**Property Rights and Conservation: The Missing Theme of *Laudato si***

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The defense of private property has generally been a key principle of Catholic social teaching. In some senses this defense reached its zenith in *Rerum novarum* published in 1891. Often described as the “workers’ encyclical,” this papal letter also had a vigorous defense of private property grounded in natural law. In later Catholic teaching, the importance of the institution of private property has often been stressed, but also qualified. Furthermore, when writing about environmental issues, not only has the importance of private property rarely been put forward as a solution to environmental problems, it has been hinted that private property rights may be one of the causes of environmental problems and that limits must therefore be put on private property to prevent environmental degradation.

This line of reasoning is interesting because, in modern economics, it is generally thought that better definition and enforcement of property rights is an important solution to environmental problems.[[1]](#footnote-1) Thus, despite the Catholic Church’s belief in the importance of private property rights in general, the Church seems to regard them as problematic in the very context that many modern economists see them as helpful.

This paper examines the importance of private property in Catholic teaching. It then considers the qualifications that the Church has made in relation to private property rights and their role in environmental protection. Finally, some of the economic work that shows how the institution of private property is crucial for the protection of environmental resources and amenities will be presented. The paper concludes by making the case that the recent papal encyclical *Laudato si* would have been a more rounded document if it had considered the importance of private property for the protection of the environment. In the paper – explicitly so in the later sections – private property is broadly defined to include community control of property too. This is something to which Pope Francis is likely to be sympathetic, but which was also not explored systematically in the encyclical.

**Private property and the early teaching of the Catholic Church**

Chroust and Affeldt (1951) trace the attitude of the Church towards private property from its earliest days. They argue that early Christians were initially hostile to private property, to large degree because they believed that the second coming was imminent and therefore that Christians should not focus on earthly things.[[2]](#footnote-2) As time went on, this apocalyptic view of the world changed and also Christian societies became more integrated with wider society. The result of this was greater acceptance of private property. However, in most cases, the argument was still made that private property should be put to social – particularly charitable – use.

Despite this greater acceptance of private property, in the fourth and fifth centuries St. Athanasius and St. Basil were still very critical. The latter, for example, suggested that individuals who owned property usurped what should be common to all (Chroust and Affeldt, 1951, 166). St. Ambrose of Milan and St. Jerome also argued that, before the fall, all property was held in common. Taking a similar view, St. John Chrysostom said in his eleventh homily on the Acts of the Apostles that all people should sell their possessions and deliver the receipts to the community[[3]](#footnote-3) and stated that private property was a product of the fall.[[4]](#footnote-4)

Charles (1998, especially 42-43 and 92-94), in his magisterial work on Catholic social teaching, suggests, however, that the ownership of private property was widespread and that, taking the early Church as a whole, the general view was favorable towards private property as long as those with riches were generous to those without. Thus, although views may have been divided, and important figures in the Church spoke out against private property (and, in particular, against riches), there was clearly some acceptance in practice of private property even in the early Church.

From the mediaeval period, the concept of private property became much more widely accepted among Christian thinkers, especially if it was put to good social use – an issue to which we will return. As Chroust and Affeldt (1951, 176) put it:

The ecclesiastic conception of property rights was cogently expressed by William of Auxerre, who says that the motive which induces one to acquire property is the element that determines the good or badness of the act. If a man accumulates property from the mere desire of possession, he commits a mortal sin. If, however, he does so from the practical realization that the weakness and greed of human nature demand distinct and pronounced property rights, the abolishment of which would lead to a war of all against all-then he does a good act.

Furthermore, it can be reasonably argued that private property was not necessary before the fall, but the reality of the fall requires adaptations in socio-political-legal systems. Chroust and Affeldt continue:

Hence it might be said that despite the radically idealistic exhortations of the Apologists and the Church fathers, a practico-social attitude of toleration toward private property and individual wealth finally prevailed and became accepted in the social teachings of the Church.

Indeed, this was an important aspect of the teaching of St. Thomas Aquinas. He developed and clarified thinking on the right to property and expressed it in a form which has, in essence, remained the mainstay of the Catholic Church’s teaching ever since. According to Chroust and Affeldt, Aquinas argues that the natural law can be used to justify the position that all property should be held in common, but this does not mean that natural law prevents persons having possessions of their own (Chroust and Affeldt, 1951, 180). Indeed, according to Aquinas, reason and experience suggest that private property is a product of the intelligent co-existence of human persons. This was especially true in the developing urban societies. As Aquinas states in *Summa Theologica* 2.2[[5]](#footnote-5):

Community of goods is ascribed to the natural law, not that the natural law dictates that all things should be possessed in common and that nothing should be possessed as one's own: but because the division of possessions is not according to the natural law, but rather arose from human agreement which belongs to positive law, as stated above. Hence the ownership of possessions is not contrary to the natural law, but an addition thereto devised by human reason.

Aquinas and others believed that private property should be encouraged because it served important social purposes. According to Aquinas, private property had at least three important social functions (see Charles, 1998, 207). Private property encouraged people to work harder because they were working for what they could own – otherwise people would shirk. Secondly, private property would ensure that affairs were conducted in a more orderly manner – people would understand for what they were responsible rather than everything being the responsibility of everybody. Finally, private property ensured peace if property was divided and its ownership understood.

The late scholastics continued to articulate the case for private property.[[6]](#footnote-6) Indeed, Domingo de Soto (1494-1560) was explicit in defending it. He states: “in a corrupted [i.e. fallen] state of nature, if men lived in common they would not live in peace, nor would the fields be fruitfully cultivated” (Alves and Moreira 2010, 67). Here we see a relationship drawn between cultivation and caring for property and private ownership of property. As we shall see, this is something that is important in the context of the preservation of the environment.

Alves and Moreira (2010, 67) elaborate on this noting that the position of the late scholastics can be described in the following way: “the prime goal of material goods created by God is to allow the flourishing of human life…[They] then followed (and significantly developed) the Thomist line of associating the justification for private property with its importance for the common good.” In this framework it was generally recognized that private property led to incentives for the better use of resources.

It was argued that, though private property is essential for the functioning of society, private property must serve society and not be an end in itself. Thus, while the extinguishing of private property through the extreme forms of socialism is not acceptable and is contrary to reason, the existence of private property does not give human persons an untrammeled freedom to not use property for a social purpose and the state may own property too for the good of society. The social purposes of private property can, though, be defined widely, For example, a social purpose may include housing one’s family, running a business, and so on. But wantonly destroying property would not be a social purpose, and this is of relevance to debates about private ownership and the environment.

It is worth noting that there is some debate in Catholic teaching as to whether private property is a natural right or is a prudent device adopted because of its social benefits. This is discussed further, briefly, below. Alves and Moreira (2010, 44) argue that the late scholastics, like Aquinas, held the belief that “the justification for property was regarded as deriving from the promotion of the common good (and not as an absolute natural right).” When it comes to the issue of the protection of the environment, it is its social role that is important and which will form the basis of the discussion.

**Private property and *Rerum novarum***

In 1891, Pope Leo XIII published what can be regarded as the Catholic Church’s first modern social encyclical. In that document there was a trenchant defense of private property. This followed many briefer and less analytical statements from the previous pontiff about the importance of property. For example, Pope Pius IX regularly mentioned the importance of private property in the context of attacks on the institution from socialism and communism.

Pope Leo comes close to stating – and certainly implies – that property rights are a natural right. Such a justification would be stronger than the quasi-utilitarian argument based on the promotion of the common good in the context of the fall generally used by theologians prior to *Rerum novarum*. Pope Leo states, for example (5):

It is surely undeniable that, when a man engages in remunerative labor, the impelling reason and motive of his work is to obtain property, and thereafter to hold it as his very own. If one man hires out to another his strength or skill, he does so for the purpose of receiving in return what is necessary for the satisfaction of his needs; he therefore expressly intends to acquire a right full and real, not only to the remuneration, but also to the disposal of such remuneration, just as he pleases. Thus, if he lives sparingly, saves money, and, for greater security, invests his savings in land, the land, in such case, is only his wages under another form; and, consequently, a working man's little estate thus purchased should be as completely at his full disposal as are the wages he receives for his labor.

The argument that property is a man’s wages in another form is important because there has always been a very strong biblical and Catholic Church injunction against depriving a person of his justly earned wages. If justly acquired property simply amounts to wages in another form, the entitlement to property is much stronger than if such entitlement is justified on the prudential grounds of promoting the common good. Indeed, *Rerum novarum* (6) goes on to say, invoking natural rights again: “For, every man has by nature the right to possess property as his own.” However, it should be noted that, just because all have the right to possess property it does not mean that all property should be privately owned.

Continuing the theme of natural rights, but also linking private property, natural rights and the human person’s relationship with the environment, Pope Leo wrote (8):

Here, again, we have further proof that private ownership is in accordance with the law of nature. Truly, that which is required for the preservation of life, and for life's well-being, is produced in great abundance from the soil, but not until man has brought it into cultivation and expended upon it his solicitude and skill. Now, when man thus turns the activity of his mind and the strength of his body toward procuring the fruits of nature, by such act he makes his own that portion of nature's field which he cultivates - that portion on which he leaves, as it were, the impress of his personality; and it cannot but be just that he should possess that portion as his very own, and have a right to hold it without any one being justified in violating that right.

In paragraph 15, Pope Leo goes further and describes private property rights as “inviolable.”

A hint of the relevance of private property for the environment comes in paragraph 47: “Men always work harder and more readily when they work on that which belongs to them; nay, they learn to love the very soil that yields in response to the labor of their hands, not only food to eat, but an abundance of good things for themselves and those that are dear to them.” The suggestion is that they may love and look after better what is owned by them.

Thus, in *Rerum novarum,* we have a strong defense of private property and, possibly, a widening of its justification. Catholic teaching in later social encyclicals have, certainly in terms of emphasis, used more similar arguments to those of Thomas Aquinas and the late scholastics.

**Private property and Catholic social teaching in the modern era**

The theme of private property is taken up by St. John Paul II in *Centesimus annus*, an encyclical written to celebrate the 100th anniversary of *Rerum novarum*. Referring back to *Rerum novarum*, John Paul II restates the importance of that encyclical for modern times. Then John Paul makes an important qualification when it comes to the subject of private property. He stresses that private ownership must be subordinated to the social function of property and to the principle of the universal destination of goods. In this sense, *Centesimus annus* is reiterating the teaching of the early Church, that, if private ownership does not fulfil a social function in a particular context, then it should be questioned. Or, as the same writer had put it four years earlier in *Solicitudo rei socialis* (42), referring also to the documents of Vatican II: “Private property, in fact, is under a ‘social mortgage,’ which means that it has an intrinsically social function.”

Indeed, in *Solicitudo rei socialis*, John Paul specifically raises what he describes as the “ecological question” in relation to private property (37). He suggests that “It is the task of the State to provide for the defense and preservation of common goods such as the natural and human environments, which cannot be safeguarded simply by market forces” (40). In doing so, he calls into question the ability of private ownership to protect the environment. This is a key statement which has been at the root of criticism of private property in the context of protecting the environment in Catholic thinking.

Indeed, in *Laudato si*, Pope Francis, repeats this argument without developing the reasoning further. This is something that could be regarded as an omission in a document that was wholly about ecological issues and published nearly thirty years after *Solicitudo rei socialis.* In the intervening time, a huge amount of academic work had been undertaken on the relationship between the environment and property rights. Between the publication of *Solicitudo rei socialis* and *Laudato si*, the Nobel Prize in Economics had been awarded twice – in 1991 to Ronald Coase and in 2009 to Elinor Ostrom – at least partly for work relating to property rights, social costs and the environment. Given the importance of the subject and the importance of private property in the teaching of the Church, *Laudato si* would have made a bigger contribution to the social teaching of the Church if property rights had been considered more fully.

The question of private property is raised in *Laudato si* section 6 (93-95). Pope Francis says that the Christian tradition has never recognized property rights as absolute or inviolable[[7]](#footnote-7) and that they must be subordinated to a social purpose. This is merely reiterating previous teaching, though perhaps with a more negative emphasis. Then Pope Francis says: “The natural environment is a collective good, the patrimony of all humanity and the responsibility of everyone. If we make something our own, it is only to administer it for the good of all” (*Laudato si,* 95).

This implicitly raises two very important questions, though the document moves on to another section thus leaving them unaddressed. The first question is whether private property rights are the best way to deal with the protection of the natural environment despite the implicit skepticism of recent Catholic social teaching in this area. The argument of Aquinas, the late scholastics and Catholic social teaching more generally is that private ownership helps deliver the social mortgage – in general, if not always. Might that be the case with the environment too? Secondly, there is the question of whether there are particular forms of property rights which do not necessarily involve individualized ownership that might be especially effective in protecting environmental goods.

**Property rights and environmental protection**

***The ‘tragedy of the commons’***

In understanding the importance of property rights for environmental protection, it is instructive to first consider the problems caused by the absence of private property. The much-cited work here is Hardin’s “Tragedy of the Commons” (Hardin, 1968).

Hardin referred back to a pamphlet by William Forster Lloyd (written in 1833) in which a situation was described whereby common land was open to grazing by all. The land would be over-grazed because a person would get the benefit of putting additional cattle on the land without the cost that arises from over-grazing which would be shared by all users. This is even clearer with fish stocks. A trawler taking extra tuna from the ocean will benefit from doing so, but the – perhaps hugely greater – cost of taking the extra tuna in terms of lower levels of breeding will be shared between all trawler owners. This will include not just those who own trawlers today but those who own them in the distant future.

As it happens, Hardin’s article, which is regularly cited in relation to environmental protection and the importance of property rights, was really about another topic entirely. It proposed compulsory population control and, in this and other ways, it is completely at odds with Catholic social teaching.[[8]](#footnote-8) He was also not specifically proposing private ownership as a way of dealing with the tragedy of the commons - he used the example of the environmental commons as an entrée into controlling what he described as “human breeding.” However, it is the lesson of the tragedy of the commons that is perhaps most widely repeated.

***Government control or private ownership?***

The point of the tragedy of the commons is that it is the non-existence of either property rights or the regulation of the use of an environmental resource that is said to be disastrous for environmental outcomes. This cannot be reasonably disputed. However, the commons problem can be solved by state ownership, regulation and control; by community ownership of one form or another; or by private ownership. It would appear that, in the rather brief treatment of the issue, it is some form of government control that recent Catholic social teaching has suggested is necessary. However, if government control is not the only approach to protecting the environment, given other aspects of Catholic social teaching on property rights, it would seem that the Church should favor private ownership – or at least be welcoming of the possibility. Certainly, the Church should prudently consider the alternatives.

**Private property and the environment**

There is, indeed, much evidence that private property can play an important part in protecting the environment, just as it has an important social function in other contexts. Indeed, the absence of private property is often disastrous for environmental outcomes.

A stark example of how the lack of private property rights can have an impact on the environment is given by the dramatic difference between forest cover on the two sides of the border between Haiti and the Dominican Republic. There is a distinct difference between the ecology of the two areas. As the UN put it: “Environmental degradation in the worst affected parts of the Haitian border zone is almost completely irreversible, due to a near total loss of vegetation cover and productive topsoil across wide areas” (United Nations Environment Programme 2013, 6). It is the Haitian side of the border that is subject to almost complete loss of environmental resources. The same UN document reports, that Haiti has 4 percent forest cover as against 41 percent in the Dominican Republic.

Private ownership and the institutions that surround it provide the incentives for sustainability. The value of a piece of land at any time will reflect the present value of all that can be yielded from the land in the indefinite future. The costs of damaging land in private ownership is huge because those costs can relate to all possible lost future production and not just to production over a year or two. Furthermore, land will not be nurtured and people will not invest in the land if they believe that it is going to be polluted or plundered by others. Private property rights will often (though not always) need to be protected by good governance, good courts systems and so on, that can be provided by governments (see Catechism 2449, quoting from *Centesimus annus*). However, the absence of private property rights, properly enforced, can be the problem, when it comes to environmental protection, not their presence. As Marchand (2016, 5) puts it:  “institutions such as property rights influence the importance of opportunity costs generated by deforestation. Therefore creating appropriate institutions allows for the reduction of uncertainty in exchange and results in reduced transaction and production costs of long-term activities such as sustainable forestry. The poor quality of institutions in developing countries may thus constitute a major impediment for forest conservation.”

In effect, the Haitian side of the border is a huge, ungoverned and unowned commons. Haiti has been for much of the recent past, a failed state (ranked 11th in the Foreign Policy Fragile State Index, 2015[[9]](#footnote-9)) and has a terrible record of corruption (175 out of 182 in the Transparency International Corruption Perception Index[[10]](#footnote-10)). In relation to Haiti, the 2016 Heritage Index of Economic Freedom states that “clear titles to property are virtually non-existent.”[[11]](#footnote-11) By no means is the Dominican Republic perfect, but it ranks about half way up the region in the same index when it comes to the protection of property rights.

Haiti and the Dominican Republic are a particularly interesting contrast because of their proximity to each other. However, there is abundant evidence that the lessons from this example can be generalized. For example Araujo et al (2009, 2467) argues: “insecure property rights in land drive deforestation in the Brazilian Amazon.” The authors demonstrate a causal relationship which arises through several channels. Their results are strong and lead to the conclusion that an exogenous escalation in property rights insecurity brings a significant increase in the rate of deforestation.

Interestingly, another paper that draws the same conclusions relates the problem of lack of secure property rights to past imperial activity. Novoa (2007, 1) concludes: “stronger property rights encourage less deforestation controlling for a number of variables.” He also argues that former British colonies have significantly better deforestation records (i.e. less deforestation) than former Spanish colonies. The author believes that this result may arise because different colonial regimes had a different impact on the long-term security of property rights. Novoa argues that British regimes established local ownership of the forest so that local people (pioneers) had direct control over forest resources.

Thus, the British Colonial system provided incentives for joint maximization of the net present value of timber and non timber forest products. In addition, the system promoted the internalization of external benefits that did not accrue to the owner of the land such as conservation of the soil or prevention of floods. Therefore, forest land use value tended to be comparatively higher than [in] a system of ill-defined property rights, consequently encouraging less deforestation. (Novoa, 2007, 3).

On the other hand in Spanish colonies:

Timber and most valuable non timber forest products were property of the Spanish Crown by royal decree…Therefore, the Spanish Colonial system intended to extract the main forest resources without building any kind of institutional framework for joint maximization of the total value of the forested land…After colonial independence, government took over the ownership of the resources, however the control was in hands of a powerful elite who was giving land concessions to the military… (Navoa, 2007, 3).

To make matters worse, because trees are often government-owned resources on private land, there is no incentive for the private owners of the land to manage them and every opportunity possible is taken by the land owners to clear the forest so that the land can be used for private productive purposes. In this situation, the trees are utterly without value to the owner and cannot be managed sustainably.

This problem of a lack of well-defined and enforced property rights leading to environmental degradation is repeated in relation to a wide range of environmental resources in many different circumstances.[[12]](#footnote-12) It is exactly the sort of problem that ought to have been of interest to Catholic theologians and philosophers who gave these issues serious thought.

To return to the sentence in *Laudato si*:“The natural environment is a collective good, the patrimony of all humanity and the responsibility of everyone. If we make something our own, it is only to administer it for the good of all” (*Laudato si,* 95), the general position of Aquinas, the late scholastics and the early social encyclicals is that, by allowing people to make something their own, it is more likely to be administered for the good of all. This principle is so crucial in relation to environmental goods and is so widely discussed among economists examining environmental problems that it should have been an important subject of discussion in *Laudato si*.

***Good governance, private property and the environment – wider issues***

Many other aspects of the relationship between property rights and the environment are important and, though not necessarily appropriate for discussion within an encyclical, could form a research agenda for Catholic scholars going forward. For example, where there are well-defined owners of an environmental resource in a regime characterized by good governance and juridical systems, it is less likely that individuals or corporations will damage property they do not own. In a regime of well-protected private property rights, damage to one’s neighbor’s property will lead to prosecution or a requirement for compensation. This will not be the case where environmental resources are effectively unowned, as indicated by the rain forest examples above.

There are broader ways too in which a regime of strong private rights in the context of good governance can help protect the environment. First, a country with good governance, the effective rule of law and the enforcement of private property in general is more likely to be able to protect effectively those environmental goods where limits do need to be put on commercial exploitation for the purposes of environmental protection. A state which performs well the task of enforcing property rights is more likely to be able to regulate the use of private property if that is deemed necessary as such regulation requires uncorrupt and efficient legal systems, law enforcement and administration.

The absence of these aspects of good governance is probably the biggest threat to those environmental resources that cannot be commercially exploited and which are regulated in order to promote conservation.[[13]](#footnote-13) For example, it has been estimated that: “almost half (49 percent) of total tropical deforestation between 2000 and 2012 was due to illegal conversion for commercial agriculture” (Lawson, 2014, 2). Further analysis of Brazil by Lawson (page 27) suggested that such illegal forest destruction included deforestation in areas where those involved did not have land title as well as the flouting of regulations designed to limit deforestation. This example also illustrates the difficulty of resorting to government control of property in the name of environmental protection when private ownership is deemed to have failed. If the legal systems for the protection and regulation of private property are not effective, it is highly unlikely that the state will be able to manager resources effectively free from problems caused, for example, by corruption.

It is also worth noting that economies broadly based on the principles of economic freedom and private property are more likely to prosper. And, as countries become more prosperous, they tend not only to adopt technologies that are less resource intensive per unit of GDP, but also tend to value environmental goods more. When a community has a choice between eating and deforestation, eating wins. In more technical terms, a clean environment is an income elastic good.[[14]](#footnote-14) One example of this effect relates to the emission of pollutants. In the U.S., emissions as measured by an index of six major pollutants has fallen by 65 percent per head since 1980.[[15]](#footnote-15) Indeed, no nation with an annual GDP per capita of more than $4,600 per annum had net forest loss in the period 2000-2005 (see Kauppi et al, 2006). Though there is still net deforestation taking place in the world as a whole, the annual rate of net deforestation has more than halved to 0.08 percent in 2010-2015 from 0.18 percent in the early 1990s[[16]](#footnote-16) [[17]](#footnote-17).

***Quasi property rights***

There may be practical reasons why it is difficult to develop property rights in environmental resources in the classical sense of an individual, group or corporate organization having the right of exclusion in relation to the use of property. Sometimes problems can be dealt with through more informal property structures (see below). However, in some cases, some of the benefits of property rights can be obtained by using structures that mimic the features of private property.

For example, quasi property rights such as tradable quotas which have been successful in marine preservation. It is not the purpose of social encyclicals to answer all problems pertaining to political economy. However, there is a clear *a priori* case for suggesting that the institution of private property – directly and indirectly – plays an important role in environmental protection and that there might be a role for the state in encouraging the development of quasi property rights that are then traded in a formal framework.[[18]](#footnote-18)

One area where such a tradable property rights approach has been used is in fisheries. Costello et al (2016) suggested that various rights-based approaches to fishery management can have a substantial and rapid beneficial effect on fish stocks. Such systems can also reduce conflict by aligning the interests of trawler owners and those who set the fishing quotas. For example, if trawler owners are given a percentage share of the allowable catch, in perpetuity, they have an incentive to maximize the long-term sustainability of the fishery in order to maximize the value of their tradable quota. Under many other systems, the trawler owners simply have an incentive to extract as many fish from the see as soon as possible. Gissurarson (2015, 70), writing about the Icelandic system of fishing quotas which effectively divides up property rights in the total fishing catch to trawler owners in perpetuity argues: “In Iceland, owners of fishing vessels now fully support a cautious setting of TACs [total allowable catch] in different species. They have become ardent conservationists…[T]he private interests of individual fishermen coincide with the public interest.”

**Neither government nor market: the work of Elinor Ostrom**

Elinor Ostrom won her Nobel Prize in economics in 2009 for demonstrating “how common property can be successfully managed by user associations and that economic analysis can shed light on most forms of social organization.”[[19]](#footnote-19) Given that her work focused on natural resources and it was said by the prize committee that: “Her research had great impact amongst political scientists and economists” it is perhaps surprising that some of her ideas were not reflected in *Laudato si.[[20]](#footnote-20)* This is especially so as there are many similarities between her way of thinking and some important strands of Catholic social teaching.

Despite the importance of private property rights in dealing with environmental problems, not all such problems can be solved by the individualization of property rights.[[21]](#footnote-21) Property rights can be much more complex – even when privately held – than the simple freehold ownership that is often common in Western societies[[22]](#footnote-22) and the regulation and enforcement of such property rights can take many forms.

Ostrom’s thesis is simple. Communities can, from the bottom up, develop methods of controlling the consumption of environmental resources – fish and forests in particular – that are remarkably stable and effective. They develop their own systems of enforcement and the main role of government is to support those systems and not to take them over.

Perhaps the starting point for thinking about Ostrom’s work in the context of Catholic social teaching is the principle of subsidiarity. This was defined in 1931 in *Quadragesimo anno.[[23]](#footnote-23)* In that encyclical it was stated: “it is an injustice and at the same time a grave evil and disturbance of right order to assign to a greater and higher association what lesser and subordinate organizations can do” (QA 79). The principle of subsidiarity does not suggest that there is no role for higher organizations (such as the state), but it does propose that their role should be limited. Specifically, the principle proposes that the state should aid other organizations in society in their function of promoting the common good. The principle of subsidiarity is important for many reasons, not least because the socialization that comes from people co-operating together itself promotes the virtues. This process can be undermined by unnecessary top-down intervention by the government which should support, rather than take initiative from the family and institutions of society.[[24]](#footnote-24)

Ostrom defined a particular type of resource (Ostrom and Ostrom, 1977) as a “common pool resource.” Such a resource is reducible in consumption in the same way that a purely private good is reducible and, as such, a common pool resource is rivalrous in consumption (that is, if one person consumers the resource, it is not available for another person). However, as with what economists describe as a pure public good, it is difficult to exclude people from consuming a common pool resource.[[25]](#footnote-25)

Ostrom cites forests, fisheries and the benefits of a clean atmosphere as common pool resources. These are precisely the environmental resources about which Catholic social teaching has shown great concern and which are discussed in *Laudato si*.

Ostrom found that certain design features of systems were important for the sustainability of a natural resource. These are discussed in Ostrom (2009, 422). Features which are especially relevant to Catholic social teaching are:

* *There should be clear and locally understood boundaries between legitimate users and non-users.* This clearly implies some kind of private property rights (at least rights of exclusion) even if those rights are not individualized.
* *There should be congruence with local social and environmental conditions.* This is something that is strongly in accord with the principle of subsidiarity.
* *The rights of local users to make their own rules are recognized by the government.* Again, this is a manifestation of the principle of subsidiarity. The role of the government is to facilitate the users in developing and enforcing the rules rather than the government taking over that function from the people.
* *When a common-pool resource is closely connected to a larger social-ecological system, governance activities are organized in multiple nested layers.* Ostrom calls this “polycentricity.” In many senses, this idea might be closer to the Calvinist principle of “sphere sovereignty,” but it is another expression of the principle of subsidiarity whereby:

Just as it is gravely wrong to take from individuals what they can accomplish by their own initiative and industry and give it to the community, so also it is an injustice and at the same time a grave evil and disturbance of right order to assign to a greater and higher association what lesser and subordinate organizations can do. For every social activity ought of its very nature to furnish help to the members of the body social, and never destroy and absorb them…Thereby the State will more freely, powerfully, and effectively do all those things that belong to it alone because it alone can do them…Therefore, those in power should be sure that the more perfectly a graduated order is kept among the various associations, in observance of the principle of "subsidiary function," the stronger social authority and effectiveness will be the happier and more prosperous the condition of the State. (QA 78-80).

In other words, if we think of the main role of the state in Ostrom’s framework as being to aid the community in managing the resource, this is a very clear aspect of the principle of subsidiarity.

Ostrom gives examples of how such stratified systems work (Ostrom, 2012, 80-81). She points out that textbook solutions to over-fishing normally propose individual transferable quotas. These might work in some circumstances (see above). But, in other circumstances, enforcement can be difficult. In the community-managed systems proposed by Ostrom, methods of exclusion from the resource are developed within the community itself. These might include limitations on the time boats can fish or limitations on the equipment they can use. These mechanisms can be developed by the community itself (so that “ownership” or the resource, is, in effect, a qualified and shared right to fish), but monitoring and enforcement might be undertaken at a different level.[[26]](#footnote-26) Also, information about the sustainability of the resource might be provided by a different body to help the community make decisions about the use of the resource. Higher levels of government can also provide mechanisms for dispute resolution (for example, through court systems).

Lam (1998) described how such polycentric systems might work in practice in the case of water use. He found that irrigation systems governed by the farmers themselves perform significantly better both in terms of agricultural productivity and also in terms of environmental outcomes. In the farmer-governed systems, farmers communicate with one another at annual meetings and informally on a regular basis, develop their own agreements, establish the positions of monitors, and sanction those who do not conform to their own rules. He found that, while farmer-governed systems do vary in performance, few perform as poorly as government systems. The farmers have a common interest in promoting conservation of water resources and are, arguably, in the best position to manage the water resource. If the water were an un-owned and unmanaged resource, it would be over-used. If it were managed by the government, there would be no strong incentive for the government to manage it sustainably and the government may simply lack the capacity to manage it even if it had the will to do so.

As has been noted, the support within Catholic social teaching for the principle of private property has generally been based on prudence. Given our human nature, it is the best way to ensure economic harmony and prosperity. Researchers have provided much evidence to suggest that the form of community control that is proposed by Ostrom is successful at maintaining environmental resources in a range of situations – especially in poor countries. One example she provides is that of forests, which are especially important both in promoting bio-diversity but also as carbon sinks. They should therefore have been especially interesting to the authors of *Laudato si.*

There is a great deal of evidence cited by Ostrom that local monitoring of forests tends to lead to better outcomes. Furthermore, the centralization of the control of forests within government can lead to stable forests being de-forested. Ostrom concludes: “it is not the general type of forest governance that is crucial in explaining forest conditions; rather, it is how a particular governance arrangement fits the local ecology, how specific rules are developed and adapted over time, and whether users consider the system to be legitimate and equitable” (Ostrom, 2009, 429). This again, is an important expression of the principle of subsidiarity: the key principle is not the absence of or presence of government but the fact that the government is operating in a way that supports the initiative of the community rather than supplanting it.

Ostrom is clear that the social context in which environmental resources are managed must run with the grain of self-interest. As such, a system will be more successful where individuals know that their actions are likely to make a difference to the outturn from which they will benefit along with the wider community. Certainly, there is nothing in Catholic social teaching against social institutions running with the grain of benign forms of self-interest and, indeed, Ostrom here seems to echo *Centesimus annus* which states:

The social order will be all the more stable, the more it takes this fact into account and does not place in opposition personal interest and the interests of society as a whole, but rather seeks ways to bring them into fruitful harmony. In fact, where self-interest is violently suppressed, it is replaced by a burdensome system of bureaucratic control which dries up the wellsprings of initiative and creativity (CA 25).

Ostrom ends her Nobel lecture (2009, 435-436) by saying: “Extensive empirical research leads me to argue that instead [of designing institutions that force individuals to achieve better outcomes], a core goal of public policy should be to facilitate the development of institutions that bring out the best in humans.” In many ways this summary of Elinor Ostrom’s thinking accords with the principle of subsidiarity and with the thinking of Thomas Aquinas. Not only should action take place at the lowest level possible, action by higher levels of government should *support* rather than displace action by lower levels in society. This was especially well expressed by Pope Benedict XVI in *Deus caritas est: “*We do not need a State which regulates and controls everything, but a State which, in accordance with the principle of subsidiarity, generously acknowledges and supports initiatives arising from the different social forces and combines spontaneity with closeness to those in need” (28). Pope Benedict was specifically referring to action in the field of welfare here, but the principle applies with equal weight to, for example, community action to develop structures to preserve natural resources.

**Conclusion**

The Catholic Church has generally promoted the principle of private property. Sometimes this has been regarded as a natural right and the attacks on socialism undermining property in the nineteenth century were particularly strong. At the very least, the Church has regarded private property as socially useful in a fallen world, though recent social encyclicals have suggested that it might be reasonable to put constraints on private ownership to promote environmental aims.

Pope Francis’ recent encyclical on environmental matters, *Laudato si,* repeated recent qualifications of the Church’s support for private property. However, between the publication of *Solicitudo rei socialis,* which *Laudato si* quotes on private property and the environment, and the publication of *Laudato si* itself, a huge amount of work has been done which demonstrates the importance of private property for the environment.

Private property can promote environmental conservation in a number of direct and indirect ways. The environmental record of countries without a good record of protecting the institution of private property is lamentable and this applies across a wide range of ecologies.

Sometimes it may be the case that some kind of government regulation is important for environmental conservation. However, even this is easier to achieve in a country that has good governance combined with well-defined and well-protected property rights.

*Laudato si* could have been used by Pope Francis to update and develop the Church’s teaching on private property and, in particular, to explain that the institution, in various forms, can be important for environmental conservation.

The work of Nobel Laureate, Elinor Ostrom, is especially pertinent. In many respects, it rests on similar premises to Catholic social teaching. Ostrom’s work, which is essentially empirical, shows that the basic pillars of Catholic social teaching lead to effective results in practice and, in the process, empower communities in a way consistent with a Catholic view of integral human development. *Laudato si* would have been greatly enriched by including Ostrom’s ideas. This, combined with the lack of a considered and positive discussion of the role that private property plays in the protection of our natural ecology are omissions from the encyclical. The Church has missed an opportunity to enable its faithful to contribute to a debate which might have had positive long-term consequences for the environment and for social policy. With its long tradition of concern for the environment, for poor communities and interest in the right to private property, the Church should contribute to that debate in the future.

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1. Coase (1960) is often thought to be an important early modern contribution to this literature, though it is worth noting, that Coase’s main point was a more specific one than the simple idea that property rights are important for environmental protection. [↑](#footnote-ref-1)
2. Though Charles (1998 volume one, page 40) notes that, by re-asserting the Ten Commandments, Christ had affirmed the morality of private property. [↑](#footnote-ref-2)
3. “For at any rate this is evident, even from the facts which took place then, that by selling their possessions they did not come to be in need, but made them rich that were in need. However, let us now depict this state of things in words, and let all sell their possessions, and bring them into the common stock…” (see: <http://www.newadvent.org/fathers/210111.htm>). [↑](#footnote-ref-3)
4. Though, as we shall see, the fact that private property was a product of the fall, does not mean that it is not an important and acceptable institution in a fallen world. [↑](#footnote-ref-4)
5. Taken from: <http://www.basilica.org/pages/ebooks/St.%20Thomas%20Aquinas-Summa%20Theologica.pdf> , page 1969. [↑](#footnote-ref-5)
6. For an excellent English language introduction to the thinking of the late scholastics, see Alves and Moreira (2010). [↑](#footnote-ref-6)
7. As it happens, Pope Leo XIII did specifically use the word “inviolable”, but that does not tend to appear in Catholic teaching elsewhere. [↑](#footnote-ref-7)
8. It is interesting that this seems to have become the “go to” reference on the environmental commons especially by supporters of private property. However, Hardin did not originate the idea of the commons, which had come at least 130 years earlier and the paper was on a subject that would not just be problematical to Catholics but to any supporters of a free economy. Hardin discussed coercive control of what he described as “human breeding” (“freedom to breed will bring ruin to all”) and the rejection of the Universal Declaration of Human Rights. [↑](#footnote-ref-8)
9. See; <http://foreignpolicy.com/2015/06/17/fragile-states-2015-islamic-state-ebola-ukraine-russia-ferguson/> [↑](#footnote-ref-9)
10. See: <http://postconflict.unep.ch/publications/UNEP_Haiti-DomRep_border_zone_EN.pdf> [↑](#footnote-ref-10)
11. See: <http://www.heritage.org/index/country/haiti> [↑](#footnote-ref-11)
12. There are many other examples of the role of property rights in conservation, some of which can be found at: <http://www.perc.org/>. [↑](#footnote-ref-12)
13. I am making no judgement as to whether such regulation is either a good thing or necessary. The point is that those who believe that it is would see their objectives better achieved in a political context where these aspects of good governance are present. [↑](#footnote-ref-13)
14. These are manifestations of what is often called an “environmental Kuznets curve.” This idea posits that, as incomes rise from absolute poverty levels, environmental damage is likely to increase. But, after some higher income level, environmental damage will decrease. This does not necessarily apply to all environmental goods. For example, there isn’t a clear a priori reason why it should apply where one country is imposing external costs on another country (such as in the case of carbon emissions). However, here we are talking about environmental resources that can be related to property such as fisheries and forests. [↑](#footnote-ref-14)
15. See: <https://www3.epa.gov/airtrends/aqtrends.html#comparison> [↑](#footnote-ref-15)
16. See; <http://www.fao.org/news/story/en/item/326911/icode/> [↑](#footnote-ref-16)
17. Allowing for the effect of compounding, a 0.08 percent rate of deforestation would lead to a loss of one-third of forest cover in about 500 years. [↑](#footnote-ref-17)
18. After all, the encyclical does mention tradable quotas in the field of carbon emissions and strongly rejects them. If the drafters had looked more closely at such mechanisms, they might have noted their success in conservation and also in terms of ensuring that environmental resources are put to their most efficient uses. [↑](#footnote-ref-18)
19. See: <http://www.nobelprize.org/nobel_prizes/economic-sciences/laureates/2009/ostrom-facts.html> [↑](#footnote-ref-19)
20. Schneider (2015) quotes Stefano Zamagni (who was close to process through which Pope Benedict’s social encyclical, *Caritatis in veritatis,* was developed) as reporting that Ostrom’s work is on the “reading list” of the Pontifical Academic of Social Sciences.. See Schneider 2015. [↑](#footnote-ref-20)
21. I do not have space to explain why this might not be the case. However, tradition, weak institutions or the nature of particular environmental problems might be reasons. [↑](#footnote-ref-21)
22. Even in Western societies, of course, more complex ownership arrangements can develop and they often develop specifically to deal with problems of externalities relating to local aspects of the environment. This might include restrictive covenants on housing estates or restrictions on the use of shops within shopping centres. However, these tend to be laid down in formal legal agreements, which is not the case with many of the arrangements Ostrom discusses. [↑](#footnote-ref-22)
23. Though the word was not used in that encyclical. [↑](#footnote-ref-23)
24. See Catholic Church (1994), paragraphs 1882 and 1883. [↑](#footnote-ref-24)
25. This leads to four categories of goods in the economist’s lexicon: a common pool resource is reducible but not excludable; a club good (see Buchanan, 1965) is excludable but not reducible in consumption; a public good is both not reducible in consumption and non-excludable; finally, a private good is both excludable and reducible. [↑](#footnote-ref-25)
26. Though, often, methods of enforcement can be quite informal and simply involve a member of the community who has transgressed being shunned by other members. [↑](#footnote-ref-26)