



London Diocesan Council
Of
The Catholic Women's League of Canada

One Heart, One Voice, One Mission!

To: All Parish Presidents, Regional Chairperson, and Community Life Chairpersons

Cc: London Diocesan Council

From: Kathy Levesque, London Diocesan Chairpersons, Community Life

Date: November 21, 2015

Directive # 12

Living with Limits, Living Well! Session 5

INEQUALITY – DARE WE TALK ABOUT IT?

“If anyone has two tunics he must share with the person who has none, and the person with something to eat must do the same”, (Luke 1:45-55)

Many voices are speaking very seriously about the growing gap between rich and poor. After the mid-1990's, Canada's economy grew but the biggest share of income gains was concentrated in the hands of the richest 1%, who enjoyed massive tax cuts. During the 2008 financial/economic crisis dragged inequality in to the open for everyone to see. Governments bailed out banks with hundreds of billions of dollars when the banks had played a major role in causing the crisis. Governments spent much small funds to stimulate the economy and create employment. The gap between rich and poor, especially between the very rich and most of us, has grown rapidly in recent years. For a couple of decades after the Second War, the income gap was shrinking in most Western societies. Why is the pattern so different in the past couple of decades? “With financial globalization, inequality in income spread quickly not only Europe and North America, but also in developing countries such as Brazil and South Africa. China and the U.S. have the greatest inequality, but the gap has been growing in Canada. The richer a person, the better it got. Since 1970, the richest 1% saw their income double. The richest .01%, income tripled. And the richest .001% (2,500 people) saw their income quintupled since 1970s. This is the widest gap in incomes in Canadian history”

How did inequality become the “new norm”?

There is an ongoing battle of ideas, or ideologies between those who believe in smaller governments and freer markets and those who believe that an indispensable role of government is to regulate markets for the common good and to provide vigorously for public production or public goods. Who wins – this depends on who has the most power to frame public questions that will be believed by a majority of the people. Currently, corporations seem to have the power and abundant means. Through advertising skills in the mass media, political back rooms and pre-election policy tweaking, corporate lobbyists are trained to believe their view is right.

Committee: Community Life

Page 1 of 3

Directive #: 12

Date: November 21, 2015



London Diocesan Council
Of
The Catholic Women's League of Canada

One Heart, One Voice, One Mission!

In Canada, after WWII, economic growth was done by social reforms in education, health, pensions, minimum wages and strengthening of trade unions. Inequality of income dropped. Government used the tools at their disposal to facilitate fuller employment, spending on infrastructure, such as roads, bridges, public works and making education and skills training more accessible to more people.

In 1970, the ideology of free markets returned. Weaker regulation of markets was seen as true progress and immediately greater inequality in income returned. Globalization of the financial economy favoured corporations over both governments and labour. Corporations could threaten to move their business abroad or outsource production to regions where labour was far cheaper, regulations fewer and unions absent. Governments felt forced to look for more labour “inflexibility” – lower wages, less job security, fewer regulations on working conditions. The people who had large amounts of money, shape the markets through lending practices, currency manipulation, control of mass media and in countless other ways. Large corporations get many incentives from the governments. The government continues to keep corporate taxes low on the assumption that corporations will automatically invest in the economy. Some corporate leaders have been censured for sitting on the profits they have made from the reviving, “stimulated” economy instead of investing to create jobs while unemployment is dangerously high. In hard economic times, wealthy people have money to sustain them, while the unemployed are only a cheque ahead of not putting food on the table.

Inequality is bad for the environment

There are links between the problem of gross income inequality and the ecological crisis is facing the world. Climate Change has shown that shared, legally binding decision-making on steps to avoid catastrophic climate change is nearly impossible when living conditions are as starkly different as is now the case between the global South and the Global North. One proposal is to introduce a tax on industries based on how much their activities add to the problem of greenhouse gases in the Earth's atmosphere. – Universal Carbon Tax or Global Financial Transactions Tax (FTT). (also called “Robin Hood” tax) It would provide the means to help countries to get their economies back on track and significantly kick-start a process to fight global poverty and climate change. The growing rich-poor gap in today's world is recognized as a serious problem by many eager for international action on the global climate challenge.

Inequality is a spiritual problem

Many of the world's great religions leaders encourage solidarity and redistributing income. Biblical revelation insists on the spiritual danger of unshared wealth. There are many passages in the bible for sharing a person's wealth. Jesus once told the rich man.: “Sell your possessions and give to the poor.” (Luce 12: 33) St. John the Baptist, when asked “What must we do (to



London Diocesan Council
Of
The Catholic Women=s League of Canada

One Heart, One Voice, One Mission!

produce the fruits of repentance?) answered, “If anyone has two tunics he must share with the person who has none, and the person with something to eat must do the same.” (Luck 3: 10-11) From the Acts of the Apostles, “The whole group of believers was united, heart and soul; no one claimed for his own use anything that he had, as everything they owned was held in common. The apostles continued to testify to the resurrection of the Lord Jesus with great power, and they were all given great respect. None of their members was ever in want, as all those who owned land or houses would sell them, and bring the money from them to present to the apostles; it was then distributed to any members who might be in need” It is in our beliefs that we must help the poor.” (Acts 4:32-35)

Community for the common good.

It is the consistent witness of Scripture that the love of neighbor, which our God has always insisted on, does include an ongoing willingness to meet the economic needs of those who are in want. The sharing of material goods is for the sake of creating a community of mutual respect, where those who were born disadvantaged know and feel that they are as precious to God, and as valued within the community as the daughters and sons of privilege (James 2: 1-17) Equality is a rather pale word for the burning love that God’s Spirit plants in human, kindled from the heart of Christ. Such generous love rarely reaches the fullness of its transforming potential, whether in the church or outside of it. Like little seedlings, love spring up in surprising ways: in faith-based communities, but also in our common human life. In human society, a respectful preference for promoting legal and economic equality can truly be a seedling with roots in God’s saving will.

Share: How can you promote brotherly/sisterly equality for the good of all? Would policies such as these result in greater equality in Canadian society?

- A) Improve access to good education, skill training and apprenticeships.
- B) Support First Nations schooling with resources fully equal to provincial funded schools.
- C) Restore more countervailing power to trade unions so that they are in a stronger position to bargain effectively with large corporations.

(Text taken from Living with limits, living well.) For a copy of this book,

www.cccbpublications.ca