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Business Ethics: Diagnosis and Prescription in Caritas in Veritate and Vocation of the Business Leader

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Business Ethics: Diagnosis and Prescription in *Caritas in Veritate* and *Vocation of the Business Leader*

Abstract

An examination of two recent documents of Catholic Social Doctrine, *Caritas in Veritate* and *Vocation of the Business Leader*, is undertaken to uncover their assessment of our current cultural and moral crisis, of which our present economic distress is but one aspect, and their proposal for cultural renewal including a return to sound economic decision making. The intellectual commitments of molders of the modern mind such as Bacon, Descartes, and Hobbes severed morality at its metaphysical roots. Destroying the anthropological underpinnings of ethics catapults the contemporary world into a state of nihilism. In such a condition economic disorder is inevitable. The human person is crushed in a regime that searches for more relentlessly. The demand for metaphysical and moral reconstruction is met by Pope Benedict XVI with his insistence on receptivity to what is. Contemplation of an ultimate reality given to us takes us to the Person of Jesus Christ. The Christian faith is the context of authentic integral human development. Being made in the image of God gives every human person an inviolable dignity and makes every person subject to transcendent moral norms. A truth-filled love informs the conduct of enterprise. Goods that are truly goods and services that truly serve are produced or supplied. Promotional efforts are conducive to the pursuit of wisdom. People are given meaningful work that utilizes and develops their higher faculties and are let in on the financial success of the venture. The environment is respected as a home place ought to be. The Christian business leader can have a transformative effect on the business world through the power of grace.

Cover Page Footnote

I wish to thank the two anonymous reviewers for their helpful comments.

Business Ethics: Diagnosis and Prescription in *Caritas in Veritate* and *Vocation of the Business Leader*

Jim Wishloff

Introduction

The Magisterium, or teaching authority of the Catholic Church, provides a comprehensive body of doctrine to guide those of the faith. The social teachings of the Church extend this guidance to the moral aspects of economic activity. Catholic social thought (CST) deals with nothing less than the right ordering of the world's goods and the right relationships that need to be maintained in the process of achieving this sound ordering. Because of the Church's "mission of truth,"¹ it must speak out against any falling away from proper order. It must address aberrant social conditions and speak to the times it is in by reiterating its venerable principles of social action.

This paper proposes to do a detailed examination of two recent Church documents to understand both their diagnosis of the current economic crisis and their prescription for how to build a healthy socio-economic order. The first work examined is Pope Benedict XVI's social encyclical *Caritas in Veritate*. The second is a follow up work from the Pontifical Council for Justice and Peace entitled *Vocation of the Business Leader*.² Only the Papal encyclical is a Magisterial document and yet the Pontifical Council's publication is interesting precisely because it is supplemental. Billed as an executive's handbook and a professor's teaching resource *Vocation of the Business Leader* has the potential to change the way business is thought about and conducted. It makes a transformation in our understanding of the special role business ought to play in the unfolding of creation possible.

Gaining a deep understanding of why our economic decision making is flawed requires an appreciation of the proper hierarchy of intellectual disciplines. All proximate disciplines purporting to study human behaviour rest on more foundational or ultimate disciplines. Specifically, economics and the enterprises it spawns are grounded in the more encompassing disciplines of ethics and

¹ Pope Benedict XVI, *Caritas in Veritate (On Integral Human Development On Charity and Truth)*, Vatican City: Libreria Editrice Vaticana, 2009. [CV, 9]

² Pontifical Council for Justice and Peace, *Vocation of the Business Leader*, 2012. [VBL]

philosophical psychology (or anthropology). All areas of enquiry come to rest in metaphysics or ontology, the most universal branch of philosophy investigating the nature of being or the kinds of things that exist.³ Diagrammatically, the relationships can be pictured as the structure of a house (Figure 1).⁴

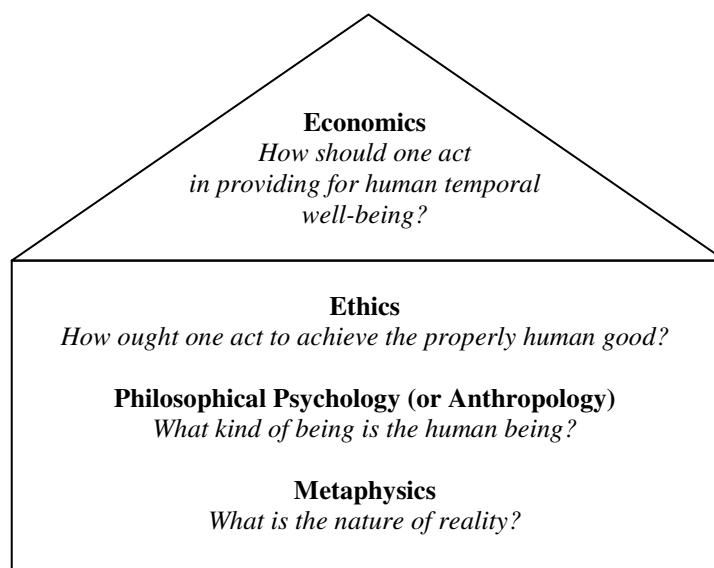


Figure 1. Relationships/hierarchy of intellectual disciplines

The basic thesis of *Caritas in Veritate* and *Vocation of the Business Leader* is that a theological basis for social action must be restored if modern man is going to meet the challenges facing him. The economic regime devoted to amassing capital has run its course but not just because it fails on a proximate level. A more profound assessment discloses that the loss of a contemplative approach to reality has led to an incoherence about our nature. Unable to see

³ This structure or order of inquiry is found in Western thought as far back as Plato. It remains perennially valid even if it is not acknowledged in contemporary scholarship. Small, however, makes explicit use of the framework in his excellent analysis of Pope Benedict's thinking in *Caritas in Veritate*. In this work I am bringing forward the text of the encyclical in more detail and I am incorporating the follow-up work from the Pontifical Council. See: Small, Garrick (2011) "Connecting Economics to Theology," *Solidarity: The Journal of Catholic Social Thought and Secular Ethics*, Vol. 1, Iss. 2, Article 2. Available at <http://researchonline.nd.edu.au/solidarity/vol1/iss1/2>

⁴ Pope Benedict acknowledges the necessity and value of accessing these deeper fields of study. "The contribution of disciplines such as metaphysics and theology is needed if man's transcendent dignity is to be properly understood" (CV, 53).

ourselves as anything more than a lost atom in a random universe, we are left in the world as Creator *and* creature. There is no truth that is not of our own making. With freedom untethered, a state of nihilism prevails. Possibility alone is left to constrain the use of technology to achieve the attenuated end of profit maximization.

A Christian humanism centered in the reality of the Triune God—Father, Son, and Holy Spirit—and the love that characterizes the relationships of these three divine Persons undergirds the prescription for responsible free enterprise given in *Caritas in Veritate* and *Vocation of the Business Leader*. An attitude of receptivity is needed to see that subsistent Being is prior to us and constitutes us. Our lives are the gift of a loving Creator. The truth of our being, that we are made in the image of God and have as our destiny to share in God’s own life, is given to us. It is something we discover not something we create. An element of this discovery is the uncovering of a natural moral law written on our hearts. Economic decisions ought to uphold this moral law. *Vocation of the Business Leader* culminates in a checklist of business practices that conform to the moral order. The business leader who serves God in this way has unity of life.

Seeing the Signs of the Times: Understanding the Cultural and Moral Crisis of Man

“The fundamental question . . . is man the product of his own labours or does he depend on God?”⁵

Papal encyclicals in the realm of Catholic social doctrine are designed to teach, of course, but they are also generally written in response to an existing social reality. For instance *Rerum Novarum*⁶ addressed the plight of workers as the result of Industrialization. *Quadragesimo Anno*⁷ was presented at the height of the Great Depression and *Centesimus Annus*⁸ followed closely the collapse of Eastern Block communism. *Caritas in Veritate* is no exception in this regard. The document renewed the Church’s social teaching at the moment of the Great Recession of 2009. Indeed, the encyclical was delayed as the world’s financial system teetered on the brink of collapse. Frequent mention is made of this reality:

⁵ Pope Benedict XVI, *Caritas in Veritate*, 74.

⁶ Pope Leo XIII, *Rerum Novarum (On the Condition of the Working Classes)*, Boston, MA: Daughters of St. Paul, 1891. [RN]

⁷ Pope Pius XI, *Quadragesimo Anno (On Social Reconstruction)*, Boston, MA: Daughters of St. Paul, 1931. [QA]

⁸ Pope John Paul II, *Centesimus Annus (On the Hundredth Anniversary of Rerum Novarum)*, Boston, MA: St. Paul Books & Media, 1991. [CA]

“the grave socio-economic problems besetting humanity”⁹; “the current crisis”¹⁰; “the current economic crisis”¹¹; “the current economic and financial crisis”¹².

In *Caritas in Veritate*, however, Pope Benedict makes it clear that economic failure is simply one symptom of a “cultural and moral crisis”¹³ the only remedy for which is a “profound cultural renewal.”¹⁴ Our current culture is a “culture of death”¹⁵ where the unborn and those whose lives are no longer deemed worth living are killed. With even more powerful new instruments available to use in suppressing and engineering life, the question of what the future might portend cannot be ignored

As horrific as the practices of abortion and euthanasia are they do not exhaust the signs of civilizational breakdown that have been, according to Pope Benedict, “evident for some time all over the world.”¹⁶ In addition to the grim reality of the killing of innocents *Caritas in Veritate* makes note of terrorism (CV, 29), unregulated exploitation of the earth’s resources (CV, 21), hunger (CV, 27), neuroses (CV, 76), slavery to drugs CV, 76), unemployment (CV, 25), hoarding of resources and conflict (CV, 47), sex tourism (CV, 61), hedonism and consumerism (CV, 51) alongside dehumanizing deprivation (CV, 22), falling birth rates (CV, 44), unjust economic, social, and political systems (CV, 34), denial of religious freedom (CV, 29), and a lack of hope (CV, 44).

Vocation of the Business Leader takes a more circumscribed view focusing in on factors influencing the context of business and the positive and negative implications of these. Globalization has made it possible for more people to participate in the world economic system but it has also resulted in greater inequality, economic dislocation, cultural homogeneity, and an inability of governments to regulate capital flows (VBL, 18–19). Communications technology has allowed for new business models but it has also meant that we live in a world of instant gratification and information overload where decision making is rushed (VBL, 20–21). Financialisation has given people easier access to credit and has leveraged capital to make it more productive but it has also commoditized work and led to financial instability (VBL, 22–23). Individualism, family breakdown

⁹ Pope Benedict XVI, *Caritas in Veritate*, 5.

¹⁰ *Ibid.*, 21.

¹¹ *Ibid.*, 24.

¹² *Ibid.*, 33.

¹³ *Ibid.*, 32.

¹⁴ *Ibid.*, 21.

¹⁵ *Ibid.*, 75.

¹⁶ *Ibid.*, 32.

and moral relativism are significant cultural changes noted by the document (VBL, 24).

Even though awareness is a prerequisite for action it is not enough to merely see what is happening. Since effects can only be changed by changing causes, we ought to “labour skilfully to discover the causes.”¹⁷ Knowing why something is happening at the most basic level provides the opportunity to generate a genuine or lasting solution to the problem. A proper assessment allows “measures that would be necessary to provide a solution,”¹⁸ to be reflected upon.

A full century ago the German Jesuit economist Father Heinrich Pesch underscored the power of ideas. Our concepts and beliefs are the true moving force of history.

“Ideas control the destiny of the world, and the absence of ideas or the confusion of ideas can destroy the world.”¹⁹

Pope Benedict echoes this insight in *Caritas in Veritate*. “The world is in trouble because a lack of thinking.”²⁰ The Church has a responsibility to “protect mankind from self-destruction”²¹ and combating (correcting) the “negative ideologies that continue to flourish”²² is a task of the first order in meeting this obligation.

What ideas direct the course of modernity? Why has our authentic progress been so halting? How were we brought to our present disillusioned state with mystery vanquished from our lives?

Pope Benedict succinctly states his answer to those questions. Reason has been “closed within immanence.”²³ That is, the modern mind voluntarily and unnecessarily constricted itself to the point that rationality itself was lost. The basic diagnosis of our cultural condition is that metaphysical realism has been rejected in favour of schemes that we invent whole cloth in our minds. The

¹⁷ Ibid., 30.

¹⁸ Ibid., 21.

¹⁹ Pesch, H. S. J.: 2002, *Lehrbuch der national ö kanamic/ Teaching guide to economics*, Vols. 1–5 (R. J. Erderer, trans.) Lewiston, NY: Mellen Press) (original work published 1905–1926) vol. 1, p. 166-quote

²⁰ Pope Benedict XVI, *Caritas in Veritate*, 53.

²¹ Ibid., 51.

²² Ibid., 14.

²³ Ibid., 74.

primary force behind this occurrence was a quasi-religious belief in the power of experimental science. Methods stepped in to take the place of metaphysics. What resulted was a mind detached from ultimate reality and a culture without a foundation in what we are.

A closer examination of the philosophy that gave birth to our social order can be enlightening in this regard. Pope Benedict returns to the molders of the modern mind, particularly Sir Francis Bacon (1561–1626), to shed light on our cultural condition.

Francis Bacon is the first and quintessential modern mind. His “programmatically vision has determined the trajectory of modern times.”²⁴ What is this? What did Bacon propose at the outset of the modern age?

Bacon’s seminal idea is that human beings could return themselves to the paradise enjoyed before the Fall by taking on the power of God. This new power would come from scientific discovery and resultant technological invention using Bacon’s *Novum Organum* (new method). The vision is of a sovereign science that would remedy all our woes. Knowledge is power. Reality can be taken possession of and manipulated at will. The mind can control the material world by experimentation. Pope Benedict summarizes the changed orientation from Christendom:

“Our contemporary age has developed the hope of creating a perfect world . . . thanks to scientific knowledge . . . Biblical hope in the kingdom of God has been displaced by hope in the kingdom of man.”²⁵

What is key to note is not that science is to be done but that human thinking will be restricted to this one path. The practical arts *alone* are needed to regain man’s empire over creation. *All* thought is to be conducted on the terms Bacon set out in his new method of studying material nature through observation and experimentation.

Bacon was a key figure in rendering reality mutable and mathematicized but he was not alone. The other great inaugurator of our age was French mathematician and scholar Rene Descartes (1596–1650). Descartes sought the certainty he had found in mathematics with his philosophy. With his famous

²⁴ Pope Benedict XVI, *Spe Salvi (On Christian Hope)*, (Vatican City: Libreria Editrice Vaticana, 2007), 17.

²⁵ *Ibid.*, 30.

starting point, *cogito ergo sum*, Descartes created a self-conscious subject whose essence was ontologically prior to its sensible perceptions and essentially independent of them. Thought becomes the warden of being. The only world left is the world we make with our ideas.

It might have been expected that others would come and build on the framework set out by these two protagonists of modernity. It happened almost immediately in the person of Thomas Hobbes (1588–1679), a man who served as an assistant to Francis Bacon and who in that role was imbued with his mentor’s grandiose project. In a single theoretical thrust Hobbes managed to invent both of the ideologies, individualism and collectivism, that have plagued us for centuries.²⁶

Thus the modern view is characterized by its lowered horizons and its philosophical materialism. The human person is just another material body in nature and this bodily life is all there is. Human dignity is denied as a materialistic and mechanistic understanding of human life prevails as the dominant cultural viewpoint.²⁷

What happens to ethics when the anthropological underpinnings have been destroyed? What answer is possible to the question of how we ought to act?

When rationality is limited to natural science there is no moral truth to be found. Beyond the facts of science there is only the fancy of “contingent subjective emotions and opinions.”²⁸ In a “culture without truth”²⁹ human rights are “robbed of their transcendental foundation.”³⁰ Respect for the rights of others can linger on from the moral capital that has been laid down by earlier, rejected world views but once this heritage is spent, all that is left to guide us is pure

²⁶ For a fuller discussion of how Hobbes’ motionism brought this about, see Wishloff, Jim. (2009). The Land of Realism and the Shipwreck of Idea-ism: Thomas Aquinas and Milton Friedman on the Social Responsibilities of Business. *Journal of Business Ethics*, 85, 137-155.

²⁷ Reductionism is the cause of modern man’s identity crisis. We don’t know who we are because we no longer seek an understanding of our real, whole nature. See: R. Lázaro, ‘What Does it Mean “To Be More”?’ Integral Human Development: Truth and Freedom,’ *Journal of Markets & Morality*, Vol. 16, No. 1, 2013, pp. 101–112.

It isn’t problematic to those practising the religion of positivism in economics that the persons who inhabit their economic models “are something less than actual persons” (A. Yuengert, ‘Economics and Interdisciplinary Exchange in Catholic Social Teaching and “*Caritas in Veritate*”’, *Journal of Business Ethics*, Vol. 100, 2011, p. 52.

²⁸ Pope Benedict XVI, *Caritas in Veritate*, 3.

²⁹ *Ibid.*, 3.

³⁰ *Ibid.*, 56.

desire. “*Mere license*”³¹ remains and utilitarianism does nothing to salvage the situation. If rights are conferred not discovered, then they can be taken away by the same body that grants them. The “conscience of society”³² is eroded to the point that “situations of human degradation” are met with “indifference.”³³

Since teleology has been rejected, there can be no meaningful discussion about the right and proper ends of the economy. Purpose does direct human actions though so some ultimate aim will be pursued. The loss of the traditional candidates for the *summum bonum* (love, wisdom, God) leaves a void that “the mere accumulation of wealth”³⁴ rushes in to fill. This perversion of the ends results in a corruption of the means. Lifestyles “prone to hedonism and consumerism”³⁵ are encouraged despite their harmful consequences. The “wonders of finance”³⁶ are called upon to sustain this unnatural and consumerist growth. “Immanent forms of material prosperity”³⁷, comfort in the here and now, are focused on. Those holding the capital of others presumably owe a duty to at least these investors but in reality ethics has lost all traction.

“The conviction that the economy must be autonomous, that it must be shielded from ‘influences’ of a moral character, has led man to abuse the economic process in a thoroughly destructive way. In the long term, these convictions have led to economic, social and political systems that trample upon personal and social freedom and are therefore unable to deliver the justice that they promise.”³⁸

An “intoxication with total autonomy”³⁹ means that “nothing is owed to anyone *except* to [oneself].”⁴⁰ Figure 2 summarizes the ideas directing the course of modernity and the coverage given them by Pope Benedict in his encyclical, *Caritas in Veritate*.

³¹ Ibid., 43, emphasis in original

³² Ibid., 51.

³³ Ibid., 75.

³⁴ Ibid., 11.

³⁵ Ibid., 51.

³⁶ Ibid., 68.

³⁷ Ibid., 34.

³⁸ Ibid., 34.

³⁹ Ibid., 70.

⁴⁰ Ibid., 43.

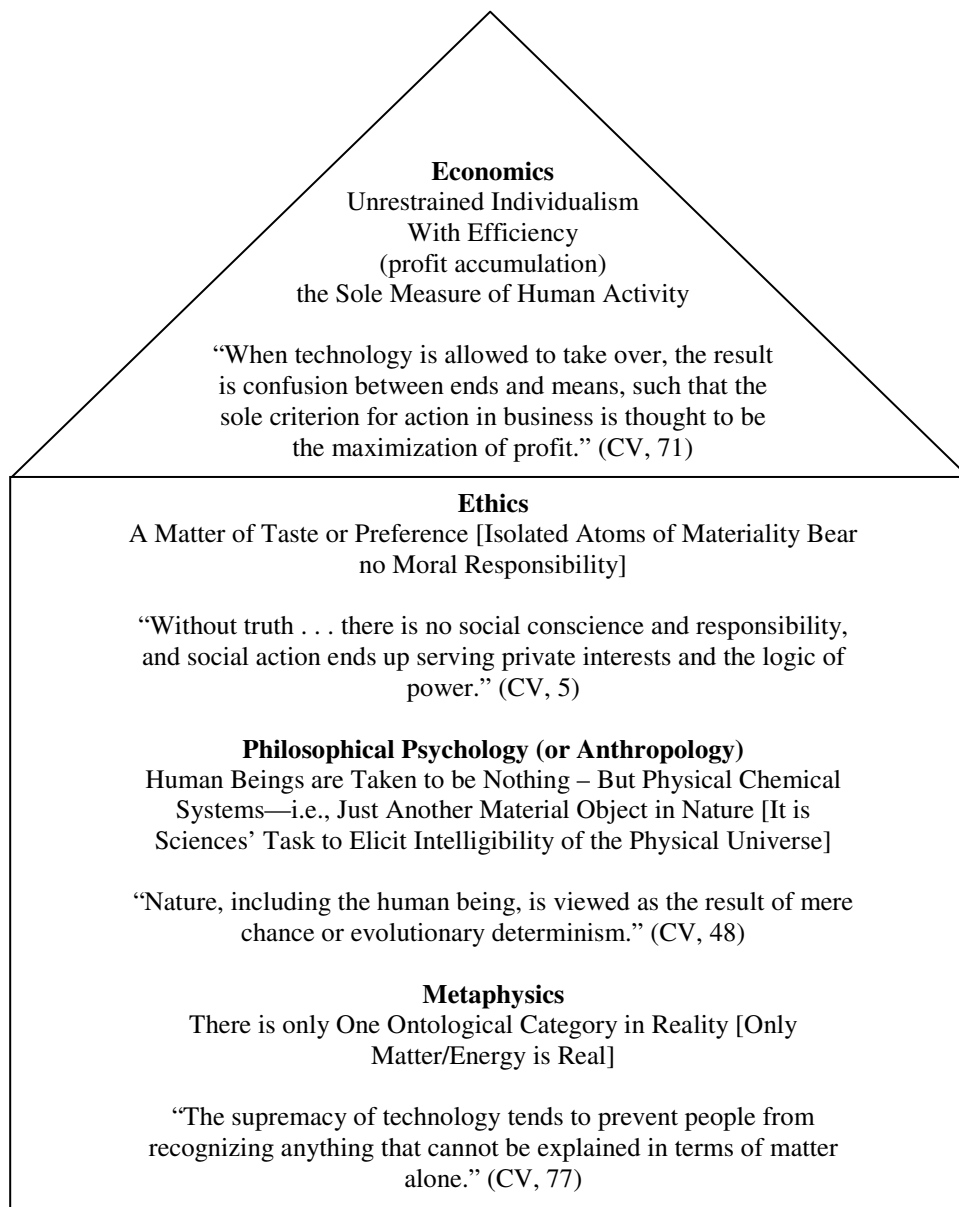


Figure 2: The Intellectual Structure of Modernity

Modern man's hope is in himself and what science and technology can deliver. "Practical atheism"⁴¹ is the doctrine that informs social action and many Christians "have accommodated themselves to the world, living as if God does not exist."⁴² The belief is that we can recreate ourselves "through the wonders of technology."⁴³ Development is considered a purely technical matter but the dream of having technology so good we will not have to be good ourselves turns into a nightmare. Since there are no "limits inherent in things"⁴⁴, since there is no meaning that is "not of our own making"⁴⁵, there are no bounds on our freedom. We become Nietzschean supermen "*determining and creating*"⁴⁶ our own principles. Human moral responsibility loses out to the supremacy of technological possibilities, even if it might mean our abolition. We take on unprecedented power but we are unsure of what it should be used for other than the expansion of the technological system itself.

The fundamental flaw of the modern project is that efficient causes are asked to substitute for final causes. This is a weight they simply cannot carry. We need both "*how*" and "*why*"⁴⁷ questions. "True development does not consist primarily in 'doing'"⁴⁸ but in "being"⁴⁹ more.

Science is inherently incapable of informing us of normative values, purposes, existential meanings, and the qualitative dimensions of our being. It does not possess, nor can it yield, any transcendent standards of obligation. This is why the world view of scientism promises only futility. All it can ever deliver is a loss of metaphysical clarity and with it a destruction of the wisdom needed to rightly order the world's goods.

The disorder of our economic world arises because the priorities of our hearts are disordered. Our "*devotion*" is "*misplaced.*"⁵⁰ Money dislodges God as being of primary importance in our working lives forcing us to live a "*divided life*"⁵¹ within "structures of sin."⁵² Setting out in business, as Milton Friedman

⁴¹ Ibid., 29.

⁴² *Vocation of the Business Leader*, 63.

⁴³ Pope Benedict XVI, *Caritas in Veritate*, 68.

⁴⁴ Ibid., 70.

⁴⁵ Ibid., 70.

⁴⁶ *Vocation of the Business Leader*, 66, emphasis in original.

⁴⁷ Pope Benedict XVI, *Caritas in Veritate*, 70, emphasis in original

⁴⁸ Ibid., 70.

⁴⁹ Ibid., 18.

⁵⁰ *Vocation of the Business Leader*, 11, emphasis in original.

⁵¹ Ibid., 10, emphasis in original.

⁵² Pope John Paul II, *Centesimus Annus*, 38

says people ought “to make as much money as they can”⁵³, is a corruption of the economic ideal, a perversion of the right use of money.⁵⁴ Considering an enterprise to be only a “society of shares”⁵⁵ leaves us spiritually impoverished. *Vocation of the Business Leader* considers this reality and many of the other essential characteristics of the economic regime where profit is the exclusive focus as the entrepreneur gives way to the speculator.⁵⁶

What distinguishes capitalism,⁵⁷ the society that arises when capital accumulation is taken to be the ultimate end of the dominant institution of the social order, is the place assigned to gain. Other regimes have been able to generate surpluses—i.e. material goods over and above that required for the maintenance and reproduction of society. In those regimes the value of the surplus was seen in the use to which it could be put—e.g. displaying the regime’s might, constructing religious edifices, consuming luxuries. In capitalism, the surplus is

⁵³ Milton Friedman, *Capitalism and Freedom* (Chicago: University of Chicago Press, 1962), 20.

⁵⁴ More than one-sixth of Jesus’ recorded words and more than one-third of His parables deal with the question of the world’s goods and their relationship to and their impact on the faith. In the Parable of the Sower (Mt. 13: 1–23) Jesus warns that wealth can deceitfully lead us away from the Kingdom of God. In the story of the Rich Young Man (Mt. 19: 16–24) Jesus points out that wealth can be a spiritual liability. In the Parable of the Rich Fool (Luke 12: 16–21) Jesus says that the person who stores up things for himself or herself but is not rich toward God is a fool. In the story of the Rich Man and Lazarus (Luke 16: 19–31) Jesus warns the rich that their neglect of the poor has eternal consequences. In the Sermon on the Mount (Mt. 6: 19–34) Jesus provides His most extended teaching on possessions. Jesus’ clear instruction is that we “cannot serve God and wealth” (Mt. 6:24). Jesus did not say that we should not, or that it would be difficult, but that we *could not*. It is an impossibility not unlike the impossibility of simultaneously taking both paths when reaching a fork in the road.

⁵⁵ *Vocation of the Business Leader*, 58.

⁵⁶ “The business leader is not a speculator, but essentially an innovator. The speculator makes it his goal to maximize profit; for him business is merely a means to an end, and that end is profit. For the speculator, building roads and establishing hospitals or schools is not the goal, but merely a means to the goal of maximum profit. It should be immediately clear that the speculator is not the model of business leader which the Church holds up as an agent and builder of the common good.” (*Vocation of the Business Leader*, 40)

⁵⁷ Engaging in a critique of capitalism should not blind us to what is of value in the regime, strengths to build on, if you will. First, capitalism has yielded an unprecedented material bounty. This is not without its own problems, of course, but today’s material well-being does provide a strong jumping off point to build a just and humane provisioning system. Secondly, capitalism allows for liberty which is certainly consistent with what we are as human beings. Of course, this freedom must be directed by the truth but carving out a place for the free exercise of human capacities in the economic realm is no small achievement in human affairs. Capitalism emancipates society from harsher previous modes of domination. A business owner can fire an employee unjustly but he cannot send him to the guillotine. Finally, the face of capitalism is turned toward innovation and possibility thinking. There is real moral strength in qualities such as resourcefulness, inventiveness, and courage and there is real social benefit from their practice.

used to generate more surplus. Gain is sought as an end in itself. The means become the ultimate end.

The search for more in the regime of capitalism is relentless. New surpluses are continually put to use to generate more surplus. Every single aspect of human life in society is examined for its potential as a profit-generating activity. Everything becomes a marketable commodity, even goods which by their nature ought never to be bought and sold. All the stops are pulled out to turn things that have always been received as gifts into items that must now be paid for.

Labour too is something to be bought and sold. The worker is a commodity like any other. Since the purpose of being in business is to maximize financial margins, however, and since labour is a cost against those margins it becomes rational to reduce the money spent employing people to a bare minimum. This can be done by paying them as little as possible, a practice antithetical to the generosity of Jesus, or by reducing the need for a human presence through automation. This creates the intractable problem of technological unemployment. In the regime of capitalism tens of millions of people lack access to productive resources or gainful employment. The technological system does not need them. Indeed, it desires their absence. Even though unemployment causes “great psychological and spiritual suffering”⁵⁸ modern industry has no answer for the scourge.

If the human person is merely a factor of production, a mere tool or “machine”⁵⁹ in the profit making process, then it is not surprising that work is designed for them without any thought as to the “welfare of their souls” or “their higher interests.”⁶⁰ Capitalism is humanly inadequate because it holds things to be of more importance than people. *Vocation of the Business Leader* (45) repeats Pope Pius XI’s critique of this scandalous state of affairs.

“Bodily labour . . . has everywhere been changed into an instrument of strange perversion: for dead matter leaves the factory ennobled and transformed, where men are corrupted and downgraded.”⁶¹

Treating people as a resource to use and to discard when used up is fundamentally unjust.⁶²

⁵⁸ Pope Benedict XVI, *Caritas in Veritate*, 25.

⁵⁹ *Vocation of the Business Leader*, 46.

⁶⁰ Pope Pius XI, *Quadragesimo Anno*, 135.

⁶¹ *Ibid.*, 135.

Conflict is endemic. In what should be a harmonious endeavor, labour and ownership clash, like “two armies engaged in combat”⁶³ over wages and working conditions. The envy systematically cultivated by the commercial world to keep people unsatisfied with what they have also disrupts social unity. Everyone’s desire to have more runs into everyone else’s desire for the same.

The key criterion in deciding what to bring to market is *whatever* will sell, or more accurately, *whatever* can be *made* to sell. This need not be something useful to or uplifting of the purchaser. The mission is profitability not answering “real needs.”⁶⁴ More money can often be made by preying upon human frailty, by exploiting human weakness, so the “lowest human passions”⁶⁵ are intentionally aroused as a business strategy. Things of futility not things of moment or even things objectively detrimental to human well being such as “non-therapeutic drugs, pornography, gambling, violent video games, and other harmful products”⁶⁶ are peddled. Advertising bombards people with propaganda to keep them consuming what is produced.⁶⁷ The poor and the vulnerable are “overlooked by other businesses in a market place driven by short-term profit”⁶⁸ because this constituency lacks purchasing power.

All means of wealth acquisition—speculation, rent seeking, financial shadiness—are held to be good. Competitive advantage can be gained by not accepting responsibility for negative externalities generated by the firm. Privatizing the profits and commonizing the costs in this way ignores “the social character of economic life, social justice, and the common good.”⁶⁹ Legitimate financial success is overstated and the moral boundaries attending to accumulation are ignored. Another way the Double P, Double C game is played is to dispose of costs onto “future generations.”⁷⁰ In addition to this, the

⁶² “if the whole structure and organization of an economic system is such to compromise human dignity, to lessen a man’s sense of responsibility or rob him of opportunity for exercising personal initiative, then such a system, we maintain, is altogether unjust—no matter how much wealth it produces, or how justly and equitably such wealth is distributed” (*Vocation of the Business Leader*, 46)

⁶³ Pope Pius XI, *Quadragesimo Anno*, 83.

⁶⁴ *Ibid.*, 132.

⁶⁵ *Ibid.*, 132.

⁶⁶ *Vocation of the Business Leader*, 42.

⁶⁷ “. . . growth can be hindered as a result of manipulation by the means of mass communication, which impose fashions and trends of opinion through carefully orchestrated repetition, without its being possible to subject to critical scrutiny the premises upon which these fashions and trends are based” (*Centesimus Annus*, 41).

⁶⁸ *Vocation of the Business Leader*, 43.

⁶⁹ Pope Pius XI, *Quadragesimo Anno*, 101.

⁷⁰ *Vocation of the Business Leader*, 37.

concentration of economic resources in gigantic corporations allows these economic entities to exclude others from entering the market in the hopes of monopoly profits. Competitors are bought up. The profit margins of suppliers are squeezed to nullity. Vexatious lawsuits are filed against would be entrants. Patents are taken out not to protect one's discoveries but to restrict the inventiveness of others. Billion dollar advertising budgets act as another significant barrier to entry.

Other institutions are coerced by the power of commercial enterprises to do their bidding, to tailor their own practices and ideals to the needs of business. Especially significant is the influence economic actors have on those holding political office since the State is charged with upholding justice and the common good. The proper role of government in regulating the marketplace can be rejected⁷¹ because capital has acquired an extraterritorial status.⁷² The accumulation process has jumped national boundaries.

All of this results in a moral ratcheting down. Those "who pay the least heed to the dictates of conscience"⁷³ are able to crush "more cautious competitors."⁷⁴ The anonymity offered by the limited liability corporation dulls a sense of responsibility. People of good will have to struggle to retain their virtue.

It is not easy to modify or overturn the regime. A "devouring usury"⁷⁵ is at the heart of the struggle for profits. This means that there is a commitment to an infinite expansion of production since the last money borrowed must be paid off. Unlimited economic growth consumes "the resources of the earth" in an "excessive and disordered way."⁷⁶ The result is a senseless "destruction of the natural environment."⁷⁷

How do we "liberate ourselves from ideologies?"⁷⁸ How can we think anew about the order of things, open ourselves to being and truth, in the hold of a technocratic mindset that *a priori* excludes them?

⁷¹ Ibid., 9.

⁷² Ibid., 19.

⁷³ Pope Pius XI, *Quadragesimo Anno*, 107.

⁷⁴ Ibid., 134.

⁷⁵ Pope Leo XIII, *Rerum Novarum*, 6.

⁷⁶ Pope John Paul II, *Centesimus Annus*, 37.

⁷⁷ *Vocation of the Business Leader*, 37.

⁷⁸ Pope Benedict XVI, *Caritas in Veritate*, 22.

However bleak the modern prospect seems there is always an opening for the task of metaphysical and moral reconstruction to commence because the metaphysical vacuity of modernity is constantly confronted by reality.

“ . . .closing the door to transcendence brings one up short against a difficulty: how could being emerge from nothing, how could intelligence be born from chance?”⁷⁹

Pope Benedict’s analysis of the distressing symptoms more and more in evidence is that we are witnessing nothing less than the collapse of a civilization. This is occurring because God has been forgotten. “Without God man neither knows which way to go, nor even understands who he is.”⁸⁰ The prognosis is grim. Our exclusion of God results in an “inhuman humanism.”⁸¹ There is no possibility that our salvation can be wrought from technocracy. A failure to restore reason to its reflective fullness, to open reason up to faith,⁸² will leave us floundering in “an illusion of our own omnipotence”⁸³

Pope Benedict does not merely lament the difficulties in the world today. He proposes a prescription, “truth-filled love,”⁸⁴ to address them. But if we truly seek the truth we will encounter the Person who said, “I am the way, the truth, and the life.”⁸⁵ For Pope Benedict there is nothing more beautiful than this encounter and for *Vocation of the Business Leader* this relationship with Christ “animates and strengthens the life of every Christian,”⁸⁶ including the professional life of the business leader.

As the successor to the See of Peter is it not surprising that Pope Benedict proffers a Christian vision as the solution to the problems humanity faces.⁸⁷

⁷⁹ Ibid., 74.

⁸⁰ Ibid., 78.

⁸¹ Ibid., 78.

⁸² “Faced with these dramatic questions [of a metaphysical nature] reason and faith can come to each other’s assistance. Only together will they save man.” (Caritas in Veritate, 74). “Reason finds inspiration and direction in Christian revelation” (Caritas in Veritate, 53).

⁸³ Ibid., 74.

⁸⁴ Ibid., 79.

⁸⁵ Jn. 14:6

⁸⁶ *Vocation of the Business Leader*, 23.

⁸⁷ Again it is important to be clear that the Catholic position represented by Pope Benedict is supported by a metaphysically sound science of the human person. Far from imagining worlds into being as so much modern philosophy does, Benedict is defending Christianity as the most reasonable world view to hold. See: D. J. Stollenwerk, “Ephemeral Facts in a Random Universe: Pope Benedict XVI’s Defense of Reason in *Caritas in Veritate*,” *The Australasian Catholic Record*, Vol. 88, Iss. 2, 2011, pp. 166–177.

Christianity provides “a humanism open to the Absolute”⁸⁸ and this opening up to the Divine can be personally and culturally transformative.

“The Christian faith, by becoming incarnate in cultures and at the same time transcending them, can help them grow in universal brotherhood and solidarity, for the advancement of global and community development.”⁸⁹

The Catholic Vision and the Proper Conduct of Enterprise: Acting as Leaders who Serve God

“God is love: *everything has its origin in God’s love, everything is shaped by it, everything is directed towards it.* Love is God’s greatest gift to humanity, it is his promise and our hope.”⁹⁰

The diagnosis of our gravely parlous cultural condition is that we mistakenly thought we could will into being any idea we had about our nature and the nature of the world we find ourselves in. The prescription is evident. We must regain our footing in what is real but to do this we must be receptive to what is. Pope Benedict closes chapter four of *Caritas in Veritate* by making this point with great lucidity in one of the most significant articles of the encyclical. It is worth quoting in full because of its importance.

“Truth, and the love which it reveals, cannot be produced: they can only be received as a gift. Their ultimate source is not, and cannot be, mankind, but only God, who is himself Truth and Love. This principle is extremely important for society and for development, since neither can be a purely human product; the vocation to development on the part of individuals and peoples is not based simply on human choice, but is an intrinsic part of a plan that is prior to us and constitutes for all of us a duty to be freely accepted. That which is prior to us and constitutes us—subsistent Love and Truth—shows us what goodness is, and in what our true happiness consists. *It shows us the road to true development.*”⁹¹

Contemplation, reflection on an ultimate reality “given to us”⁹², must be renewed for there to be any social progress. *Vocation of the Business Leader*

⁸⁸ Pope Benedict XVI, *Caritas in Veritate*, 78.

⁸⁹ *Ibid.*, 59.

⁹⁰ *Ibid.*, 2, emphasis in original.

⁹¹ *Ibid.*, 52, emphasis in original.

⁹² *Ibid.*, 79.

expressly stresses the centrality of this attitude of receptivity. “The first act of the Christian business leader . . . is to receive.”⁹³

What answers does Christianity give to “life’s fundamental questions?”⁹⁴ What does it say about the “meaning of man’s pilgrimage through history?”⁹⁵ What does Catholic social thought propose as the truth about our being and our actual position in the order of existence?⁹⁶ What are the implications of this for the proper conduct of enterprise?

The Christian worldview is theocentric. At its heart is an acknowledgment that we are not the cause of our existence but that we are brought into being, as is all of creation, by the loving action of a Triune God.⁹⁷ The important distinction to note is that God has necessary existence while our existence is contingent. God is all complete, existing with an inner Trinitarian life that needs nothing outside of itself. “The reciprocal transparency among the divine Persons is total and the bond between each of them is complete, since they constitute a unique and absolute unity.”⁹⁸ It is out of sheer goodness that God, infinitely perfect and blessed himself, chose to create.⁹⁹

Human beings are the crowning glory of God’s creative work in the universe. We are the only creatures on Earth that God has willed for its own sake and everything has been created by God for us. Man has been willed into existence by God, “born of God’s creative love”¹⁰⁰, formed in the very likeness of God (Gen 1:27), and deliberately designed as male and female. In sum, every

⁹³ *Vocation of the Business Leader*, 66.

⁹⁴ Pope Benedict XVI, *Caritas in Veritate*, 26.

⁹⁵ *Ibid.*, 16.

⁹⁶ The principles of Catholic social thought cannot be understood without an acknowledgment of the Christian humanism that grounds them. What is being examined are the social implications of the Christian faith. “Ethical social principles [are] illuminated for Christians by the Gospel” (*VBL*, 26.) See: Z. M. Mabee. ‘The Compassionate Gaze of Christ: A Christian Context of Development,’ *Journal of Markets & Morality*, Vol. 16, No. 1, 2013, pp. 207–218.

⁹⁷ Natural theology can yield an understanding of God’s existence but Christian scriptures reveal the “mystery of the Trinity”—three Persons, Father, Son, and Holy Spirit in “one divine substance” (CV, 54).

⁹⁸ Pope Benedict XVI, *Caritas in Veritate*, 54.

⁹⁹ “The environment is God’s gift to everyone . . . The Christian vision of nature as the fruit of God’s creation . . . Nature is . . . a gift of the Creator who has given it an inbuilt order . . . a wondrous work of the Creator.” (CV, 48).

¹⁰⁰ Pope Benedict XVI, *Caritas in Veritate*, 76.

human person “is an image of God” possessing irreducible “God-given dignity.”¹⁰¹

The vocation of being human is to come to the fullest development of the distinctive human powers of intellect and will by knowing truth and loving goodness. The supreme truth is God and the supreme goodness is God. “God . . . is both *Agape* and *Logos*: Charity and Truth, Love and Word.”¹⁰² Therefore, the ultimate purpose of human life is to know God and to love God, and since our “immortal soul”¹⁰³ destines us to “eternally,”¹⁰⁴ to enjoy God forever.¹⁰⁵ God made human beings for loving fellowship with himself. Indeed, God created the universe to enter into this love relationship with humankind. The cosmos comes first in time but not in divine intention.

If God was to relate to us in love, however, he had to leave us free to reject our divine destiny. The doctrine of original sin says that our first parents tragically decided to do just this and that their fall from goodness has been transmitted to all subsequent generations. Both *Caritas in Veritate* and *Vocation of the Business Leader* stress that destructive political economic systems have their origin in this denial of our wounded nature.

“Sometimes modern man is wrongly convinced that he is the sole author of himself, his life and society. This is a presumption that follows from being selfishly closed in upon himself, and it is a consequence—to express it in faith terms—of *original sin*. The Church’s wisdom has always pointed to the presence of original sin in social conditions and in the structure of society: ‘Ignorance of the fact that man has a wounded nature inclined to evil gives rise to serious errors in the areas of education, politics, social action, and morals’ [CCC, 407]. In the list of areas where the pernicious effects of sin are evident, the economy has been included for some time now. We have clear proof of this at the present time. The conviction that man is self-sufficient and can successfully eliminate the evil present in history by his own action alone has led him to confuse happiness and salvation with immanent forms of material prosperity and social action.”¹⁰⁶

¹⁰¹ *Vocation of the Business Leader*, 30.

¹⁰² Pope Benedict XVI, *Caritas in Veritate*, 3.

¹⁰³ *Ibid.*, 29.

¹⁰⁴ *Ibid.*, 76.

¹⁰⁵ “To be sure, because each person has a transcendent destiny to share forever in the life of God, earthly flourishing will never be complete . . . (VBL, 33).

¹⁰⁶ *Ibid.*, 34.

“Indeed, human accomplishment taken alone leads only to partial fulfilment; one must also know the power and grace of receptivity. This refusal to receive is found in our origins, in the story of the fall of Adam and Eve, when God commanded them not to eat “of the tree of the knowledge of good and evil’ (Gen. 2:17).”¹⁰⁷

God’s purpose in creation was to have human beings share his inner life of self-giving love. But God could not compel this association. It had to be freely chosen.

Pride turns us away from God but God does not leave us in this lapsed state. In another act of absolute love, God provides the way by which we can reach the ultimate end for which he created us. God sends his Son, the second person of the Trinity, Jesus Christ as Redeemer and “Saviour”.¹⁰⁸ In Jesus, God puts himself into human hands and suffers a humiliating death on the Cross to bear humanity’s transgressions. Jesus’ resurrection completes God’s saving plan temporally. God’s shocking response of love enduring to the end reveals his essence.

It remains for human beings to accept God’s invitation to a new life of grace lived in intimacy with the Holy Spirit. It is this relationship to God in love that sustains the Christian in his existence and elevates his nature to a supernatural level.

What it means to be a human person takes on a deeper, fuller meaning. Freedom is participation in the very being of God through grace. We can look above the mundane to the divine to see what our personhood should be. Jesus realizes humanity perfectly. In doing so he explains our humanity to us which is something we cannot do for ourselves because we did not create ourselves. The goal of the Christian life to be nothing less than Christ like becomes entirely understandable. Imitating Jesus brings us to the perfect freedom that was naturally his. God teaches us “through the Son what fraternal charity is.”¹⁰⁹ This means that Christian disciples must be prepared to take up the Cross since Jesus showed his love by laying down his life for others.

“Life in Christ is the first and principal factor of development”¹¹⁰ because “‘hearts of stone’ have to be transformed into ‘hearts of flesh’ (Ezek. 36:26).”¹¹¹

¹⁰⁷ *Vocation of the Business Leader*, 67.

¹⁰⁸ Pope Benedict XVI, *Caritas in Veritate*, 12.

¹⁰⁹ *Ibid.*, 19.

¹¹⁰ *Ibid.*, 8.

Vocation of the Business Leader is insistent that everyone in business must avail themselves of the means the Church provides for sanctification.

“When the gifts of the spiritual life are embraced and integrated into the active life, they provide the grace needed to overcome the divided life and to humanize us, especially in our work. The first act to which the Church calls the Christian business leader is to receive the sacraments, to accept the Scriptures, to honour the Sabbath, to pray, to participate in silence and in other disciplines of the spiritual life.”¹¹²

The “true meaning of freedom” then is “a response to the call of being.”¹¹³ Moral realism follows from the metaphysical realism. What we ought to be and do is based on what we are, on the truth of Being and the truth of our “personal being.”¹¹⁴ Pope Benedict again emphasizes that this understanding is discovered or uncovered not produced or invented.

“Truth . . . which is itself gift, in the same way as charity—is greater than we are, as St. Augustine teaches. Likewise the truth of ourselves, of our personal conscience, is first of all *given* to us. In every cognitive process, truth is not something that we produce, it is always found, or better received. Truth, like love, ‘is neither planned nor willed, but somehow imposes itself upon human beings.’”¹¹⁵

There is a natural moral law, “given by God,”¹¹⁶ that we find pressing in on us. We “cannot prescind from our nature.”¹¹⁷ Failing to recognize the call to moral truth, willfully not acknowledging it, leaves us in a state of “wretchedness.”¹¹⁸

Vocation of the Business Leader reiterates (67) Pope Benedict’s clear point that the social teachings of the Church have their basis in natural moral law or in the law of our being.

¹¹¹ Ibid., 79.

¹¹² *Vocation of the Business Leader*, 68.

¹¹³ Pope Benedict XVI, *Caritas in Veritate*, 70.

¹¹⁴ Ibid., 70.

¹¹⁵ Ibid., 34, emphasis in original.

¹¹⁶ *Vocation of the Business Leader*, 67.

¹¹⁷ Pope Benedict XVI, *Caritas in Veritate*, 21.

¹¹⁸ Ibid., 75.

“The Church’s social doctrine . . . is based on man’s creation ‘in the image of God’ (Gen. 1:27), a datum which gives rise to the inviolable dignity of the human person and the transcendent value of natural moral norms.”¹¹⁹

As a proximate endeavour, the fulfillment of political economic aims must abide by or build upon the truths of metaphysics, philosophical psychology, and ethics. That is, human nature, constituted by matter and spirit, is “normative for culture.”¹²⁰ A good social order “conforms to the moral order.”¹²¹ Pope Benedict draws out the implications of this.

i) Because human beings are a high and holy mystery, God’s own children, possessing a “transcendent dignity,”¹²² the subject and end of every social institution, including economic enterprise, is the human person.

*“The primary capital to be safeguarded and valued is man, the human person in his or her integrity: ‘man is the source, the focus and the aim of all economic and social life.’”*¹²³

ii) The justification of an enterprise is the correspondence of its economic activity with God’s plan for man. Capital resources are to assist in the process but are not an end in themselves. The marketplace must be “humane”¹²⁴; a forum where “authentically human social relationships of friendship, solidarity, and reciprocity”¹²⁵ can be conducted.

*“in commercial relationships the principle of gratuitousness and the logic of gift as an expression of fraternity can and must find their place within normal economic activity.”*¹²⁶

iii) Ethics inheres in all economic decisions.¹²⁷ Those owning and managing commercial undertakings, the decision makers in an enterprise, have an obligation to consider the impact their decisions have on the broader social whole encompassing their operations.

¹¹⁹ Ibid., 45.

¹²⁰ Ibid., 48.

¹²¹ Ibid., 67.

¹²² Ibid., 29.

¹²³ Ibid., 25, emphasis in original.

¹²⁴ Ibid. 46.

¹²⁵ Ibid. 36.

¹²⁶ Ibid., 36, emphasis in original.

¹²⁷ “The economic sphere . . . is part and parcel of human activity and precisely because it is human, it must be structured and governed in an ethical manner.” (CV, 36).

*“business management cannot concern itself only with the interests of proprietors, but must also assume responsibility for all the other stakeholders who contribute to the life of the business: the workers, the clients, the suppliers of various elements of production, the community of reference.”*¹²⁸

iv) Individual citizens also bear a responsibility for ensuring that economic processes achieve “fully human outcomes.”¹²⁹ Wisdom is needed in considering how we ought to live including thinking about our relationship to the goods of this world.

“What is needed is an effective shift in mentality which can lead to the adoption of *new lifestyles* ‘in which the quest for truth, beauty, goodness and communion with others for the sake of common growth are the factors which determine consumer choices, savings and investments.’”¹³⁰

The goal is to “construct an economy . . . [that is] socially responsible and human in scale.”¹³¹ The moral vision set out by Pope Benedict, renewing what was presented by Pope Paul VI in the encyclical *Populorum Progressio* (1967),¹³² is far grander than a hope for increased material prosperity. “*Integral human development*”¹³³ is to be sought and by this is meant “the development of the whole man and of all men.”¹³⁴

Figure 3 extracts a summary of Pope Benedict’s presentation of the Catholic Vision in his encyclical, *Caritas in Veritate*.

¹²⁸ Pope Benedict XVI, *Caritas in Veritate*, 40, emphasis in original.

¹²⁹ *Ibid.*, 20.

¹³⁰ *Ibid.*, 51, emphasis in original.

¹³¹ *Ibid.*, 41.

¹³² See: S. Cornish, ‘Placing Integral Human Development at the Centre of Catholic Social Teaching,’ *The Australasian Catholic Record*, Vol. 86, Iss. 4, 2009, pp. 450–456.

¹³³ Pope Benedict XVI, *Caritas in Veritate*, 8.

¹³⁴ *Ibid.*, 8.

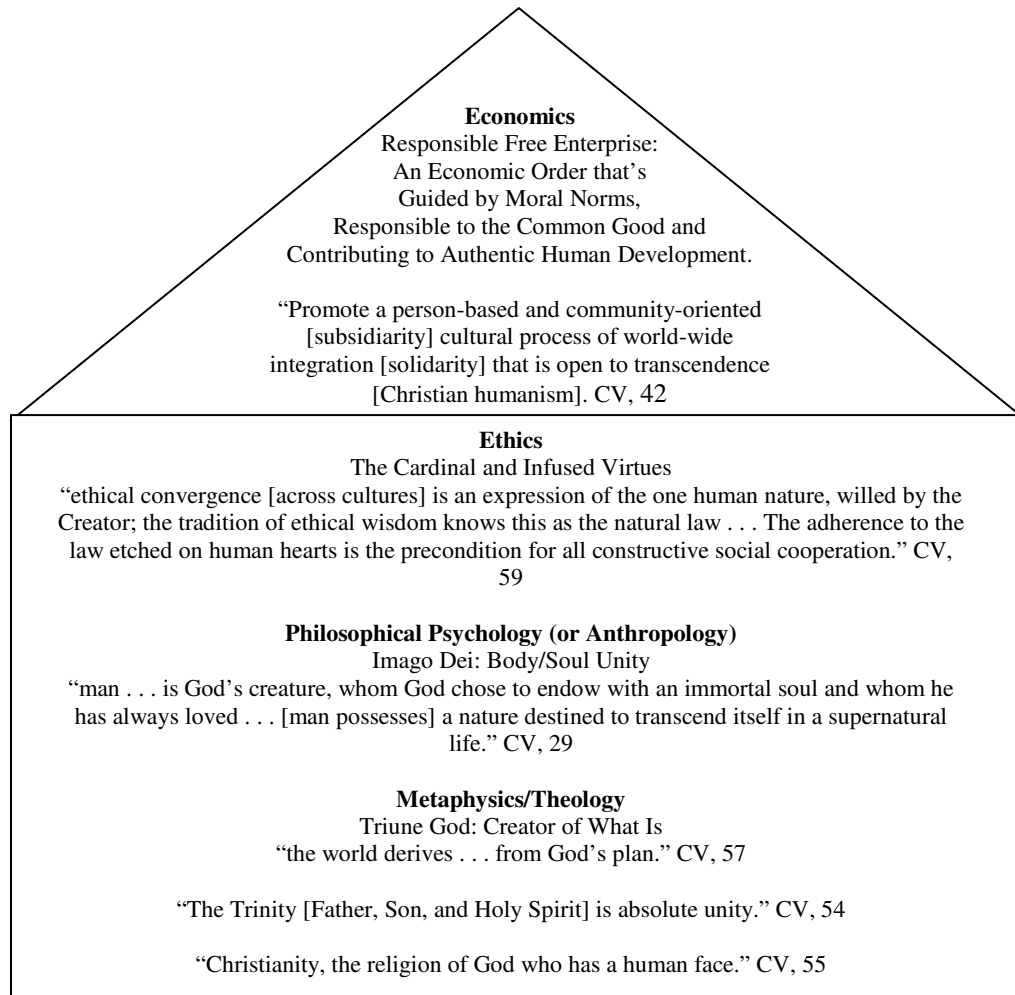


Figure 3: The Catholic Vision

The prescription Catholic social doctrine gives for how the goods of the world ought to be ordered is predicated upon the deeply social nature of our being. Human life is always life-in-community. A full human life requires material necessities and moral, social, intellectual and spiritual progress that cannot be achieved in isolation. Pope Benedict makes the point that social life is necessary for our perfection.

“As a spiritual being, the human creature is defined through interpersonal relations. The more authentically he or she lives these relations, the more his or her own personal identity matures. It is not by isolation that man establishes his worth, but by placing himself in relation with others and with God. Hence those relations take on fundamental importance.”¹³⁵

“A *metaphysical interpretation of the ‘humanum’*”¹³⁶ discloses that associations of greater to lesser intimacy are demanded by reality. The first form of communion between persons, instituted by God by design, is the partnership of man and woman. God is the Author of marriage, which is the indissoluble union of a man and a woman ordered to the good of the spouses and the procreation and education of children. The human family is the central element of the divine plan from the time of creation. It is the original cell of social life, existing prior to and above all other levels of social organization and is deserving of recognition as such.¹³⁷ The family constitutes nothing less than the foundation of society.

Beyond the family is the local or civic community. This encompasses all the associations or groups intermediary between the family and the state. Business enterprises fit in at this level but so do unions, social and cultural organizations, private societies *et cetera*. A richly textured social life¹³⁸ arises because man by nature seeks to associate.

The political community overarches all, ideally providing a stability that allows for harmonious living between citizens of the polis. In today’s globalized world coordination among states is required. Pope Benedict advocates for a “*reformed* United Nations organization” to manage “the unrelenting growth of global interdependence,” to achieve a good “international ordering” of the “family

¹³⁵ *Ibid.*, 53.

¹³⁶ *Ibid.*, 55, emphasis in original.

¹³⁷ “It is thus becoming a social and even economic necessity once more to hold up to future generations the beauty of marriage and the family, and the fact that these institutions correspond to the deepest needs and dignity of the person. In view of this, states are called to *enact policies promoting the centrality and integrity of the family* founded on marriage between a man and a woman, the primary vital cell of society, and to assume responsibility for its economic and fiscal needs, while respecting its essentially relational character” (CV, 44, emphasis in original).

¹³⁸ “in human societies, smaller communities exist within larger ones. For example, a family, as a community, is part of a village or a city, which in turn is part of a county, a state or province, then a nation, and so on” (VBL, 47).

of nations.”¹³⁹ Pope Benedict understands the need for coordination at the global level but the actions of any authority would be severely circumscribed.¹⁴⁰

The good of the human person as a citizen or a member of a community is the common good of the human society in which he lives, where the common good is understood to be the social order that facilitates every person to attain his or her perfection.¹⁴¹ The common good is not in opposition to any individual person’s good, for it is precisely in the social order that the individual develops. Virtue is not achieved in isolation, but through participation in the ordered social whole. Far from there being an inherent incompatibility between the individual and the society, they can be seen to be complementary—i.e. they exist for one another. The individual person develops in society or by contributing to society, and society exists for the development of the person. Pope Benedict XVI describes this beautifully and profoundly.

“The human community does not absorb the individual, annihilating his autonomy, as happens in various forms of totalitarianism, but rather values him all the more because the relation between individual and community is a relation between one totality and another. Just as a family does not submerge the identities of its individual members . . . so too the unity of the human family does not submerge the identities of individuals, people, and cultures, but makes them more transparent to each other and links them in their legitimate diversity.”¹⁴²

Self-sacrifice for the common good is not the denial of self but is self-fulfillment. Practising *agape* love, willing the good of others, is not the diminishment of our selves but is the perfection of our personhood. “It is through the free gift of self that man truly finds himself.”¹⁴³ Pope Benedict holds up the perfect love expressed between the Persons of the Trinity as the model for human relationships.

¹³⁹ Pope Benedict XVI, *Caritas in Veritate*, 67, emphasis added.

¹⁴⁰ “Such an authority would need to be regulated by law, to observe consistently the principles of subsidiarity and solidarity, to seek to establish the common good, and to make a commitment to securing authentic integral human development inspired by the values of charity in truth” (CV, 67, emphasis in original).

¹⁴¹ “The social nature of human beings, reflecting the community of the Trinity, points to another foundational principle, the importance of the common good. The second Vatican Council defined the common good in the following way: ‘the sum total of social conditions which allow people, either as groups or as individuals, to reach their fulfillment more fully and more easily.’” (VBL, 34).

¹⁴² *Ibid.*, 53.

¹⁴³ *Ibid.*, 41.

“The Trinity is absolute unity in so far as the three divine Persons are pure relationality. The reciprocal transparency among the divine Persons is total and the bond between each of them complete, since they constitute a unique and absolute unity . . . Relationships between human beings throughout history cannot but be enriched by reference to this divine model. In particular, *in light of the revealed mystery of the Trinity*, we understand that true openness does not mean loss of individual identity but profound interpenetration.”¹⁴⁴

Solidarity is the fundamental principle of the Catholic view of social and political organization that operationalizes charity or brings it to bear in creating social reality. Pope John Paul II defines the virtue of solidarity as “*a firm and persevering determination to commit oneself to the common good*; that is to say to the good of all and of each individual because we are *all* really responsible for *all*.”¹⁴⁵ Pope Benedict forcefully reasserts the significance of solidarity.

“*The development of peoples depends, above all, on a recognition that the human race is a single family working together in true communion, not simply a group of subjects who happen to live side by side.*”¹⁴⁶

The principle of subsidiarity is closely linked with solidarity and must remain so. The key idea of subsidiarity is that the internal life of each community should be respected—i.e., a community or social body of a higher order should not do for a community of lower order what it should do for itself. Subsidiarity finds its justification in love. It is not an act of caring to do something for another person that the person should do for himself. “Subsidiarity respects personal dignity by recognizing in the person a subject who is always capable of giving something to others.”¹⁴⁷

Subsidiarity also ensures that solidarity, the moral-organic bond providing unity to the communities naturally formed by human beings, will be realized. The two virtues must be taken together because the formation of community is not a technical problem to be solved once and for all but a moral struggle to be faced with as much equanimity as possible. Human community is only established if it is desired, generated, and nurtured by the people who form the community. Said another way, community can only thrive if the people of the community value it

¹⁴⁴ Ibid., 54, emphasis in original.

¹⁴⁵ Pope John Paul II, *Sollicitudo Rei Socialis (On Social Concern)*, Boston, MA: St. Paul. Books & Media, 1987, 38, emphasis in original [SRS]

¹⁴⁶ Pope Benedict XVI, *Caritas in Veritate*, 53, emphasis in original.

¹⁴⁷ Pope Benedict XVI, *Caritas in Veritate*, 57. Subsidiarity is discussed in *Vocation of the Business Leader*, 47.

and are disposed morally to make it work. Subsidiarity leaves people to this essential work. Solidarity holds everyone's efforts together.

Justice must be present. In its absence a stable social order is simply not possible. If people are not rendered what is due them, social breakdown inevitably ensues. But justice is merely the "minimum measure" of charity and is completed by "gratuitousness, mercy, and communion."¹⁴⁸ Thus, while justice is the basic social virtue enabling us to shoulder the responsibilities of social life, we must go beyond desert if we are to emulate God's love.

In the Catholic worldview every person is called to live this life of divine charity. Jesus' authoritative order in the Sermon on the Mount to "be perfect, therefore, as your heavenly Father is perfect"¹⁴⁹ absolutely applies and is the reason that Leon Bloy could assert that the only tragedy is to not be one of the saints. Holiness is to be pursued in the course of one's work life whether one be a physician, a teacher, a lawyer, or a businessman.

The vocation of the business leader is love. Jesus' two-fold commandment,¹⁵⁰ which "synthesizes the entire law"¹⁵¹ is to be fulfilled in enterprise as well. We are to will the good of others in our organizational life just as we do in our personal life. Since a company is a community of human persons, love must be extended in the practice of management and form the firm. This practical love can be expressed in the following principles that comprise a basis for a universal business ethic.¹⁵²

The decision of primary importance is *what* to produce or supply. Material goods are meant to be a means to our sanctification. What we have should help us to realize our destiny, which ultimately is spiritual not material. Though we are in the world, we are not of it, having been created for eternal happiness with God.

¹⁴⁸ Ibid., 6.

¹⁴⁹ Mt. 5:48.

¹⁵⁰ "'You shall love the Lord your God with all your heart, and with all your soul, and with all your mind.' This is the greatest and first commandment. And a second is like it: 'You shall love your neighbor as yourself.' On these two commandments hang all the law and the prophets." (Mt. 22:37-40)

¹⁵¹ Pope John Paul II, *Centesimus Annus*, 35.

¹⁵² Capitalism can be healed from within but only if the pathology of purpose that lies at its heart is addressed. This paper has chosen the framework of diagnosis and prescription in *Caritas and Veritate* and *Vocation of the Business Leader* because profound cultural failure is at the root of our displacement of the proper end of economic activity. The prescription of cultural transformation is equally profound and because of its profundity not simple to implement. Truth-filled love in every endeavour is the practical solution that can be taken up by anyone with the courage to do so.

Economic production should not deflect people from this end. Spiritual and moral goods should not be sacrificed to material interests. The want structure encouraged by enterprise should serve good moral formation. Just because something can be made and sold doesn't necessarily mean that it should be. Society doesn't need an institution that makes it hard for people to be virtuous. The goods and services provided by business should *really* be goods and services, not bads and disservices, when human well-being in its totality¹⁵³ is considered. Enterprises ought to make a contribution to human flourishing by what they bring into being.

The proper objective of marketing is to identify the people who would benefit from these goods and services and provide them with the information they need to make prudent decisions. If the truth about these products cannot be communicated honestly and openly, then the chances are good that the firm is treading on thin ice ethically. Promotional efforts need to do even more today. They need to encourage people to simplify their lives both to reduce the environmental impact of consumption and to help people find a place for leisure and prayer. Wisdom is to be pursued not the satisfaction of hedonistic impulses.

Goods and services are produced by people using material means. Labour takes precedence over capital in the process because of human dignity. Labour can never be looked on as another commodity to be bought and sold at the service of capital expansion. "Each person is an end in him or herself, never merely an instrument valued only for its utility—a *who*, not a *what*; a *someone*, not a *something*."¹⁵⁴ Giving dead capital priority over sacred human personhood is a basic moral perversion. Labourers must not be "treated like any other factor of production."¹⁵⁵

People ought to be given meaningful work that utilizes and develops their higher faculties. "The grandeur of one's work"¹⁵⁶ ought to match the grandeur of the human personality and be perfective of the same. Employees would rightly be seen as associates or partners, "co-entrepreneurs"¹⁵⁷ in the venture.

¹⁵³ "The very etymology of the word 'wealth' reveals the broader notion of 'well-being': the physical, mental, psychological, moral and spiritual well-being of others. The economic value of wealth is inextricably linked to this wider notion of well-being." (VBL, 51).

¹⁵⁴ *Vocation of the Business Leader*, 30, emphasis in original.

¹⁵⁵ Pope Benedict XVI, *Caritas in Veritate*, 62.

¹⁵⁶ *Vocation of the Business Leader*, 62.

¹⁵⁷ *Ibid.*, 50.

Proper attention should be paid to the work practices in place. The hours of work required, the physical demands put on the worker, the safety conditions should be humane. Love can never countenance work environments that are harmful to the physical health and moral integrity of the people working in them.¹⁵⁸

People are owed a living wage for their work. It is only in families that the human race perpetuates itself, so families must at a minimum have their material needs met. Business cannot just throw up its hands and say that market forces do not allow them to compensate their employees fairly. Prudential reasoning must be used to exhaust all measures internal to the firm that might be utilized to ensure just wages are paid. If these are still not enough, the help of “indirect employers”¹⁵⁹ must be sought.

Parental requests ought to be accommodated to the greatest extent possible. Management should work flexibly with each individual and family, fostering personal and professional relationships that make a good life for employees and their families possible, thereby contributing to the building up of the basic social structures of our existence. That is, love is to be expressed *in* our families but also *to* all families. Firms have an obligation to put in place policies under which the family can more easily fulfill its mission.

Our love is to extend to the natural world as well. We have an obligation to be good stewards¹⁶⁰ of God-given creation, maintaining it with integrity, and protecting it by opening it up to God through our own sanctification. Our covenant with the environment should mirror the creative love of God.

As demanding as the sum of these responsibilities is, it really comprises a moral minimum. Christian discipleship goes the “second mile”.¹⁶¹ God’s love seeks and suffers in order to save and this is the love that Christians are called to “pour forth.”¹⁶²

¹⁵⁸ “Good work gives scope for the intelligence and freedom of workers, its context promotes social relationships and real collaboration, and it does not damage the health and physical well-being of the worker.” (*VBL*, 46).

¹⁵⁹ *Vocation of the Business Leader*, 78.

¹⁶⁰ “Or as the early chapters of Genesis suggest, we are called to exercise a careful dominion over the world, to cultivate it and make it fruitful, but we do not have a license to exploit it as we please.” (*VBL*, 54).

¹⁶¹ Mt. 5:41.

¹⁶² Pope Benedict XVI, *Caritas in Veritate*, 5.

Good employment opportunities can be provided to the disabled or hard to employ and others with “special needs.”¹⁶³ Opportunities to serve the real needs of the poor and vulnerable should be identified and actualized. The Christian business leader should be in sincere “solidarity with the poor.”¹⁶⁴ Information can be volunteered to legislators if it would aid them in making regulations, even if this is not required by law. Leadership can be shown in building an industry consensus around abolishing unjust practices or achieving positive social change.¹⁶⁵ The Christian business leader should mesh the efforts of his or her own organization with the efforts of other institutions to address critical social issues. Goodpaster¹⁶⁶ refers to such collaboration as comprehensive moral thinking, a mindset that goes beyond the narrow focus on stockholders alone and also the broader consideration of stakeholder interests. In a complex organizational age such cooperative efforts are the only way that the common good can be realized, the only way that “the divine plan [for this world of ours]: [all people] living as a family under the Creator’s watchful eye,”¹⁶⁷ can come about. We can never be “indifferent to the lot of another member of the human family.”¹⁶⁸

A life in business is a “ceaseless pursuit of a just ordering of human affairs.”¹⁶⁹ The work of enterprise is to continually will one’s greatest contribution to the common good. God’s original gift of the earth was to be whole of mankind.¹⁷⁰ Private property rights are not absolute therefore but serve this more primordial reality. There is room on this earth “for everybody to live with dignity.”¹⁷¹ It is our duty, our obligation in friendship, to use the gift of our lives to ensure that all God’s children have a place at the “table of the common banquet.”¹⁷²

¹⁶³ *Vocation of the Business Leader*, 43.

¹⁶⁴ *Ibid.*, 43.

¹⁶⁵ “Business leaders (alongside governments and non-governmental organizations) influence larger issues, such as international regulations, anti-corruption practices, transparency, taxation policies, and environmental and labour standards. They should use this influence, individually and collectively, to promote human dignity and the common good . . .” (VBL, 73).

¹⁶⁶ K. E. Goodpaster, ‘Goods That are Truly Goods and Services that Truly Serve: Reflections on *Caritas in Veritate*,’ *Journal of Business Ethics*, Vol. 100, 2011, pp. 9–16.

¹⁶⁷ Pope Benedict XVI, *Caritas in Veritate*, 57.

¹⁶⁸ Pope John Paul II, *Centesimus Annus*, 51.

¹⁶⁹ Pope Benedict XVI, *Caritas in Veritate*, 78.

¹⁷⁰ “God’s creation is intended for everyone—rich and poor, powerful and weak, now and in the future—“ (VBL, 56)

¹⁷¹ Pope Benedict XVI, *Caritas in Veritate*, 50.

¹⁷² Pope John Paul II, *Sollicitudo Rei Socialis*, 33.

Vocation of the Business Leader: Final Thoughts

The genesis of *Vocation of the Business Leader* is somewhat unique. Scholars in the fields of management, economics, and moral theology came together to work through a Vatican office to prepare a most thoughtful reflection on the proper conduct of business in our world today. The work succeeds dramatically in its aim of providing a resource that teachers, students, and executives alike will find valuable. It sets out for the reader the content of what a good provisioning system should do and then it fills this in with specific guidance for decision makers in the form of discernment checklists.

In the document there is an appreciation of business as an institution. Business has significantly improved the lives of people in our society. Diseases have been cured. Technology has expanded human reach. Prosperity has been created. The legitimate *telos* of every social institution, including business, is the common good and it is this provisioning of goods and services that contribute to human flourishing that is the unique contribution of business. Business has only succeeded in delivering on this mission to the extent it has because it has gained facility in building organizations that “extend this work into the future.”¹⁷³

So, *Vocation of the Business Leader* offers a solid if unexceptional review of the social responsibilities of business.¹⁷⁴ Its significant and hopefully lasting contribution is the framework it provides for the justification of these practices and the level of questioning it engages in. “True business excellence”¹⁷⁵ is founded on the truth of our being and *Vocation of the Business Leader* unapologetically uncovers the Christian understanding of this.

Business is a genuine Christian calling because the Christian disciple is called to be a collaborator with God in creation. “God asks us to be His hands and feet, to continue His creation and make it better for others.”¹⁷⁶ This also means that the work of business is conducted within a given teleological order.

¹⁷³ *Vocation of the Business Leader*, 29.

¹⁷⁴ “Business leaders . . . addressing the demands of the organization with practices and policies which promote: personal responsibility, innovation, fair pricing, just compensation, humane job design, responsible environmental practices, social and socially responsible (ethical) investment, and a host of other issues such as hiring, firing, board governance, employee training, and supplier relations.” (*VBL*, 72).

¹⁷⁵ *Vocation of the Business Leader*, 29.

¹⁷⁶ *Ibid.*, 80.

“The perfect order which the Church preaches . . . places God as the first and supreme end of all created activity, and regards all created goods as mere instruments under God, to be used only in so far as they help towards the attainment of our supreme end.”¹⁷⁷

Profound questions get raised about the provisioning work of business.

- “How does receptivity to God’s love animate the relationships of the various stakeholders of a business?”
- “What kind of business policies and practices will foster the integral development of people?”¹⁷⁸
- How does a lack of material resources or their overabundance act as “obstacles to, or distractions from, the pursuit of virtue and holiness.”¹⁷⁹

No “automatic or impersonal forces”¹⁸⁰ can guarantee development. The radical prescription *Vocation of the Business Leader* offers for the transformation of the business world is a return to the “source and summit of the Christian life,”¹⁸¹ the Eucharist. It is the “Real Presence . . . which has the power to redeem the world.”¹⁸²

¹⁷⁷ Pope Pius XI, *Quadragesimo Anno*, 136.

¹⁷⁸ *Vocation of the Business Leader*, 71.

¹⁷⁹ *Ibid.*, 33.

¹⁸⁰ Pope Benedict XVI, *Caritas in Veritate*, 71.

¹⁸¹ Pope John Paul II, *Ecclesia De Eucharista (The Church and the Eucharist)*, Sherbrooke, QC: Mediaspaul, 2003, 1.

¹⁸² *Vocation of the Business Leader*, 69.