

## *Labor Unions: Catholic teaching versus the libertarians*

ANGUS SIBLEY

Many politicians, I need hardly remind you, are very unsympathetic toward labor unions. You may think this simply means that they are siding with harsh employers who want to pay their workers as little as possible for interminable hours of toil. It is not as simple as that. Anti-unionism has a long, and sometimes surprising, history. We can trace it back to the eighteenth century, the age of American independence and the French Revolution. Strangely enough, it has often been favored by people who are generally considered “enlightened”.

In England, Parliament passed a law in 1800 “against unlawful combinations of workmen”, which aimed to outlaw unions of laborers, as well as craftsmen’s guilds and all such associations. The main sponsor of this legislation was William Wilberforce, famous for his campaign against slavery.

In France, shortly after the Revolution, a similar law was enacted in 1791 by the National Assembly. The man behind this was Isaac Le Chapelier, a radical lawyer renowned for his fiery speeches denouncing the pre-revolutionary privileges of the aristocracy and clergy.

So it is clear that anti-unionism is not merely a matter of pandering to greedy capitalist employers. It is also connected with the pursuit of some forms of liberty. The radicals and revolutionaries at the end of the eighteenth century were idealists who dreamt of maximum individual freedom. That meant, among other things, that any individual should be free to enter into a contract, on any agreed terms, with any other individual; and this included contracts of employment.

Any regulation of the terms of employment contracts was an interference with the freedom of individuals. Therefore, unions of workers, which collectively negotiated wage rates and working hours, were unacceptable. Guilds (associations of master craftsmen, who were small-scale employers) were not acceptable either,

since the guilds also regulated terms of employment. As for regulation of wages and working conditions by the government, that was anathema. Individual workers, and individual employers, had to be left free to negotiate their own contracts.

A modern French legal text-book (1) explains: To the revolutionaries, *it seemed that a contract between free and equal men was necessarily "fair"*. But the writer goes on to comment that *the absence of regulation brought misery for the workers, who could not unite to defend their interests*. Clearly, this curse of the 1800s is still very much with us today.

It seems, then, that the pursuit of certain kinds of "freedom" can lead to serious injustice. This may seem surprising, but it is indeed a very real problem. It is particularly difficult to cope with because the people who are causing the problem defend themselves by arguing that they are on the side of freedom. The internet bristles with right-wing websites that claim to be ardent defenders of liberty. Everyone wants to be free!

Unrestrained freedom of action for every individual may sound like a great idea, in theory. In practice, it does not work so well. There are various reasons for this; let us examine just one.

In the real world, individuals are very unequal in power and influence, partly because they are unequal in wealth, but also for many other reasons. Some are in positions of authority while others are not; some have more knowledge and experience than others; some are cleverer than others; some have good contacts in high places; some are highly ambitious, others just want a quiet life; some are by nature aggressive and domineering, others are meek and submissive. Sadly, unrestricted individual freedom means that the powerful individuals are free to exploit the weak. A contract between a rich industrialist and a poor migrant worker is not a deal between equals.

It is a mistake to think that the powerful squeeze the weak simply because they are nasty people, determined to use their power to extract utmost advantage from the

rest of us. The free-market economy often puts employers in a position where they have to behave ruthlessly to survive. Think of a business sector where there are many competing firms, with unlimited competition between them. Some of these firms may be run by greedy employers, keen to inflate their profits by grinding down their workers. Other firms may be run by benevolent employers, who would like to give their workers a square deal.

The problem for the good guys is that, if they treat their workers well, their costs will be considerably higher than those of the greedy-guts. This may make the good guys uncompetitive in the market, so that their businesses will fail. Unlimited competition tends to mean “survival of the nastiest”. That does not dissuade free-market economists from demanding it. Milton Friedman once stated that the *more unfair competition, the better*. He should have known better. Never be intimidated by famous economists. They may be Nobel prizewinners and professors at the leading universities; they are still be capable of talking and writing nonsense.

Catholic teaching makes better sense than the misguided theories of libertarian philosophers and economists. The Catechism does not describe “freedom” as the right of each individual to pursue his or her interests, independently, without constraint and without regard for the common good. It tells us (#1733) that *there is no true freedom except in the service of what is good and just*. Often, this is best achieved through action in solidarity. For this reason the Church has encouraged labor unions, ever since Leo XIII wrote in *Rerum Novarum* (#51) that *to enter into a ‘society’ [union] of this kind is the natural right of man*. In *Laborem Exercens* (#20) John Paul II commends unions as *a mouthpiece for the struggle for social justice*.

In today’s overcompetitive world, workers need to unite to achieve a fair reward for their efforts. And employers need to agree, like the old-time master craftsmen in their guilds, to restrain excessive competition between themselves. We need more solidarity all round. If that means a diminution of “freedom”, as defined by libertarians, then so be it. We Catholics have a better understanding of freedom, and we shouldn’t be afraid to promote it.

*Biographical note: Angus Sibley is a writer on economic and religious topics. He is a Fellow of the Institute of Actuaries in London. Retired after a career in the City of London, he now lives in Paris. His website, [www.equilibrium-economicum.net](http://www.equilibrium-economicum.net), carries monthly articles in English and French on the theme “Querying economic orthodoxy”.*

(1) Brigitte Hess-Fallon and Anne-Marie Simon, *Droit du Travail* (Dalloz, Paris, 2006) page 17