

# Christian Economics?

## A Case for Distributism in the Age of UBI

キリスト教における経済とは？  
UBIの時代の中でのディストリビューチズムの推奨

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- ① distributism    ② economics    ③ Universal Basic Income (UBI)  
④ E. F. Schumacher    ⑤ Catholic social teaching

### Abstract

Based on the premise of E. F. Schumacher's "Buddhist economics," this reflection argues that distributism is a reasonable and viable "Christian economics." First, distributism is overviewed within its historical and religious context. Next, a rationale for the idea of a "Christian economics" is developed. Finally, it is proposed that UBI is becoming the default economic reality and that distributism is the only realistic alternative, though they are not entirely incompatible. There is also considerable reference to the COVID-19 crisis, which was unfolding at this writing.

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In the 1970s the economist E. F. Schumacher published the widely read *Small Is Beautiful: A Study of Economics as if People Mattered*.<sup>1</sup> The best known chapter was “Buddhist Economics,” an essay of continuing relevance.<sup>2</sup> Its pretext was the economic development of Burma (now Myanmar), a Buddhist society which, to Schumacher’s regret, was transitioning to a modern economy with the advance of globalization. Schumacher’s motivating question was, why should not a Buddhist society base its economy on Buddhist values, rather than the reverse — that is, have its ethics and society shaped by default through economic forces?

At a public forum, Schumacher made a humorous but intriguing aside about “Buddhist Economics”: “I might have called it ‘Christian economics’ but then no-one would have read it!”<sup>3</sup> Schumacher’s audience were progressive Westerners formed by the 1960s. They were open to the idea of religious values taking precedence over economic values, so long as the religion was Eastern, with the requisite spiritual mystique.

Yet the plot thickens regarding Schumacher’s aside. He was in fact a convert to Catholicism, and his economic thinking had been deeply informed by a succession of Catholic Encyclicals, starting from the late 19th century, known as Catholic social teaching.<sup>4</sup> Schumacher was advocating an offshoot of the social teaching known as “distributism.” It had been articulated by G. K. Chesterton and Hilaire Belloc early in the early 20<sup>th</sup> century and rested on the idea that economics on a

<sup>1</sup> New York: Harper, 2010 (1973).

<sup>2</sup> Schumacher’s chapter/essay “Buddhist Economics” has been made available online by the Schumacher Center for a New Economics, <https://centerforneweconomics.org/publications/buddhist-economics/>.

<sup>3</sup> The video is archived on the Youtube channel of the Schumacher Center for a New Economics, posted December 2, 2014, <https://www.youtube.com/watch?v=3Eo3k-jCHRo>.

<sup>4</sup> Schumacher’s conversion and influence are usefully documented by Joseph Pearce in *Literary Converts: Spiritual Inspiration in an Age of Unbelief* (San Francisco: Ignatius Press, 1999), 362-379.

small scale, that productive property distributed as widely as possible, was the most just and humane economic arrangement.<sup>5</sup> Schumacher *was*, in a covert way, advocating a “Christian Economics.”

It is fair to say that distributism, including Schumacher’s advocacy for small scale economics, never took hold and remained an idealistic outlier. Few people now even know what distributism is. Meanwhile the economic transitions and technological progress Schumacher decried have accelerated powerfully, and we are now entering an unprecedented phase of development. It was projected, until the COVID-19 crisis at least, that automation and artificial intelligence (AI) would take over vast swathes of human labor. Consequently, major economic dislocation was projected, with tens of millions of jobs becoming obsolete.

These concerns have been voiced by those closest to such developments in Silicon Valley, including, notably, 2020 U.S. presidential candidate Andrew Yang.<sup>6</sup> Yang became the most recognized spokesperson for Universal Basic Income (UBI) wherein all would be provided enough income for subsistence.<sup>7</sup> Within a few years UBI went from a fringe position of progressives to the mainstream of discussion. Then, a few months into the COVID-19 crisis, after stocks plummeted and millions of jobs were lost, a “stimulus” — UBI in everything but name — was enacted as an emergency measure, and by a

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<sup>5</sup> See for instance Gilbert Keith Chesterton, *The Outline of Sanity* (Norfolk, Virginia: IHS Press, 2001 [1926]), Hilaire Belloc, *An Essay on the Restoration of Property* (Norfolk, Virginia: IHS Press, 2012 [1936]) and Belloc, *The Servile State* (London: T. N. Fallis, 1912).

<sup>6</sup> See Andrew Yang’s interview segment with Joe Rogan, “Presidential Candidate Andrew Yang’s Case for UBI,” *Youtube* (February 12, 2019). Available: <https://www.youtube.com/watch?v=NAtyv8NpbFQ>

<sup>7</sup> Note 6. See also Eric Weinstein on UBI as a response to automatization and economic dislocation, “Capitalism 2.0 Will Include a Heavy Dose of Socialism,” sponsored by Big Think, *YouTube* (June 4, 2017). Available: <https://www.youtube.com/watch?v=xzTmBnaiMdE>

Republican president.<sup>8</sup> It was a surprising development that demonstrated the irrelevance of the left/right political divide (at least as far as UBI was concerned), the instability of the global economy, and the inevitability of something like UBI as a means of addressing it, whether workers were displaced by machines or pandemics. UBI is becoming not just an economic alternative, but an economic and political necessity.

The assertion of this paper is straightforward. If society is ready to entertain the idea of UBI, a universal provision for all members of society, why should it not be equally ready to entertain an alternate proposition: ensuring that people have enough resources — land, property, energy, technology — to provide for themselves? That is, if we are ready (forced by technology or by pandemics) to accept that people be universal salary gatherers, why not accept an alternate notion, that they be instead universally self-sufficient producers? In other words, why not consider distributism?

Since this is a Christian venue, the present paper reclaims Schumacher's covert "Christian economics" to make it overt: I assert that distributism is a reasonable and viable "Christian economics." A key difference from Schumacher, who advocated technological minimalism, is that I adopt the "technological maximalism" of my colleague Thomas Turner.<sup>9</sup> The same technology expected to displace workers could instead be in their hands, facilitating the small-scale economy Schumacher envisioned.

In the next section I undertake a basic overview of distributism, setting it within

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<sup>8</sup> "Trump signs \$484 billion stimulus package into law," *Business Insider* (April 25, 2020). Available: <https://www.businessinsider.com/trump-signs-484-billion-stimulus-relief-package-into-law-2020-4>. Most G20 nations enacted a similar relief package during the same period.

<sup>9</sup> See Thomas Turner and Matthew Taylor, "Interview with a Distributist," *The Bulletin of Christian Culture Studies* 23 (Kinjo Gakuin University, 2020), 114-115.

its historical and religious context. In the third section I attempt to justify the idea of a “Christian economics.” In the fourth section I argue that UBI is becoming the default economic reality and that distributism is the only real alternative to UBI — though they are not entirely incompatible. I also make much reference to the COVID-19 crisis, which was unfolding at this writing.

### **Distributism and the Catholic Social Tradition**

Pope Leo XIII’s encyclical *Rerum Novarum* (“of revolutionary change,” 1891) initiated what has come to be called Catholic social teaching (henceforth CST).<sup>10</sup> Leo XIII was responding to the vast disruptions and inequalities introduced by industrial capitalism on the one hand, and revolutionary ideology pushing for socialist collectivism on the other. Against the latter, he asserted the fundamental right of private property, and against the former he asserted the fundamental rights of the worker.

CST continued to be developed in numerous papal writings and had significant political influence in Western Europe as well as South America, particularly after the Second World War.<sup>11</sup> Usually it was under the banner of Christian Democracy, which came to include major Protestant denominations in Europe.<sup>12</sup> Thus (this will be important to recall later) CST readily extended beyond Catholicism and

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<sup>10</sup> Pope Leo XIII, *Rerum Novarum: On Capital and Labor* (Vatican: The Holy See, 1891). Available: [http://w2.vatican.va/content/leo-xiii/en/encyclicals/documents/hf\\_l-xiii\\_enc\\_15051891\\_rerum-novarum.html](http://w2.vatican.va/content/leo-xiii/en/encyclicals/documents/hf_l-xiii_enc_15051891_rerum-novarum.html)

<sup>11</sup> See Thomas Storck, *An Economics of Justice and Charity: Catholic Social Teaching, Its Development and Contemporary Relevance* (Kettering, OH: Angelico Press, 2017). See also William Ryan, “Notes on the Development of Catholic Social Teaching,” General Curia of the Jesuits (October 4, 2000). Available: [http://www.sjweb.info/documents/sjs/docs/Bill\\_Ryan\\_Catholic\\_Social\\_Teaching.htm](http://www.sjweb.info/documents/sjs/docs/Bill_Ryan_Catholic_Social_Teaching.htm).

<sup>12</sup> For a useful overview see Carlo Invernizzi Accetti’s lecture, “Christian Democracy in European Politics,” European Institute, Columbia University. Available: <https://europe.columbia.edu/news/christian-democracy-european-politics-carlo-invernizzi-accetti>.

defined common ground with other Christians. For Christian Democrats the common ground was a “social market economy” balancing free markets and a welfare state.<sup>13</sup> The “Great Society” in the U.S. followed similar principles, as have nearly all industrialized democracies.<sup>14</sup> Francis Fukuyama’s well-known “end of history” was, essentially, the perpetuation of the social market economy introduced by Christian Democrats; it was rooted in CST, though Fukuyama conceived of it as a Hegelian process.<sup>15</sup>

CST reached what many consider its culmination in John Paul II’s *Centesimus Annus* (“the hundredth year,” 1991) after the Cold War.<sup>16</sup> John Paul II, of course, was at the center of developments in the collapse of communism in Europe, triggered by the Polish labor union Solidarity, also heavily influenced by the ideals of CST.<sup>17</sup> Thus, whether in the capitalist West or the communist East, CST impacted key world events and influenced major currents of economic thought. This, at the very least, puts to rest the canard that the secular market system constitutes a “value neutral” arena for which religion is irrelevant.

The economic philosophy of distributism, though also directly inspired by CST, has never had anything like the same level of influence. Distributism was

<sup>13</sup> See Stephan Eisel, “Between Ideologies: The Social Market Economy,” Konrad-Adenauer Foundation (January, 2012). Available: [https://www.kas.de/c/document\\_library/get\\_file?uuid=0ade98f0-59b8-a05a-620d-98b5768ce2b1&groupId=252038](https://www.kas.de/c/document_library/get_file?uuid=0ade98f0-59b8-a05a-620d-98b5768ce2b1&groupId=252038).

<sup>14</sup> John F. Kennedy openly acknowledged the influence of the influential Christian Democrat Amintore Fanfani. See “A. Fanfani, Italy and U.N. Leader, Dies at 91,” *The New York Times* (November 21, 1999). Available: <https://www.nytimes.com/1999/11/21/nyregion/a-fanfani-italy-and-un-leader-dies-at-91.html>.

<sup>15</sup> Francis Fukuyama, “The End of History?” *The National Interest* (Summer 1998): 1-18; *The End of History and the Last Man* (New York: The Free Press, 1992).

<sup>16</sup> Pope John-Paul II, *Centesimus Annus* (Vatican: The Holy See, 1991). Available: [http://w2.vatican.va/content/john-paul-ii/en/encyclicals/documents/hf\\_jp-ii\\_enc\\_01051991\\_centesimus-annus.html](http://w2.vatican.va/content/john-paul-ii/en/encyclicals/documents/hf_jp-ii_enc_01051991_centesimus-annus.html).

<sup>17</sup> See for instance, Jeffrey Donovan, “Poland: Solidarity – The Trade Union That Changed The World,” *Radio Free Europe Radio Liberty* (August 24, 2005). Available: <https://www.rferl.org/a/1060898.html>.

most famously championed by the British writers G. K. Chesterton and Hilaire Belloc in the decades following *Rerum Novarum*. They attempted to re-image the economic order and put the principles of *Rerum Novarum* into action.<sup>18</sup> Dorothy Day and Peter Maurin in the U.S. took up distributist ideals as part of the Catholic Worker movement during the Great Depression.<sup>19</sup> Then, as noted, E. F. Schumacher initiated a brief resurgence of distributist ideals in the 1970s.

Now, distributism as an explicit philosophy is espoused by a small number of traditionalist Catholics, for instance the editors of the online journal *Distributist Review* (recently inactive) and the writer Joseph Pearce.<sup>20</sup> More broadly, its spirit can be seen in similar cultural movements, such as practitioners of organic farming or permaculture.<sup>21</sup> Agrarianism, such as is espoused by the writer Wendell Berry, also parallels distributist thinking.<sup>22</sup> Yet for all these disparate appearances and sympathetic echoes, the relative obscurity of distributism is striking, and will be addressed further below.<sup>23</sup> In the meantime, what *is* distributism?

John Médaille’s introductory article in *The Distributist Review* provides a useful account. Distributism’s “key tenet is that ownership of the means of

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<sup>18</sup> Note 5.

<sup>19</sup> The life of Dorothy Day and her association with Peter Maurin are documented in Jim Forest’s *All Is Grace: A Biography of Dorothy Day* (Maryknoll, New York: Orbis Books, 2011).

<sup>20</sup> *The Distributist Review*, available: <https://distributistreview.com/>. Joseph Pearce, *Small is Still Beautiful: Economics as if Families Mattered*. (Wilmington, DE: Intercollegiate Studies Institute, 2006).

<sup>21</sup> Taylor and Turner, 120-121.

<sup>22</sup> See for instance *The Art of the Commonplace: The Agrarian Essays of Wendell Berry*, ed. Norman Wirzba (Berkeley, CA: Counterpoint, 2019 [2002]).

<sup>23</sup> Counterbalancing this longstanding obscurity of distributism, it is worth noting the surprising entry of outspoken celebrity rapper Kanye West into the US presidential race. West’s platform was explicitly Christian and his economic policy distributist, though not in name. West stated, “. . . let’s empower people with 40 acres and a mule, let’s give some land, that’s the plan.” Distributism may well re-emerge as a popular idea. See “Kanye West: Presidential hopeful wants to run country like Wakanda,” *BBC News* (July 8, 2020). Available: <https://www.bbc.com/news/entertainment-arts-53332251>.

production should be as widespread as possible rather than being concentrated in the hands of a few owners (Capitalism) or in the hands of state bureaucrats (Socialism).”<sup>24</sup> Distributism would shift the economy as much as possible to small scale, local production and self-sufficiency. It would generally favor small, self-owned or family-owned businesses over large retail chains, small workshops over factory complexes, and small farms over factory farms.<sup>25</sup> Society would be directed toward economics on a small scale, as was articulated by Schumacher in *Small Is Beautiful*. However, distributism has also been applied to large-scale manufacturing, most notably in Spain by Mondragon corporation, organized as a worker cooperative.<sup>26</sup>

Again, distributism proposes that workers own the means of production. That this is a common aspiration can be appreciated by the fact that so many want to start their own business, work for themselves, or “live off the land.” Distributism’s argument is not simply that this is overall a more just and secure arrangement but that it is the more satisfactory and fulfilling one, along the lines John Paul II expressed in *Laborem Exercens*:

[Work] is a good thing for man. It is not only good in the sense that it is useful or something to enjoy; it is also good as being something worthy, that is to say, something that corresponds to man’s dignity, that expresses this dignity and increases it.<sup>27</sup>

Distributism purports to be the economic system most conducive to human dignity

<sup>24</sup> John Médaille, “An Introduction to Distributism,” *The Distributist Review* (January 11, 2006). Available: <https://distributistreview.com/an-introduction-to-distributism/>.

<sup>25</sup> Turner and Taylor, 106-107.

<sup>26</sup> See Mondragon’s website. Available: <https://www.mondragon-corporation.com/en/about-us/>

<sup>27</sup> Pope John Paul II, *Laborem Exercens* (Vatican: The Holy See, 1981): II.9.3. Available: [http://w2.vatican.va/content/john-paul-ii/en/encyclicals/documents/hf\\_jp-ii\\_enc\\_14091981\\_laborem-exercens.html](http://w2.vatican.va/content/john-paul-ii/en/encyclicals/documents/hf_jp-ii_enc_14091981_laborem-exercens.html)



in this sense.

In some ways, distributism could be considered a “throwback,” a return to a cultural program interrupted by modernity. As John Médaille observes, Hilaire Belloc “did not believe that he was developing a new economic theory, but rather expounding an old and widespread one against the novelties of both Capitalism and Socialism.”<sup>28</sup> My colleague Thomas Turner has made a similar point: before distributism existed as a philosophy, it was a near universal way of life, even up to World War II.<sup>29</sup>

“Universal” must be heavily qualified, of course, since ancient civilization was almost uniformly based on slave labor, or on grueling serf-like subsistence. Belloc in the *The Servile State* emphasized the gradual historical transformation wrought by Christianity, through which slave civilizations became feudal civilizations, then, increasingly, a civilization of independent and self-reliant peasants.<sup>30</sup> Counterintuitively (to modern views) distributists see the land-owning peasant as most free.<sup>31</sup> In trading permanent productive property for a job and salary, the worker has (in distributists’ eyes) struck a disastrous bargain, signed on to an unjust, unequal, and inevitably fragile arrangement. The trajectory of the “peasant society” (which distributism seeks to reclaim) was toward more freedom and human fulfillment, while the trajectory of capitalism is seen as entailing an inevitable regression to what Belloc characterized as “the servile state,”<sup>32</sup> to a pre-Christian slave civilization.

The “servile state” would be essentially a socialist one, as capitalism

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<sup>28</sup> Note 20.

<sup>29</sup> Taylor and Turner, 104, 107, 119.

<sup>30</sup> Belloc, *The Servile State*.

<sup>31</sup> See Taylor and Turner, 107, 121. Chesterton elaborated this at length in *The Outline of Sanity*, 30-31, 52-53, 97-101, 115-118, 161-167.

<sup>32</sup> Belloc, *The Servile State*.

increasingly relies on state intervention to address its inherent fragilities. Capitalism and socialism are thus, from the distributist perspective, two sides of the same coin. In the characterization of G. K. Chesterton, they are “Hudge” (big government) and “Gudge” (big business).<sup>33</sup> They are seen as adversarial in the West’s intense political dialectic but in fact they co-exist in a mutually aggrandizing and reinforcing relationship. The technocratic “servile state” about which Belloc prophesied was not far from the proposals of UBI proponents.

UBI advocates, it must be emphasized, are not promoting servitude. Theirs is a humane aspiration to provide economic security for all. UBI seems, for them, a necessary contingency. My essay accepts these premises sympathetically (they have certainly proved prescient). This will be revisited in the fourth section. A final point to address here is why distributism never caught on as a popular movement, especially in comparison to UBI.

Certainly, the success of CST itself, in promoting the social market economy and softening the ravages of early capitalism, made Distributism’s claims less obvious or compelling. So too did the massive success of consumer capitalism and the dramatic rise in living standards in the postwar era. In that light, distributism seems less like a rallying cry for economic justice than a quasi-aesthetic countercultural movement opposing the corrupting influences of wealth (commercialism, materialism, consumerism, careerism, etc.). Tellingly, many of Schumacher’s fans in the 1970s went on to join the affluent establishment.

No doubt another handicap impeding the acceptance of distributism is that it is a “third way” between Socialism and Capitalism.<sup>34</sup> As such, distributism either does not compute — is *simply not comprehensible* from a left/right

<sup>33</sup> See Taylor and Turner, 108-109. See G. K. Chesterton, “The History of Hudge and Gudge,” in *What’s Wrong with the World* (London: Cassell & Company, 1910), 61-67. Retrieved from Archive.org <https://archive.org/details/whatswrongwithwo03chesuoft>.

<sup>34</sup> Turner and Taylor, 104, 108.

framework — or is viewed with great distrust. To the right, distributism will be seen as a form of extreme socialism. To the left, it will be seen as a form of retrograde capitalism.

Notwithstanding such impediments, this reflection takes a strong position in favor of distributism. Urgent, even existential developments necessitate a fresh look at distributism, not as an implausible economic alternative but as, perhaps, *the only good alternative left*. This will be argued in the fourth section. The next takes up “Christian economics.”

### **“Christian Economics”?**

This essay argues for distributism as an economic philosophy, and specifically as a “Christian economics.” To propose this introduces fraught questions. First, why Christianity, as opposed to other religions or value systems? Secondly, if Christianity, whose Christianity (i.e., different Christian traditions)? Other questions intrude; if “Christian economics,” *whose economics*? For that matter, *whose politics*? In this section, I propose to reframe the sectarian questions with reference to Schumacher’s “Buddhist economics.” In the next section, I propose to reframe the economic and political questions with reference to UBI.

To the sectarian questions, then, we return to E. F. Schumacher. When Schumacher proposed distributism as “Buddhist economics” he was not advocating that people become Buddhist. Nor was he urging society at large to adopt economic ideals based on Buddhism. Rather, he was appealing — albeit in the abstract — to Buddhists, that they consider an economic order that corresponds to Buddhist values. “Christian economics” is put forward here in the same spirit, not as a missionary appeal urging non-Christians to accept Christianity, nor as a general appeal that society conform to a Christian economic order. Rather, this is an appeal first of all to *Christians*, to consider an economic order that is consistent

with the gospel, with Christian moral teaching.

Secondarily, “Christian economics” is an invitation for any religious tradition, or for that matter even a self-consciously extra-religious tradition, to consider how its highest principles could be reflected in the economic order (c.f., “Buddhist economics”). Thus, “Christian economics” is not put forward here in opposition to “Buddhist economics,” “Jewish Economics,” “Hindu economics,” “Muslim economics,” or even atheist or agnostic economics, though all would to some degree be set against the current market-driven ethos which (as Schumacher implied) has the priorities exactly backwards; putatively “value-neutral” market economic forces impose, *de facto*, a great number of moral choices, under which religious values invariably become subservient. “Christian economics” can be seen as a kind of religious economic pluralism, in opposition to the current secular market universalism.

What applies inter-religiously with “Christian economics” (i.e., other religions) also applies inter-denominationally (within Christian traditions). As an immediate example, it might be objected that distributism, informed by CST, represents a Catholic incursion on other Christian confessions. In fact, there is no reason for there not to be a “Protestant social teaching,” a “Lutheran social teaching,” or a “Calvinist social teaching.” Again, with reference to Schumacher’s “Buddhist economics,” the impulse here is pluralistic, not hegemonic. It would be a good thing, not a bad thing, for there to be uniquely articulated “Protestant economics,” be they “Baptist economics” or “Methodist economics.” Such a trend would imply that Christian traditions were engaging socio-economic concerns according to first principles, according to the gospel, which Christians ought to see as a welcome development in its own right.

There are two ways, not mutually exclusive, that “Christian economics” might develop in this sense. One is toward a kind of sectarian particularism. We can see

present day examples of this which are not controversial. For instance, Americans are easily able to live side by side with a Christian groups like the Amish, with markedly different economic systems.<sup>35</sup> (“Amish economics,” it is worth noting, is essentially distributist.)

If one tendency would be sectarian particularism, another might be sectarian collaboration: Christian denominations uniting under common ground. Here again, an uncontroversial real-world example exists and was already discussed. Christian Democrats in Europe succeeded in reaching cross-denominational consensus about creating a humane economic order. Christian Democrats took their cue from CST but could articulate it cross-denominationally.

In sum then, Schumacher’s “Buddhist Economics” reframes the sectarian questions around distributism. We can speak of a “Christian economics” in a way that not only accepts but encourages different religious traditions, or different Christian confessions, or even secular streams of thought, to develop principles about economic life that align with their respective moral values. The alternative is to let putatively “value free” economic forces automatically determine a vast number of things that are often in direct conflict with Christian principles, or the principles of virtually any self-reflective ethical system. Thus, this becomes a surprisingly simple proposition: let economic values be informed by religious and moral values.

### **The Case for Distributism in the Age of UBI**

It was relatively easy in the previous section to justify the idea of a “Christian economics,” at least in principle. It is much more difficult to agree on *what that*

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<sup>35</sup> Amish are a branch of Mennonite Christians in rural communities in North America who adhere to an agrarian way of life and typically eschew modern technology, for instance automobiles and electricity.

*economics should be*, much less that it should specifically be distributism. Why distributism rather than socialism, or Keynesianism, or libertarianism?<sup>36</sup> There is no consensus even when arguing from CST, which can be invoked to support distributism (c.f., Chesterton and Belloc), but also anything from liberation theology<sup>37</sup> to global free markets.<sup>38</sup> Christians may cherish the Sermon on the Mount but are virulently divided (especially in the USA) on how it might be instantiated politically or economically.

From the perspective of distributism, a left/liberal wing tends to advocate for Chesterton's "Hudge" (statism, under the banner of equality) and the right/conservative wing for "Gudge" (business interests, under the banner of liberty).<sup>39</sup> In Christian terms, left and right resolve respectively to the moral imperative for justice and mercy vs. the promotion of virtue and individual responsibility. Sometimes these divisions fall along denominational lines,<sup>40</sup> but just as often they are within denominations.<sup>41</sup> And, as just suggested, equivalent divides exist *within* Catholicism, or even with regard to CST itself.<sup>42</sup>

<sup>36</sup> Keynesianism, the economic philosophy of John Maynard Keynes, favors government intervention to stimulate or stabilize the economy. Economic libertarianism, usually favoring the "Austrian economics" of Friedrich Hayek (Keynes' intellectual rival) opposes central planning or control.

<sup>37</sup> Liberation theology originated in Latin America and develops CST in a way sometimes influenced by Marxism. It was famously articulated by the Dominican priest Gustavo Gutiérrez in *A Theology of Liberation*, trans. Caridad Inda and John Eagleson (Maryknoll, NY: Orbis Books, 1988).

<sup>38</sup> For instance, the Acton Institute (<https://www.acton.org/>), a predominantly Catholic think tank. See also Michael Novak, *The Catholic Ethic and the Spirit of Capitalism* (New York: The Free Press, 1993).

<sup>39</sup> Note 31.

<sup>40</sup> A prototypical example would be liberal Episcopalians versus conservative Southern Baptists

<sup>41</sup> For instance, the Presbyterian Church in the USA (PCUSA) tends to be theologically and socially liberal and the Presbyterian Church in America (PCA) theologically and socially conservative.

<sup>42</sup> E.g., notes 37 and 38 above.

Distributism, again, rejects not just “Hudge” and “Gudge” in particular but the partisan dialectic which (from the perspective of distributism) pits the champions of either against the other, whilst Hudge and Gudge (big government and big business), carry on their mutually aggrandizing relationship above that plebian fray.<sup>43</sup> To be sure, strong arguments can be made that the left *really* should support distributism, if it truly wants justice and equality, or that the right *really* should support distributism, if it truly values individual liberty and private property. However, it is not the purpose here to pursue that kind of argument, which has (so I will argue) become moot. I argue instead that UBI has already shifted the debate by sharply narrowing our economic choices, irrespective of left or right.

In an age when UBI has been proposed with the coming displacement of human labor by machines and machine intelligence, we are past the point of arguing for this or that level of government intervention, or for this or that sort of capitalist stimulus. Capitalism appears — or at least appeared in the pre- COVID-19 period — already to be stimulated to the point that machines are ready to take over its operations, while massive state intervention will no longer be up for debate when tens of millions of people suddenly have no livelihood.

The COVID-19 crisis proved UBI proponents mistaken about which workers were vulnerable: truck drivers, delivery personnel and supermarket stockers became “essential workers,” not easily replaceable by machines. Yet the larger point about UBI, that the global market system is inherently unstable, that entire labor sectors can be suddenly wiped out (much of the service industry, as it turned out) proved only too accurate. Moreover, the solution proposed by UBI adherents was put into effect almost immediately (albeit in prototypical form, as

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<sup>43</sup> Note 31.

the “stimulus”) and by a Republican president. Nothing could have demonstrated more clearly the irrelevance of the left/right dialectic to UBI.

Accordingly, the economic argument here is not for distributism *as opposed to some other range of economic choices*, but for distributism as opposed to UBI, which is emerging as the default economic choice. I propose here first, that UBI, or some form of it, is inevitable, and secondly, that distributism, or some form of it, is the only good alternative to UBI.

Let us first consider this from the perspective of the COVID-19 crisis itself. While it did make a dramatic case for the reality of UBI (market instability, massive job losses, the economic “stimulus”), it made an even stronger case for distributism. The inherent instability exposed by the global pandemic took forms that a localized, distributed economy — that distributism — would have been resilient against.

A contrary point should first be addressed, namely that small businesses, distributism’s *sine qua non*, were among the most vulnerable, and people connected with them most in need of the emergency “stimulus,” that is, of UBI.<sup>44</sup> Rather than demonstrating the inherent weakness of small businesses, however, the crisis simply underscored the fact that the system does not prioritize them. But this truism was noted earlier (i.e., “Hudge” and “Gudge”) and is the very issue in question. With so much stacked against small businesses — the fact that “owners” tend to rent rather than own productive property, to be susceptible to debt, to have smaller reserves of capital (and of course, received a vastly smaller share of the “stimulus” than large enterprises) — it is hardly surprising that lockdowns disproportionately affected them.<sup>45</sup> So it was also for the political unrest of

<sup>44</sup> See for instance Kerry Hannon, “How the Coronavirus Is Impacting Small Business Owners,” *Forbes* (March 23, 2020). Available: <https://www.forbes.com/sites/nextavenue/2020/03/23/how-the-coronavirus-is-impacting-small-business-owners/#6ae5aec473ac>.

<sup>45</sup> Thomas Turner (personal communication) made these observations about the rent/debt



2020. Though “capitalism” was excoriated by protesters, major corporations quickly adopted placating slogans and were left unscathed, whilst a great number of small businesses were destroyed by riots.<sup>46</sup> The larger point is this: that our sociopolitical structure does not favor small businesses is an indictment of the sociopolitical structure, not of small business.

Yet putting that issue aside, it is important to contemplate how a distributism-based economy might have weathered the COVID-19 crisis. Consider first the global situation: as international borders tightened or shut down, it became obvious how fragile the “outsourced” economy had become. On the one hand, fluid borders serving the global supply network also facilitated rapid transmission of a deadly virus. On the other hand, once the pandemic was underway, the same borders were *not fluid enough*; vital supply chains, including for medical supplies, were threatened, either by circumstances or the political whim of producer countries.<sup>47</sup> The basic premises of the global free market capitalism seemed undercut; whether borders were open or shut, “globalism” was suddenly an inherent liability.

Clearly, a distributist economy would not have had this vulnerability. Yet it was *within* national borders, much more than across them, that the vulnerabilities became particularly striking: at the level of work, commuting, daily commerce,

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structure of small business. For a view on problems faced by small-businesses in the COVID crisis, see Maria K. Watson, “Coronavirus: Why is it so hard to aid small businesses hurt by a disaster,” *The Conversation* (April 30, 2020). Available: <https://theconversation.com/coronavirus-why-is-it-so-hard-to-aid-small-businesses-hurt-by-a-disaster-137234>.

<sup>46</sup> See for instance the report at the epicenter of the riots, Josh Penrod, C.J. Skinner, Mary Jo Webster, “Buildings damaged in Minneapolis, St. Paul after riots,” *Star Tribune* (July 13, 2020). Available: <https://www.startribune.com/minneapolis-st-paul-buildings-are-damaged-looted-after-george-floyd-protests-riots/569930671/>. Equivalent destruction occurred in most other centers of unrest.

<sup>47</sup> See for instance Ana Swanson, “Coronavirus Spurs Efforts to End China’s Chokehold on Drugs,” *The New York Times* (March 11, 2020). Available: <https://www.nytimes.com/2020/03/11/business/economy/coronavirus-china-trump-drugs.html>.

daily provisions, and other (in normal times) mundane affairs. As the COVID-19 crisis unfolded, the public was urged to adopt “social distancing.” People were urged not to go to the workplace, to work from home (if they could), and to avoid crowds and population centers. People were advised to prepare emergency provisions and to be self-sufficient to the degree possible. As the situation worsened, advisories devolved to lockdowns in homes, curfews, quarantines, and restrictions on movement.

At each point we can see how these measures either would not be necessary at all in a distributist economy, or, if they did become necessary, how much easier and less painful to enact. On the principle of Schumacher’s “small is beautiful,” distributist production would occur at the scale of towns, neighborhoods, small farms, gardens, home workshops, workstations, and the like. Thus, there is with distributism a natural tendency to spread the population out, with less concentration in or around urban centers. Essential products and agricultural goods would be more readily available, at less distance, with much more tendency for homes and localities to be self-sustaining and self-contained.

Considered from a higher level of description, UBI proponents have rested their premises on growth and technological development, synchronized with the integrated global economy.<sup>48</sup> A smoothly running technocracy would produce a stable source of wealth and the state apparatus reliably disburse the UBI payout. Needless to say, the COVID-19 crisis showed how catastrophically unstable the global economy can be. While the crisis did demonstrate the necessity of UBI as a stop-gap measure (the stimulus), it also indicated that the long-term viability of UBI is far from secure. People would be *more* rather than less vulnerable than in the crisis, because UBI would have created both a dependence and a false sense of

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<sup>48</sup> This is articulated in the mission statement, “Universal Basic Income for all people” (The Consortium for Global UBI). Available: <https://globalubi.org/>.

security. Moreover, runaway inflation could easily render basic incomes worthless.

Therefore, the COVID-19 crisis revealed the vulnerabilities and disadvantages of the pre-2020 market economy, and indicated how distributism, by contrast, would establish a robust and resilient one. UBI depends on the expansion and sustainability of the former, the global market technocracy, which proved so fragile. Nevertheless, at least for the sake of argument, we should assume that, post 2020, society will want to return to the status-quo, that defenses will develop against catastrophes like the COVID-19, and that global integration will more or less pick up where it left off. Let us assume, then, that the original arguments of UBI proponents come back into play, and even more strongly, since UBI-like measures during COVID-19 proved practicable as well as politically uncontroversial.

In this light, and as the final line of argument, UBI and distributism should be examined side by side regarding their fundamental assumptions. In proposing that people receive basic economic sustenance, UBI proposes that the technocratic economy provides goods and services, and a salary to access them, irrespective of the contribution of labor, and that people consume, whether or not they work. The economy is in this sense no longer quite *of* the people or *by* the people, though it is still *for* the people. Examples here are primarily negative; millions of professional drivers, for instance, were thought likely to lose work because of self-driving vehicles. (Similarly, in the COVID-19 crisis, service industry jobs disappeared.) UBI would, as the first order of business, enable the unemployed to survive economically. Then, UBI would (hopefully) allow displaced workers to prepare for other productive endeavors.

By contrast, distributism proposes that people would be empowered to have the resources (land, property, materials, technology, energy) to be independent and self-sufficient producers. The economy would be not just *for* the people, but

*of* the people and *by* the people. Human work would take preeminence again, as people would be managing their own resources, including technology, first of all to provide for their needs and those around them, but also to create goods and services (and labor) for local markets, and such distant ones as become available.

In a previous collaborative dialogue, Thomas Turner elaborated what a “technocentric” distributism might look like, using clothing as an example. He contrasted Schumacher’s ascetic minimalism in “Buddhist economics” with his own technological maximalism.<sup>49</sup> Computer applications, downloadable patterns, laser cutters, and computerized worktables could facilitate the production of customized clothing, while the demand for the relevant technology would lower its costs. Home-made clothing “would move economic activity from the third world sweat shop factory to local mills, and to home based productive activity.” There would be a place in the home workshop for both the adept and for the less skilled, and for apprenticeships. The internet could provide access to markets near and far. More broadly,

[T] he competence in and cost of computerization has made it easily reachable by every cottage industry; small farmer; dairyman; animal husbandry; aqua-culture; tailor.<sup>50</sup>

Thus, in Turner’s vision of an integrated distributist economy, technology would not displace labor but facilitate it.

UBI need not preclude distributism in this sense. In fact, this is close to the vision that Andrew Yang presented for UBI; through their universal provision people can acquire their own resources, and/or, with the supplement of UBI, save enough to do so, and thus be empowered to become independent entrepreneurs like Yang himself. Seen this way, UBI could plausibly lead to distributism, or,

<sup>49</sup> Turner and Taylor, 114-115.

<sup>50</sup> Ibid.

arguably, is *already* a form of distributism, insofar as it facilitates this sort of development. UBI and distributism are not mutually exclusive.

However, the evolution of a UBI-based society might very well be in a contrary direction, namely, a sedentary population of passive recipients, of dependent consumers — the kind of society depicted in the animated movie *WALL·E*.<sup>51</sup> It is important to acknowledge this, not as a foregone conclusion, but certainly as a distinct possibility. Furthermore, it is easy enough to imagine a UBI-based system developing an elite entirely in charge of the production and distribution of wealth, a manager class that would not at all be keen on competition. This is in fact close to Belloc's grim vision in *The Servile State*.

Lest this seem overdrawn, the history of software development or the internet are hardly encouraging. They were once seen as equalizers, putting so much into the hands of all, yet within a few decades the lion's share was consolidated by a handful of oligarchs.<sup>52</sup> We must, like “digital sharecroppers,” renew licenses for the privilege of creating basic documents, while our devices stream information to advertisers, or the surveillance state.

It must be emphasized that distributism is truly the only economic philosophy that realistically resists such developments, or the eventuality of a population of passive recipients deprived of motivation, agency, purpose, and of course, freedom. In a distributist ethos, people would be self-sufficient by definition, as they manage their own affairs, including technology. Production would be integrated with the local community, and people creatively engaged in and through it.

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<sup>51</sup> *WALL·E*, directed by Andrew Stanton (Los Angeles: Disney Pixar, 2008).

<sup>52</sup> See for instance Steve Andriole, “Already too big to fail – the digital oligarchy is alive, well (& growing),” *Forbes* (July 29, 2017). Available: <https://www.forbes.com/sites/steveandriole/2017/07/29/already-too-big-to-fail-the-digital-oligarchy-is-alive-well-growing/#4cf9071167f5>

Given that distributism and UBI are ultimately the only choices, this is why I believe that a “Christian economics” can most unreservedly support distributism, but only cautiously and provisionally accept UBI. Distributism not only answers the imperative for mercy and justice (like UBI) but also inspires and engages the human spirit, in accordance with a Christian view of human dignity. It would nurture and encourage what could be called Christian virtues. Distributism, more than UBI, resonates with the “gospel of work” as articulated by John Paul II:<sup>53</sup>

The truth that by means of work man participates in the activity of God himself, his Creator, was given particular prominence by Jesus Christ — the Jesus at whom many of his first listeners in Nazareth “were astonished, saying, ‘Where did this man get all this? What is the wisdom given to him?... Is not this the carpenter?’”<sup>54</sup> For Jesus not only proclaimed but first and foremost fulfilled by his deeds the “gospel”, the word of eternal Wisdom, that had been entrusted to him. Therefore this was also “the gospel of work”, because *he who proclaimed it was himself a man of work* . . .

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<sup>53</sup> John Paul II, *Laborem Exercens*, IV.26.1.

<sup>54</sup> Mark 6:2-3. *The New Testament*. New Revised Standard Version.