

Working Draft

MIDDLE LEVEL THINKING

THE IMPORTANCE OF CONNECTING AND MEDIATING CATHOLIC SOCIAL THOUGHT, CORPORATE SOCIAL RESPONSIBILITY, AND BUSINESS PRACTICE

DEAN MAINES AND MICHAEL NAUGHTON

Related Terms to Middle Level Thinking: practical wisdom, prudence, practical rationality, practical reasoning, practical judgment, practical knowledge, practical theology, etc.

Acronyms: CST (Catholic Social Thought/Tradition), CSR (Corporate Social Responsibility), MLT (Middle Level Thinking)

1. Context: Development of Middle-Level Thinking in Catholic Social Thought and Corporate Social Responsibility

Situation in Catholic Social Thought: One of the strengths of Catholic social thought (CST) is that it has developed out of the rich and robust Catholic intellectual tradition. With particular help from the vision of theological and philosophical Thomism, CST has sought to bring into clearer focus the implications of the Catholic faith for politics, economics, and culture. It shows that Catholicism is not a private and individualistic faith, but one that is by its nature public and communal. In developing a deeply social and spiritual understanding of the person, work, property and community, CST has articulated a set of principles to guide reflection on political, economic and organizational questions. These standards include the master or first-order principles of human dignity and the common good, as well as finer and more specific second-order principles like the subjective dimension of work, subsidiarity, social nature of property, etc., which begin to specify in more detail one's rights and duties as they relate to political, economic and organizational situations.

The principles of CST help us see what we look like when we are at our best. They point toward a vision of who the human person is and what human flourishing looks like in community. The Church's social principles have been developed through an historically articulated tradition of teachings, thought and action. Drawing upon the rich religious vision presented by scripture, as well as theological and philosophical reflections upon the presence of grace and sinfulness within human experience, the Church has developed a language of principles which helps us understand how we should act in everyday life.

Within the Catholic social tradition, these principles are not viewed as an external imposition on reality by church authority; rather, they provide authentic insight into what human community should be. The principles function as signposts that point us toward

authentic humanity through the discernment of an historical community. Internalized by moral agents, these principles nourish the best inclinations *already* present within us, nurturing and fortifying our social and moral character. In short, they help us *intend* correctly. They challenge not so much our desires, but how we disorder our desires to maximize our self-interests at the expense of the community. Thus, the social principles of the Church are not a mechanical formula for moral behavior, but an aid to our moral and spiritual formation. They help transform who we are into who we are created to be by catalyzing greater integrity in our intentions and actions.

The principles of CST draw attention to disordered desires and behavior, and provide general guidance about how problems of human community should be remedied. Absent these standards, human relationships will be prone to instrumentalization. We will tend to treat each other like *objects* rather than *persons* who are created in God's image.

Principles are typically associated with a deductive approach to moral reasoning, in which one consciously learns a set of principles and subsequently deduces from them how to act in particular situations. Two observations challenge this reflexive association. First, human actions guided by principle-based judgments about what a person should or should not do within specific circumstances can illumine the limitations of a principle as well as its power or incisiveness. Experience may suggest important qualifications that must be introduced into a principle's formulation if it is to serve as a reliable guide to moral conduct. The relationship between the principles of CST and specific moral judgments, therefore, contains an inductive dimension as well as a deductive one. Thus, new circumstances resulting from emerging developments in society's superstructure – the state, the market, associations, unions, productive organizations, and the other elements and institutions that serve as the primary objects of Catholic social teaching – may prompt the revision of existing principles, or the emergence of altogether new ones. Alternatively, new social developments may highlight hitherto unappreciated insights inherent in a principle, giving rise to corollary norms that may extend it beyond the immediate historical context which fostered its development. Hence, principle-based moral deliberation is more dynamic than we might initially appreciate.¹

Second, there are business leaders who have never heard of CST, who in effect have never "learned" the principles of CST, but who by inclination or faith (both Christian and non-Christian) have developed organizations in which these principles operate.² The deep resonance between CST and the moral intuitions of these practitioners suggests that the principles of CST reach across confessional boundaries to engage elements of our common humanity.

While the literature addressing moral principles is immense, we frequently struggle to connect them to organizational policies, routines, or measurable outcomes. "We seem to have a sense of what we yearn for, but behavioral specificity is thin."³ This abstraction leads to "death by slogan." While few people will argue against human dignity, there remains a chasm between the principle and its realization in organizational life. This lack of concreteness also is reflected in the laundry list of generic values – respect, tolerance, honesty, etc. – which populate corporate mission statements, yet have little to do with day

to day life within the organization. In short, we find ourselves speaking like abbots but acting like bureaucrats or moral freelancers. When pressed on the concreteness of such values or principles, we begin to turn them into *instruments* of policy rather than policy *sources* which help to generate a rich moral understanding of work and creative forms of renewed action.

The abstraction and instrumentalization of principles often results from expecting more from principles than they can deliver. As important as the core principles of CST are to social and organizational life, they do not instruct us as to how they may be realized in the warp and weft of our daily work. While they indicate a normative direction for our actions, CST principles do not offer a detailed map of the route we should follow. They do not provide blueprints or specific technical solutions, nor can they replace experience. They certainly do not eliminate the need for practically wise decision makers whose judgments are informed by the particularities of the situation.

In short, while Catholic social principles provide guidelines and orientations, they have been insufficiently explored to help businesspeople envision what these standards look like in action. One reason for the disconnection between principle and action is that the developers of CST largely have been academics in the areas of theology, philosophy, economics, sociology, and political science. As our colleague Robert Kennedy put it, these individuals have “devoted relatively little attention to issues in business practice, preferring to direct their attention to larger questions of political economy . . . [hence] the implications of this tradition for management remains unclear.” Of course, there have exceptions. The University of Notre Dame’s Center for Ethics and Religious Values in Business has sponsored conferences and publications dedicated to exploring the link between CST and business practice. Business groups such as UNIAPAC, NCCEM, Legatus, Business Executives for Economic Justice and others also have sought to connect theory and practice. More recently, the International Association of Jesuit Business Schools and a series of symposia on Catholic Social Thought and Management Education have addressed this gap.

As helpful as these groups have been, there remains a sense among practitioners and educators that CST lacks a structure for concrete, practical decision making. Such a structure would help the core tenets of this tradition “come alive” within a business organization by effectively integrating faith and action. Lacking this mediating voice, CST falters in application. Consequently, its potential for business practice remains latent and unrealized.

The mediating voice that effectively connects principle and policy is what we call “middle level thinking.” This voice should be heard in Catholic colleges and universities, especially in their business schools. Yet Catholic universities—the place where (as Rev. Theodore Hesburgh of Notre Dame put it) the Church does her thinking— have been relatively silent on this question. If middle level thinking is to develop within CST, it must assume a more prominent place in Catholic universities, particularly within Catholic business schools. It is important to note that without the direct help of committed

practitioners, this type of thinking will lack the realism and richness that comes from experience and consequently will fail to translate into prudential judgments and actions.

The Situation in CSR: It appears that Corporate social responsibility (CSR) enjoys an advantage over CST in this area of “middle level thinking” (MLT). CSR has evolved rapidly over the past forty years. Early in this period, a number of programs designed to support the implementation of CSR concepts were spawned; however, through the 1990s the emphasis largely remained on articulating aspirational codes for business conduct. Notable examples include the OECD’s *Guidelines for Multinational Enterprises* (1976), the ILO’s *Tripartite Declaration* (1977), the *Ceres Principles* (1989), the Caux Round Table *Principles for Business* (1994), and the United Nations *Global Compact* (1999).

Over the past decade, the CSR community has shifted its focus to the identification of concrete benchmarks and metrics which may be used to assess and influence corporate conduct. This has led to the development of several important categories of tools: corporate reporting platforms (e.g., the *Global Reporting Initiative*); third-party audits (e.g., *SA8000* for labor practices and working conditions); instruments which combine organizational self-appraisal and reporting with external audits or independent verification (e.g., the *Ethical Trading Initiative*, the *Fair Labor Association Workplace Code of Conduct*, the *ICFTU/ITS Labor Practice Initiative*); detailed methodologies to catalyze organizational self-appraisal and improvement on issues of corporate ethics and social responsibility (the *Self-Assessment and Improvement Process*); and a range of evaluatory approaches to facilitate socially-responsible investment.

The emergence of these implementation processes – processes designed to shape corporate conduct in accordance with various CSR standards – has been impressive. However, this newest phase of CSR’s evolution remains in its infancy, and the strengths and weaknesses of these varied strategies have yet to be fully plumbed. One criticism of such tools is that they rest on weak conceptual foundations. Alternatively, their designs are criticized for a certain detachment from the principles on which they are based, i.e., they fail to express adequately the moral aspirations in which they are grounded. In either case, what results is a “checklist” approach to corporate responsibility that does little to transform the moral understanding of the modern corporation, and the relationships within the corporation. This checklist approach in CSR can possibly be connected to a secularization that fails to connect with the deeper moral inclinations and spiritual yearnings of the human person, yielding a form of spiritual poverty.

The Need: In light of these situations, our symposium in Rome in 2006 will in part focus on how to develop modes of MLT that foster a moral and spiritual vision of business that is able to inform the concrete policies and practices of the business professional? How do we develop a rich and robust connection between Catholic social thought, corporate social responsibility and business practice, which can generate practically wise businesspeople? As we pointed out above, CST has a rich tradition of principles, and while there always will be a need for more foundational thinking, we believe that there is a serious need to further develop within CST different forms of MLT. We also believe that the explorations to date of the CSR community can illuminate this effort, pointing us

towards potentially fruitful pathways and warning us of “dead ends” we should avoid. Thus, MLT is an important point of dialogue between CST and CSR. It may offer significant learning opportunities for CST supporters, and highlight significant convergences and divergences between these two approaches to responsible business conduct.

2. Description and Purpose of Middle Level Thinking

In his book *Community and the Economy*, Jonathan Boswell coins the term “middle-level thinking” (MLT).⁴ MLT is about mediating connections, bridges, lines of thought, models, etc. that foster greater consistency between the deep meaning of human life and decision making in organizations. What lies on one side of middle level thinking is a vision of the human person informed by first principles, and on the other side the decision/action to be made or done. In the context of CST, we describe MLT as an interdisciplinary mediation and engagement between theological and philosophical insights of CST and business reality wherein explicit linkages between principle and practice are forged.⁵

MLT seeks to connect the first principles of CST in an explicit and systematic manner to business practice so that operations within a firm are informed by these principles. Thus, MLT occupies the vital ground between principle and practice. It serves as a form of “hinge” or cardinal thinking that helps practitioners translate broad convictions about human existence (faith, anthropology, our vision of the good, etc.) into more specific norms and judgments about how they should address the situations which confront them daily. In terms of the virtue tradition, MLT could be described as practical wisdom in action or prudential thinking.⁶ It helps us to discern the good to be done in specific circumstances, and the most appropriate way to realize this good. That is, it is concerned both with *what is right*, and with the *right approach* to achieving it. As such, MLT connects *ends* with *means*, *moral aspirations* with *techniques*.

We should be clear that this is difficult. There is no cook book approach to building this type of discourse. We do, however, have a long tradition on practical wisdom and reason which will be able to move us forward in developing MLT. This tradition informs us that the moral act is not mere action, but action informed by faith, rational apprehension, and moral principle.

Thus, the purpose of MLT is to help *business professionals to move from a set of broad theological and moral principles and doctrines to more particular, concrete moral judgements in such a way that fosters an integration of principle and action*. It is this type of thinking that will help to develop virtues and good character within the business promote authentic and effective communities of work which contribute to the common good.

One consequence of MLT is that business practitioners can more perceptively discern the underlying first principles of the business itself. Organizational policies and practices too

often are grounded, consciously or unconsciously, in an individualistic or instrumental logic that fosters a tyranny of technique. Such technical or pragmatic approaches lack a view of the good beyond expedience, efficiency, convenience, or cost/benefit calculations, denying the social principles a foothold within the organization. Mere technique divorces the question of “how” from the question of “for what purpose,” or acknowledges only answers to the latter question which are evacuated of recognizable moral content. Policies and practices informed solely by pragmatic principles inevitably form the character and thinking of workers and managers more than they know or appreciate. The more sensitive businesspeople are to these first principles, and how their logic animates specific policies and procedures, the more likely they will be able to challenge such thinking.

MLT also helps business professionals avoid the sterility of “moralisms”—that is, ethical-seeming prescriptions about business practice that, however sound in their foundation, “dispense with the technical knowledge of economic laws.”⁷ Moralisms fail to account for the concrete complexities which confront managers and workers. Divorced from business realities and technical expertise, such prescriptions do little to promote justice or responsible conduct. MLT helps moral aspirations and principles animate business decisions and practices by connecting them to practical, efficacious, and ethical means. MLT honors practical insight and skill by acknowledging that it is only through the creative application of these within concrete situations that good ends are achieved.⁸

3. Dimensions of MLT in the Catholic Social Tradition

Again, while there is no simple recipe for MLT, we have identified three dimensions which seem necessary for MLT to take place as an integral part of a vibrant moral tradition.

1. First and Second Order (Mid-Level or Practical or Finer or bridging) Principles:

As noted above, principle-based approaches can result in abstract and moralistic forms of thinking. Yet while principles may be insufficient to provide precise solutions to workplace problems, they play a critical role within MLT.

The social teachings of John Paul II illustrate this point. John Paul utilized a form of phenomenology to help bridge the gap between principle and practice. This approach aids MLT by tying first-order principles such as human dignity to finer, second-order principles. These second-order principles illumine the *specific tasks* which must be undertaken if human dignity is to be embodied in practice. For example, human dignity emphasizes the personal character of human existence. Because organizations have a powerful formative effect on people, everything within the organizational realm must be judged in light of whether it protects or undermines human dignity. When we work, we affect and change objects outside or beyond ourselves. At the same time, our work changes who we are. It can catalyze the development of our humanity – for example, by giving us an opportunity to exercise our talents more fully, or by exercising a greater

degree of self-direction in our work – or it can stunt this growth and undermine our dignity. This principle, sometimes referred to as *the subjective dimension of work*, suggests that one part of any organization’s quest to support human dignity must include providing its employees with well-designed jobs, i.e., jobs which enable them to provide excellent services or products and to develop their humanity more fully.

The principle of the subjective dimension of work does not tell a manager precisely how the positions in her department should be restructured or redesigned. That will depend upon a range of variables, including the occupation(s) in question, constraints related to the work flow in which employees participate, available technology, stability of the workforce, etc. However, application of the principle establishes a normative aspiration for the organization that is *actionable* (for example of this, see Alford and Naughton, *Managing as if Faith Mattered*, chapter 4).

Consideration of the role of principles within MLT raises several critical questions: How do we convert social principles into coherent patterns of actions? How might a business practitioner move from the conceptual basis of CST – for example, expressed within the Church’s various social encyclicals – to concrete judgments and actions? There is much work to be done here since, given there is no accepted canon of CST principles, let alone a classification of these principles as primary, secondary, or tertiary. There seems to be three critical questions that must be addressed: (1) *What are the primary principles of Catholic social teaching?* (2) *What are the critical mid-level principles of Catholic social thought, that is, the secondary or tertiary guidelines which supplement the primary principles and mediate their application? By what process might these supplementary principles be developed?* (3) *How might these MLT guidelines be brought into greater engagement with organizational practice and life?*

2. “Practice,” Practices and Virtues: The work of Alasdair MacIntyre is a particularly rich source for MLT. MacIntyre has been quite critical of philosophy’s detachment from real problems and its tendency toward greater levels of sophisticated abstraction, but with little relevance and insight to modern life. One helpful concept that MacIntyre has introduced is the notion of a “practice.”⁹ While we cannot do justice to this concept here, we want to highlight the distinction he makes between internal and external goods as it relates to creating a good company. If we are to see business as a practice, we need to describe and define what are the internal goods of the company that make it a good company. Certainly, external goods, such as profit, revenue, production, efficiencies, fame, etc. are crucial to a business; without them, a firm cannot exist. But such goods do not tell what is most excellent about a good company. The mafia produces these external goods, as do organizations that create and distribute pornography or tobacco products. Yet, most of us would not characterize these firms as good. This is precisely why an articulation of the principles above is vital, since they begin to describe precisely what internal goods are, what the “practice” of business entails. For example, the dignity of work and the subjective dimension of work begin to describe the internal good of human development at work. Other principles such as the common good, universal destination of material goods, subsidiarity are crucial to describing the internal goods of the good

company.¹⁰ More work needs to be done on how these internal goods are informed by the first and second order principles articulated above.

MacIntyre's concept of "practice" needs to be connected to the concrete "practices" present within a business firm. This connection displays another important dimension for MLT: What are the actual practices of organizational life and how are they connected to internal goods of the company? The management of Tomasso Company in Montreal has developed 14 practices that it believes are crucial to promoting internal goods it calls humanization and spiritualization.¹¹ While not everyone will find all of Tomasso's practices appealing, the company's approach provides a concreteness that is refreshing.

The connection between practice and practices raises the question of the relationship between internal goods and external goods. How does one place financial skills (e.g., reading a balance sheet or income statement, calculating the cost of capital), management skills (e.g., managing group dynamics, mediating conflicts), and marketing skills (e.g., segmenting markets, developing sales plans), all of which are crucial to generating external goods, at the service of morally worthy ends (internal goods)? It is precisely in this connection that the virtues, especially the virtue of practical wisdom, are displayed.

3. Narratives, Witnesses and Stories: John Paul II wrote that "Today more than ever, the church is aware that her social message will gain credibility more immediately from the witness of actions than as a result of its internal logic and consistency" (CA, 57). The translation of principle into action is dependent upon the history of actual attempts by business professionals to operate in accordance with Catholic social principles. This history helps us understand that MLT is not simply about the application of principles; rather, it is about the application of principles by *a specific kind of moral agent*, namely, one who is capable of grasping the various disciplines of business, perceives the situation as it is, and effectively directs activity (her own and others') towards ends imbued with moral purpose. Such stories help us to see more clearly what virtue looks like by pointing us to the virtuous person. For only a just person can figure out – through intuition and conscious deliberation – what constitutes a just act within a given situation.

Central to many of these stories is the religious and spiritual perspective of the moral agent. Patrick Murphy and Georges Enderle have identified four compelling examples of business leaders motivated by strong religious faith whose careers have been characterized by a capacity to translate ethical aspirations into corporate practice: Irwin Miller (Cummins), Max DePree (Herman Miller), James Burke (Johnson & Johnson), and Sir Adrian Cadbury (Cadbury-Schweppes).¹² As Murphy and Enderle note, the religious commitments of these former CEOs provided both impetus and ethical content to their decisions. This is a vital linkage which the secularized CSR movement misses or sometimes actively ignores. These executives serve as examples of the kind of practice and witness that is essential to the development of MLT.

A crucial point that needs to be emphasized is that while CST articulates a set of principles as its own, these principles are not exclusive to its tradition. There are many

business practitioners, from all sorts of religious and non-religious traditions, who have embodied the principles of the Catholic social tradition in programs directed at such issues as job design, ownership, firing/layoff practices, living wage and equity ratio policies, quality programs, poverty outreach initiatives, environmental policies, etc. As explained above, Catholic social principles are not a foreign system imposed from without; rather, they describe what is best in humanity. When the Church is at its best, she seeks to learn from others on how to best implement her own social teachings.

4. Example of MLT

The genesis of the *Self-Assessment and Improvement Process* (SAIP) provides a helpful example of MLT. In addition, the SAIP's development illustrates how CSR and CST can intersect within the realm of MLT, pointing us toward a potential area of concern.

As noted above, the SAIP is a methodology designed to catalyze organizational self-appraisal and improvement on issues of corporate ethics. It rests on two pillars: The self-assessment process pioneered by the Malcolm Baldrige National Quality Program and the Caux Round Table *Principles for Business*. The SAIP enables business organizations to evaluate their operations against a set of detailed norms and standards for responsible business conduct based upon the Caux *Principles*.

The process of progressive articulation played a vital role in the SAIP's development. Progressive articulation involves moving from broader concepts of moral value and obligation (e.g., foundational values, general principles) to more specific norms. By resolving broader standards for conduct into detailed guidelines and behavioral benchmarks, progressive articulation helps facilitate attempts by individuals and organizations to assess the "fit" between their moral aspirations and their deeds.

The process of progressive articulation can be illustrated by a brief account of how the SAIP's assessment criteria developed. Doing so, however, requires giving a brief overview of the Caux *Principles*.

The Caux Round Table *Principles for Business* offer a comprehensive set of ethical norms for companies operating across national and cultural boundaries. They arose in part from discussions between Japanese, European, and American executives. In language and form, the *Principles for Business* closely follow *The Minnesota Principles*, a statement of business behavior rooted in the experience and values of Minnesota business leaders. *The Minnesota Principles* were developed in the early 1990s under the auspices of the Center for Ethical Business Cultures at the University of St. Thomas.¹³ *The Minnesota Principles* echo some of the core tenets of CST, including respect for workers, concern for the disadvantaged, the legitimate role of government in the marketplace, and the responsibility of firms to influence positively the broader society in which they participate. These tenets represent an important part of the inheritance bequeathed by the Minnesota statement to the Caux *Principles*.

The *Caux Principles* rest upon two ethical ideals: the Japanese concept of *kyosei* and human dignity.. The ideal of *kyosei* was defined by Ryuzaburo Kaku, the late chairman of Canon, Inc., as “living and working together for the good of all.”¹⁴ *Kyosei* is a subtle and complex concept that tempers individual, organizational, and even national self-interest with concern for more embracing “common goods.”¹⁵ Human dignity implies that a person’s worth never can be reduced to her instrumental utility, her value as a means to the fulfillment of another’s purpose. While *kyosei* figured prominently throughout the initial discussions surrounding the *Principles’* formulation, it was at the particular insistence of Jean- Loup Dherse, a former World Bank executive and member of the pontifical council *Cor Unum*, that human dignity was incorporated as part of their foundation.¹⁶

The *Caux Principles* express these two ideals in a format that progresses toward greater specificity. The document’s *Preamble* establishes the vital need for corporate conscience in an interdependent world and a global economy. The next section outlines seven general *Principles*, which begin to clarify how the values of human dignity and *kyosei* should inform business practice within a global context. The third and final section of the *Caux Principles* utilizes a stakeholder framework to supplement these general norms with guidelines that point executives and managers toward specific practices.

The SAIP builds upon the structure of the *Caux Principles* to establish a systematic framework for an organization’s self-evaluation. A company’s performance against each of the seven general *Caux Principles* is evaluated from seven distinct perspectives: How well the firm has fulfilled the fundamental duties that flow from a principle, and how well it has realized the aspirations articulated by that principle in relations with six stakeholders (customers, employees, owners, suppliers, competitors, and communities). The result is a 7-by-7 assessment matrix (Figure 1) .¹⁷

Category	1 Fundamental duties	2 Customers	3 Employees	4 Owners/ operators	5 Suppliers/ partners	6 Competitors	7 Communities
1. Responsibilities of business	1.1	1.2	1.3	1.4	1.5	1.6	1.7
2. Economic and social impact of business	2.1	2.2	2.3	2.4	2.5	2.6	2.7
3. Business behavior	3.1	3.2	3.3	3.4	3.5	3.6	3.7
4. Respect for rules	4.1	4.2	4.3	4.4	4.5	4.6	4.7
5. Support for multilateral trade	5.1	5.2	5.3	5.4	5.5	5.6	5.7
6. Respect for the environment	6.1	6.2	6.3	6.4	6.5	6.6	6.7
7. Avoidance of illicit operations	7.1	7.2	7.3	7.4	7.5	7.6	7.7

Figure 1. SAIP Assessment Matrix

The SAIP continues the process of progressive articulation begun within the *Principles* themselves by translating the aspirations they express into detailed questions about company practices. The questions contained within each cell – dubbed “assessment criteria and benchmarks” – are formulated with both the relevant *General Principle* and *Stakeholder Principle* in mind.¹⁸ Yet these questions – like the *Principles* themselves – also draw heavily upon the practical wisdom of business professionals. Four of the five individuals primarily responsible for formulating the SAIP’s criteria and benchmarks are current or former executives whose combined experience totals over 100 years. Their experience played a critical role in determining which aspects of a company’s performance the questions would emphasize, and how these aspects should be addressed. It ensured the SAIP’s questions would probe particularly sensitive areas of corporate conduct in a manner that would help bring critical information to light. In short, moral insight rooted in extensive practice was instrumental to creating interrogatories which are well-targeted, incisive, and useful to decision makers, and not moral formalisms.

This brief overview of the SAIP’s development illustrates how MLT works in practice, translating broad principles into more specific prescriptives that aid organizational diagnosis and action. It also points toward an important issue for the ongoing dialogue between CSR and CST, namely, apparent conceptual overlaps between CSR and CST within the domain of MLT.

CSR and CST do not exist within hermetically sealed chambers; rather, they coexist within the public square, where they interact and influence one another. In the forgoing account, one sees how perspectives and precepts taken from CST helped shape one CSR initiative, the Caux Round Table *Principles for Business*, both directly (through the intervention of a committed Catholic layman in the drafting process) and indirectly (through material drawn from the CST-influenced *Minnesota Principles*). In light of such connections, it is unsurprising to detect a certain aspirational resonance between the underlying values for business practice which the *Caux Principles* and CST respectively suggest. By conjoining the values of human dignity and *kyosei*, the *Caux Principles* echo the concern for the individual and for communal relations that is evident in magisterial teaching on the common good (“the good of *each* and of *all*”).¹⁹ However, this resonance should not be mistaken for unqualified consonance or total concord. While there is a “family resemblance” between the aspirations promoted by the *Caux Principles* and the church’s social teaching, one cannot assume that this similarity necessarily translates into complete harmony at the level of the specific actions demanded or allowed by the *Caux Principles*, and those demanded or allowed by Catholic social teaching.²⁰ And what is true in this particular case also holds more broadly: Within the realm of MLT, apparent aspirational alignment between CSR and CST must be tested carefully, to bring out points of divergence and convergence in their specific requirements for business practice.

Conclusion: Interdisciplinary Thought

Crucial to the development of MLT within the context of a dialogue between CST and CSR will entail interdisciplinary thinking, especially between the theological/philosophical disciplines and business theory and practice. John Paul II has commented directly on the interdisciplinary nature of the work needed to put Catholic social thought into practice:

In order better to incarnate the one truth about man in different and constantly changing social, economic and political contexts, this [Catholic social] teaching enters into dialogue with the various disciplines concerned with man. It assimilates what these disciplines have to contribute, and helps them to open themselves to a broader horizon, aimed at serving the individual person who is acknowledged and loved in the fullness of his or her vocation.²¹

Since no one discipline can take responsibility for this kind of thinking, those involved in MLT must be “interdisciplinary thinkers and doers.” Such interdisciplinary work takes a good deal of humility, since it defies the sole authority of specialists and experts and requires a more tentative approach to the results of one’s work. The need for humility applies to conversations between scholars from different disciplines, conversations between theoreticians and practitioners, and to exchanges between members of the CST and CSR communities. Otherwise, the dialogue necessary to formulate MLT norms runs the risk of operating on skew planes.

A crucial place where this interdisciplinary work needs to take place is at Catholic university. Those of us involved in liberal and business education at Catholic universities have a special vocation to help future business leaders to make bridges between faith, social principles, organizational policies and managerial practices. The more we can develop more profound and sophisticated ways of thinking that bring these connections to greater fruition, the more we will fulfil our vocation as business educators.

Endnotes

¹ Jim Connor S.J. puts it this way: “Catholic Social Teaching is an expression of values that have been discovered through discernment, that is, through the repeated practice of ‘experience, reflection, decision, and action.’ CST crystallizes as principles this experience which has now become work assumptions.”

² And yet, moral intuitions and inclinations without an articulation of principles through moral reasoning can easily become side tracked and distorted. Principles strengthen intuitions and inclinations by ordering them toward human growth and development through reason.

³ A statement by Andre Delbecq in a seminar on Catholic Health Care and Catholic Social Thought.

⁴ Jonathan Boswell, *Community and the Economy*, (New York, Routledge: 1990) p??

⁵ Boswell, McHugh and Verstraeten define MLT in the following way: “thinking in the large and complex areas which lie between, on the one hand, broad values and principles and values, and, on the other, concrete actions and decisions. Typically, such middle-level thinking means using a) models of society, politics or the economy; b) theories of history and of social, political and economic relationships; c) empirical observation and analysis; and d) thinking about policy and ‘improvement’.” (J.S. Boswell, F.P. McHugh, and J. Verstraeten, eds., *Catholic Social Thought Twilight or Renaissance?* Leuven: University Press, 2000, p. xv).

⁶ Prudence can be defined as *the capacity to discern the best means for attaining one's morally good ends within the constraints created by the available limited resources.*

⁷ Joseph Cardinal Ratzinger, “Market Economy and Ethics,” in *Ordo Socialis: Making Christianity Work in Business and Economy*, ed. Association for the Advancement of Christian Social Sciences (Philippines: Divine Word Publications, 1992), 67.

⁸ Jonathan Boswell describes a similar but slightly different set of problems: It is tempting to underestimate the complexity of the areas between broad principles on the one hand (typically the province of CST), and, on the other hand, “action” or “decision” (themselves liable to varied or subtle definition). A huge need arises for middle-level thinking relating to concepts, theories, historical trends, interpretations of social reality, and ideas of improvement. Such tasks have not been superseded by “modernity” or “social science”, nor can they be avoided, in an odd conjunction of fideism and naïve empiricism, by direct jumps to “reality” aided by faith. A temptation in Catholic circles as elsewhere is to over-estimate the ability of the human and social sciences to “provide knowledge” or clarify “the facts”, let alone to “solve problems” Without effective middle-level thinking, Catholic social thought is even at risk of covert and naïve forms of dependence on secular ideologies (J.S. Boswell, F.P. McHugh, and J. Verstraeten, eds., *Catholic Social Thought Twilight or Renaissance?* Leuven: University Press, 2000, pp. 98-99).

⁹ MacIntyre, *After Virtue* ; Geoff Moore, BEQ; Crockett and Anderson, “Added Value of Virtue”

¹⁰ There is debate over whether MacIntyre would consider a business a practice, since he is so critical of the “manager.” There is no doubt that not all businesses would fall into the category of practice, but if we define the “good company” as that which seeks to become a community of work, it seems that MacIntyre’s notion of practice can be applied to businesses. While critical of the manager, MacIntyre seems to indicate that management itself can be a practice: “The making and sustaining of forms of human community—and therefore of institutions—itself has all the characteristics of a practice, and moreover of a practice which stands in a peculiarly close relationship to the exercise of the virtues (MacIntyre, 1984, p.194)

¹¹ See <http://www.our-project.org/> for a description of the practices.

¹² Murphy, Patrick and Georges Enderle, "Managerial Ethical Leadership," *Business Ethics Quarterly* 5.1 (1995): 117-128.

¹³ *The Minnesota Principles* may be found at the website of the Center for Ethical Business Cultures (<http://www.cebcglobal.org/>). Both Ken Goodpaster and Robert Kennedy contributed significantly to the formulation of the Minnesota statement.

¹⁴ Kaku, R. "The Path of Kyosei," *Harvard Business Review* 75.4 (1997): 55-63.

¹⁵ K.E. Goodpaster (1998) "Bridging East and West in Management Ethics: Kyosei and the Moral Point of View," in *Policies and Persons: A Casebook in Business Ethics*, eds., K.E. Goodpaster, L.L. Nash and J.B. Mathews, (New York: McGraw-Hill, 3rd ed.), 530.

¹⁶ This anecdote was related by Ken Goodpaster, who facilitated the meetings in which the Caux Round Table *Principles for Business* were developed, and who also played a significant role in their drafting.

¹⁷ Two scholarly articles addressing the SAIP are K.E. Goodpaster, T. D. Maines, and M. D. Rovang, "Stakeholder Thinking: Beyond Paradox to Practicality," *Journal of Corporate Citizenship* 7, (Autumn 2002) and K.E. Goodpaster, T.D. Maines, and A. M. Weimerskirch, "A Baldrige Process for Ethics?" *Science and Engineering Ethics* 10.2 (April 2004). A case study of the SAIP's initial application within a company was published earlier this year; see "American Refining Group, Inc." in K.E. Goodpaster, L.L. Nash and H-C. de Bettignies (eds.), *Business Ethics: Policies and Persons* (New York: McGraw-Hill, 2006). The SAIP also is featured on the website of the Koch Chair in Business Ethics (<http://www.stthomas.edu/cob/about/ethics/resources/saip.html>). Additional information about the methodology may be obtained from The SAIP Institute, an organization formed by the SAIP's inventors to promote its application and ongoing development. Contact T. Dean Maines, Director of the Institute (tdmaines@stthomas.edu, 651.962.4261).

¹⁸ It should be noted that the Caux *Principles* were not the only standard to which the SAIP's inventors turned when developing the assessment criteria and benchmarks. For example, the portion of the SAIP that addresses matters of corporate governance was highly influenced by new regulations and norms which emerged in this area following the major corporate scandals of 2001-2002 (Enron, WorldCom, Parmalat, etc.)

¹⁹ *Sollicitudo Rei Socialis*, 38.

²⁰ There seems to be at least three areas in which the normative requirements of the Caux Round Table *Principles for Business* and CST diverge. First, while the Caux *Principles* promote a set of particular goods which by and large CST considers choiceworthy – that is, conducive to integral human development and to humanity's ultimate *telos*, participation in the life of God – it is unclear whether they necessarily promote what CST would consider a *right ordering* of these goods. Second, while the Principles promote relations inside and outside the business organization which are conducive to trust and collaboration, they arguably permit these relations to be directed toward the production and distribution of specific products (e.g., tobacco) which can undermine human health and, by extension, human development. Third, the understanding of human dignity developed within the Caux *Principles* seemingly differs from this concept as it is elaborated within CST. For example, the former seems compatible with libertarian views of the human person that CST would consider problematic. This leads to divergent perspectives on a number of fronts, including the aforementioned question of the moral permissibility of specific products and services, and the question of what activities a business ought or may undertake in its efforts to promote social advancement within the broader community.

²¹ *Centesimus annus*, 59