur when it is between parties who stand in a relatively equal position in the global economy.<sup>27</sup> He is quick to point out that in

---

<sup>25</sup> Globerman and Burton, "International Trade," 1175. This point will become increasingly relevant when we deal with fair trade in the next section.

<sup>26</sup> Doug Schuler, "Free Trade," in *Encyclopedia of Business Ethics and Society*, ed. Robert W. Kolb (Thousand Oaks: Sage Publications Inc., 2008), 952.

<sup>27</sup> *PP*, no. 58.

relationships between rich and poor countries the agreed market price often benefits the wealthier and more powerful party at the expense of the other.<sup>28</sup> Paul VI uses the words of *Rerum Novarum* to emphasise this point: "when two parties are in very unequal positions, their mutual consent alone does not guarantee a fair contract."<sup>29</sup>

There is a link here between Paul VI's understanding of a transcendent humanism and the issue of trade. In exploiting one party's economic situation for the sake of another's the right of the oppressed party for the basic material goods required for survival is undermined. Interestingly, the Pope uses Leo XIII's argument in *Rerum Novarum* to develop this point. An individual worker is entitled to a just wage, Paul VI reiterates, but this concept can also be expanded and applied on an international level.<sup>30</sup> We might make the point in this way: a worker deserves a just wage for their labour and, so too, a nation deserves a just price for its produce. If this condition is not met it is impossible for the common good to be achieved because the dignity of one nation is being valued more highly than another. Such a process does not allow authentic development to occur and is therefore inconsistent with Pope Paul VI's understanding of transcendent humanism.

*Populorum Progressio* contains a warning for situations wherein nations are exploited and abused by other nations and thus deprived of their fundamental rights. Such situations can, and as history has shown often do, lead to violent retaliation from the oppressed.<sup>31</sup> In light of this threat, the Pope offers some general guidance on how to deal with the situation. In terms of trade relations, he suggests that international norms should be developed to regulate prices, promote production and aid infant industries (especially those within the developing world).<sup>32</sup> In more general terms, the Pope pleads for the barriers of nationalism and racism

---

<sup>28</sup> Ward, "Looking Back on *Populorum Progressio*," 133.

<sup>29</sup> *PP*, no. 59.

<sup>30</sup> *PP*, no. 59.

<sup>31</sup> *PP*, no. 30.

<sup>32</sup> *PP*, no. 61.



to be torn down and for the human family to unite in a spirit of solidarity orientated towards authentic development.<sup>33</sup> One wonders if our current situation would be less difficult had Paul VI's message been heard and taken seriously by the global market in its adolescence.

We are now in a position to consider Pope Benedict XVI's 2009 encyclical *Caritas in Veritate* and how it deals with the topic of trade. This consideration will involve exploring the differences in the theology of the human person which underlies the encyclical and also the context in which it is written.

### Love and the human person

Whilst there is an aspect of continuity in the Church's social teaching we must note that each Pope builds on his own understanding of God and the human person in his writing. Pope Benedict acknowledges this, and suggests that while there are specific differences between various Popes, the underlying body of Catholic social thought remains consistent:

It is one thing to draw attention to the particular characteristics of one Encyclical or another, of the teaching of one Pope or another, but quite another to lose sight of the coherence of the overall doctrinal *corpus*.<sup>34</sup>

It is, nevertheless, important to name these differences in order to grasp a more profound understanding of each Pope's approach to social ethics. The chief theological difference between *Caritas in Veritate* and *Populorum Progressio* lies in Pope Benedict's development of anthropology within the framework of the love of God. This understanding was promulgated in his first encyclical *Deus Caritas Est*.

Pope Benedict begins this encyclical with the observation that God both "lavishes" love on humankind and that humankind must in turn share this love with others.<sup>35</sup>

---

<sup>33</sup> *PP*, no. 63-64.

<sup>34</sup> Pope Benedict XVI, *Caritas in Veritate: Charity in Truth - 2009 (hereafter CV)* (Strathfield: St Paul's Publications, 2009), no. 12.

<sup>35</sup> Pope Benedict XVI, *Deus Caritas Est: God is Love - 2005 (hereafter DCE)* (Strathfield: St Paul's Publications, 2005), no. 1.

To explain this concept, he uses the Greek words ἔρωσ and ἀγάπη to explore the different aspects of love as both a receptive and passionate capability (ἔρωσ) and something which moves a person beyond a consideration of the self and towards a genuine concern for others (ἀγάπη).<sup>36</sup> Love is therefore both the motivation and the goal of the moral life.<sup>37</sup> This understanding of love, in its emphasis on a concern for the neighbour, inevitably leads also to concern for a common justice, the key concept that underlies Catholic social teaching.<sup>38</sup> Benedict uses the Latin *caritas* to describe this definition of love and, to state clearly the obvious, this definition is the foundation upon which *Caritas in Veritate* is built.<sup>39</sup>

As the title of the encyclical suggests, Pope Benedict understands *caritas* as intimately related to the search for truth. We might summarise the underlying question of the encyclical in this way: how might we learn to express love in a way that is truthful? How might we learn the truth of our situation in order to express love in a more valuable way? Clearly this expression would not be based on subjective opinions or whims, but rather an accurate understanding of the good and the context in which it applies.<sup>40</sup> For Benedict, this movement towards truth avoids making Christianity a mere “pool of good sentiments” and allows it to be a dynamic and powerful expression of the truth of Christ’s love in the world.<sup>41</sup> This approach is consistent with the Pope’s overall critique of relativism which receives several mentions in *Caritas in Veritate*.<sup>42</sup>

Clearly Pope Benedict’s understanding of love in truth does not negate the principles of Catholic social teaching we considered earlier. In fact, *Caritas in*

---

<sup>36</sup> *DCE*, no. 6.

<sup>37</sup> The goal, because Pope Benedict identifies love with God in the title of the encyclical.

<sup>38</sup> *DCE*, no. 26.

<sup>39</sup> *CV*, no. 2.

<sup>40</sup> *CV*, nos. 4-5.

<sup>41</sup> *CV*, nos. 5-6.

<sup>42</sup> See *CV*, nos. 26; 61. For a good summary of Pope Benedict’s overall approach to this issue, see Joseph Ratzinger and Marcello Pera, *Without Roots: The West, Relativism, Christianity, Islam* (New York: Basic Books, 2006).

*Veritate* reaffirms the principles of Catholic Social Teaching that were explored earlier, namely human dignity; the importance of social relationships and Pope Paul VI's transcendent humanism.<sup>43</sup> Pope Benedict then extends and enriches these concepts, locating all of them within the framework of the search for how to love in truth. For Benedict, there is no authentic human development without *caritas* and *veritate*.<sup>44</sup> In terms which will become relevant to our consideration of fair trade, this understanding leads the Pope to suggest that our situation of globalisation on its own does not lead to the authentic development about which Pope Paul VI wrote. Our historical situation has made us physically and technologically closer, but without love we cannot be considered "family" as such.<sup>45</sup> So what is our current globalised situation? We will now turn to a consideration of the context in which *Caritas in Veritate* is written.

### 2009 in context

The diversity and complexity of the context within which Pope Benedict writes is inherently difficult to define. As is often the case, recourse to the world of the narrative gives us insight into phenomena that might otherwise take much longer to describe:

Jenny reclines on a couch at home, alongside members of her family, watching satellite television. Surfing the channels, she wanders from an American soap to a British documentary to a Japanese music video. As her family tires of her incessant channel hopping, Jenny relinquishes the remote control and turns her attention to her mobile phone (a Swedish brand, manufactured in China and purchased through a call centre in India) and incoming text message. Opening the inbox, she reads a message from her friend Carmel. Jenny got to know Carmel at university in London, before the latter embarked on a gap year in Australia. The text tells of Carmel's good news: she's been accepted into a doctoral programme at an ivy-league university in the USA. Jenny

---

<sup>43</sup> See for example *CV*, nos. 15, 2 and 16 respectively.

<sup>44</sup> This point is note made specifically in *Caritas in Veritate*. Rather, it appears to be the understanding which underlies the Pope's arguments at various points. See for example *CV*, nos. 29-30.

<sup>45</sup> *CV*, no. 19. This point seems to have its foundation in *DCE*, no. 30.

responds to Carmel's text immediately, and is drawn into an intimate exchange of ongoing texts with her friend on the other side of the world.<sup>46</sup>

As trivial and typically Western as this short story is, it reveals the essential difference between the times of *Populorum Progressio* and *Caritas in Veritate*. Dramatic advances in technology in all areas have meant a correspondingly dramatic interconnectedness between human communities that was previously unimagined. Gavin Kitching suggests that there are 8 identifiable characteristics of the current context:

1. An increased international economic interdependence.
2. Radically new and efficient communications technologies, especially the internet.
3. An increased importance of the *global* economy, as distinct from local or national economies.
4. An historically unprecedented boom in international migration, born out of the availability and attractiveness of work opportunities across the global economy.
5. A sharp increase in economic inequalities both nationally and internationally.
6. The spread of a materialistic, consumerist culture fuelled largely by the powerful Western media.
7. The weakening political power of the nation-state, especially in terms of its ability to control important economic factors that contribute to the welfare of citizens.
8. A high degree of cultural and political conflicts stemming from the increased intermingling between cultures both on a national level (as a result of no. 4) and an international level (as a result of no. 2).<sup>47</sup>

---

<sup>46</sup> Anthony Elliot, *Contemporary Social Theory* (Abingdon: Routledge, 2009), 309. Parenthesis added.

<sup>47</sup> Gavin Kitching, "Globalism and Globalisation," in *Encyclopedia of Science, Technology and Ethics*, ed. Carl Mitcham (Detroit: Macmillan Reference USA, 2005).

Pope Benedict clearly appreciates the complexity of this situation. In evaluating society's response to the challenges of *Populorum Progressio*, he notes that this present context presents problems that are "not only new" in comparison, but which also have a "decisive impact upon the present and future good of humanity".<sup>48</sup> Despite the magnificent advantages of globalisation and its potential for aiding the common good, "glaring inequalities" are still present.<sup>49</sup> It is to these inequalities in the area of trade that we now turn in a consideration of Pope Benedict's understanding of just trade.

### **Trade in *Caritas in Veritate***

Pope Benedict begins his discussion of trade in *Caritas in Veritate* by re-appealing to Pope Paul VI's call for public authorities to address the challenges that trade on an international level poses. He suggests that these authorities need a clear role definition in order to be able to be a moderating and helpful influence in international markets. Benedict notes that the current context allows the relevant authorities the benefit of hindsight in prudently evaluating their roles, but also the challenge of a radically global landscape and the resulting limits that this imposes.<sup>50</sup>

This new context also brings challenges to structures that traditionally protected the rights of workers through social security systems. In seeking greater competitive advantage in a global market that is characterised by deregulation, some nations have taken funding away from social security. Whilst this might be attractive in terms of short-term profit margins, Pope Benedict notes that it is unjust and contrary to the Church's original social teaching as expressed in *Rerum Novarum* and therefore contrary to expressing love in truth.<sup>51</sup> It is interesting to point out that, in contrast to *Populorum Progressio* which challenged international trade on a macro level in terms of a just relationship between nations, *Caritas in Veritate*

---

<sup>48</sup> *CV*, no. 21.

<sup>49</sup> *PP*, no. 9.

<sup>50</sup> *CV*, no. 24.

<sup>51</sup> *CV*, no. 25

returns to the argument made in *Rerum Novarum* about the dignity of individual workers.<sup>52</sup>

Pope Benedict introduces another important factor into the debate about trade. *Populorum Progressio* emphasised the need for a just trading price across international borders so that rich and powerful nations (or corporations) do not exploit poorer and less powerful nations.<sup>53</sup> *Caritas in Veritate* goes further than this and suggests that the market itself needs to provide support for poorer nations to be able to produce raw materials and manufacture products in a way that allows them a competitive place in the global economy. In other words, it is not enough that poorer countries receive a fair price for goods. They must also be encouraged to be active participants in the global economy and only then will their full dignity be acknowledged. This goal can be achieved both on a local level, through aiding the development of industry in poorer countries, and also on an international level, through establishing international trade regulations which would support them.<sup>54</sup>

We noted above that context of *Caritas in Veritate* is characterised by a consumerist mentality. This inevitably means that some of the responsibility for just trade relationships rests on the shoulders of consumers. Pope Benedict pleads for a more transparent market that would allow consumers to make educated decisions about the origins of their products and services and therefore contribute to a more democratic global economy.<sup>55</sup> This would allow for a greater freedom of choice for consumers and also the ability to use their purchasing power justly.<sup>56</sup> Finally,

---

<sup>52</sup> This is not to suggest that Pope Benedict ignores the issue on a macro level. This is not the case, as we shall see below.

<sup>53</sup> Assumedly Pope Benedict would agree with this position even though it is not explicitly restated in *Caritas in Veritate*

<sup>54</sup> *CV*, no. 58.

<sup>55</sup> *CV*, no. 66.

<sup>56</sup> The orientation towards a more transparent market seems to be gaining some momentum in the "fair trade" movement. It is also taking advantage of the rapid development in communications technologies. In Australia, for example, one can purchase an "App" for one's iPhone that provides quick access to details about the trade practices (and other ethically relevant information) of the companies which produce many of the

*Caritas in Veritate* encourages the global market and all who are involved to be aware of *all* stakeholders in the economic process. He challenges those who work on the assumption that investors are the most important part of the economy, with the gentle reminder that workers, suppliers, the community, the natural environment and also consumers are all integral to the market economy.<sup>57</sup> If we are to seek love in truth, we must be aware of the inherent dignity of *each and every one of these stakeholders*. Then, and only then, will we be acting as a global family. Then, and only then, will integral human development occur.

### **Conclusion**

This article has explored the Catholic understanding of just trade as it is presented in Pope Paul VI's 1967 encyclical *Populorum Progressio* and Pope Benedict XVI's 2009 encyclical *Caritas in Veritate*. In doing so it has summarised the context that lies behind each of these documents and also both the consistencies and differences that exist between them. Regardless of their 42 year age difference, both encyclicals provide a timely reminder that true human development cannot occur without a concern for *whole* people and *all* people. If ever there was a time when this message could and should be heard surely it is now.

---

## **Bibliography**

### ***Vatican Documents***

Pope Benedict XVI, *Caritas in Veritate: Charity in Truth – 2009*. Strathfield: St Paul's Publications, 2009.

Pope Benedict XVI, *Deus Caritas Est: God is Love – 2005*. Strathfield: St Paul's Publications, 2005.

Pope Leo XIII, *Rerum Novarum: On The Conditions of the Working Classes – 1891*. London: Catholic Truth Society, 1960.

---

products on supermarket shelves with the intent of aiding consumers in making ethical shopping choices.

<sup>57</sup> CV, no. 40.

Pope Paul VI, *Populorum Progressio: On the Development of Peoples – 1967*. Boston: Daughters of St Paul, 1969.

Vatican II Council, *Gaudium et spes: Pastoral Constitution of the Church in the Modern World - 1965*. Homebush: Society of St Paul, 1978.

### **Further Resources**

Curran, Charles E. *Catholic Social Teaching 1891 - Present: A Historical, Theological and Ethical Analysis*. Washington: Georgetown University Press, 2002.

Deck, Allan Figueroa. "Commentary on *Populorum Progressio*." In *Modern Catholic Social Teaching: Commentaries and Interpretations*, ed. Kenneth R. Himes. Washington: Georgetown University Press, 2005.

Elliot, Anthony. *Contemporary Social Theory*. Abingdon: Routledge, 2009.

Globerman, Steven, and Brian K. Burton. "International Trade." In *Encyclopedia of Business Ethics*, ed. Robert W. Kolb, 1174-1178. Thousand Oaks: Sage Publications Inc., 2008.

Holland, Joe. *Modern Catholic Social Teaching*. New York: Paulist Press, 2003.

Kitching, Gavin. "Globalism and Globalisation." In *Encyclopedia of Science, Technology and Ethics*, ed. Carl Mitcham, 874-877. Detroit: Macmillan Reference USA, 2005.

McCormick, Patrick T., and Russell B. Connors. *Facing Ethical Issues: Dimensions of Character, Choices and Community*. New York: Paulist Press, 2002.

Ratzinger, Joseph, and Marcello Pera. *Without Roots: The West, Relativism, Christianity, Islam*. New York: Basic Books, 2006.

Schuler, Doug. "Free Trade." In *Encyclopedia of Business Ethics and Society*, ed. Robert W. Kolb, 952-956. Thousand Oaks: Sage Publications Inc., 2008.

Ward, Barbara. "Looking Back on *Populorum Progressio*." In *Readings in Moral Theology No. 5: Official Catholic Social Teaching*, ed. Charles E. Curran and Richard A. McCormick. New York: Paulist Press, 1986.

---

**Author:** Dan Fleming is currently completing a PhD in moral theology and tutors at Australian Catholic University's School of Theology (Strathfield Campus) and the Broken Bay Institute.

**E-mail:** [dan.fleming@acu.edu.au](mailto:dan.fleming@acu.edu.au)

---