

Social justice, the Role of Business and the Common Good

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Abstract

The subject of social justice has caused tension in debates surrounding Catholic social teaching. Many Catholics who believe in a broadly free economy are uneasy with the idea of 'social justice' as a concept and sometimes even refer to Catholics with whom they disagree on prudential matters of economics pejoratively as 'social justice Catholics'. At the same time, those who take a view that is more favourable towards state intervention in economic life often argue that, because the term 'social justice' is used in Catholic social teaching and rejected so emphatically by F. A. Hayek, that followers of Hayek cannot be following Catholic social teaching faithfully.

The paper will briefly examine Hayek's rejection of social justice. It will then examine the evolution of the term in Catholic social teaching, especially in the pre-1939 sources to which Hayek referred. It is found that the idea of social justice as it developed in Catholic social teaching in the references cited by Hayek is quite different from the meaning he critiqued.

A definition of social justice that relates to actions of individuals and organisations in the social sphere that can be thought to help bring the world to virtue or promote the common good will be explored. This may well involve the government but need not do so. It will be argued that businesses should practise social justice in their relationships with employees, customers and all with whom they come into contact. Examples of the application of social justice within the sphere of business will be given and will be discussed together with potential controversies about the role of government in bringing about what might be termed social justice.

The key message will be that there is a category of justice (whether or not we want to call it 'social' justice) which is key to a flourishing economy and the promotion of the common good and that goes beyond the rules of the game of commutative justice and the criminal law. It will be argued that this is too important to be a state monopoly – something with which Hayek ought to have concurred.