

Common Good Through the Lens of Catholic Social Teaching: A Case Study for Principles of Macroeconomics

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Abstract

Economic policy has the potential to make significant contributions toward promoting the common good. When discussing economic policy in the classroom at a Catholic university, it is especially appropriate to consider the impact on the common good through the lens of Catholic Social Teaching. However, one must also truly understand the impact of a proposed policy to determine that a policy that seems to be in keeping with Catholic Social Teaching will actually advance the common good. This is of concern because some of the best sounding policies can have unintended consequences. Students in our Principles of Economics courses have a keen interest in policy debates. Being able to identify a likely unintended consequence of a particular policy further sparks their interest and makes clear to them the importance of careful economic analysis. The ability to understand the implications of one's decisions is a necessary skill that students must acquire to be successful in the business world.

In the Principles of Macroeconomics course, discussions of labor markets, and especially discussions of unemployment and employment policies, lend themselves well to the introduction of issues from Catholic Social Teaching as important pieces of these discussions. For example, in their 1996 statement on *A Catholic Framework for Economic Life*, the United States Conference of Catholic Bishops wrote that "(a)ll people have the right to economic initiative, to productive work, to just wages and benefits, to decent working conditions as well as to organize and join unions or other associations." The statement that all people have the right to productive work suggests that there is a moral imperative that we must pursue policies that reduce unemployment. This imperative motivates further discussion of possible policies and their anticipated success in reducing unemployment. At the same time, these policies ought to address "decent working conditions" and "just wages and benefits". When a particular policy promotes one of these goals at the expense of one or more others, the discussions on building institutions to create an inclusive economy get really interesting.