Business is a vocation, and a noble vocation, provided that those engaged in it see themselves challenged by a greater meaning in life; this will enable them truly to serve the common good by striving to increase the goods of this world and to make them more accessible to all.¹

Pope Francis

Rightly then the poor, both in developing countries and in the prosperous and wealthy countries, “ask for the right to share in enjoying material goods and to make good use of their capacity to work, thus creating a world that is more just and prosperous for all. The advancement of the poor constitutes a great opportunity for the moral, cultural and even economic growth of all humanity.” Let us look at the poor not as a problem, but as people who can become the principal builders of a new and more human future for everyone.²

Pope John Paul II

Throughout the globe, business makes an irreplaceable contribution to the prosperity of humankind; a prosperity that includes not only material wealth but also spiritual welfare. Without a vibrant business and an entrepreneurial sector, goods and services languish, work and the talents of people are not utilized and wealth is scarce. As the recent document from the Pontifical Council for Justice and Peace on the Vocation of the Business Leader states: “Businesses certainly have the potential to be a force for great good in any society, and many do live up to their moral and economical promise.”³

On the other hand, there is evidence of businesses failing to promote prosperity by ignoring or exploiting goods and services for the poor, providing dehumanizing work and failing to create and distribute wealth justly.⁴ But in order for business to avoid these exclusions, it must first be rooted within concrete cultures, which address and inform their behaviour with principles, such as human dignity and the common good. These values, embedded in key value-laden cultural institutions—family, religion, education, etc., strongly affect whether business practices as a whole promotes prosperity, reduces poverty and contributes to the common good, or whether it ignores and exploits the poor, concentrates wealth unjustly, and lives parasitically on public goods to which it has heir.⁵

What this cultural insight ultimately points to is the reality that businesses cannot be good generators of their own moral, social and spiritual capital. Unfortunately, the primary institutions that can, family and religion, are often eclipsed in an elaborate debate over business responsibilities and economic development as a whole. Our inquiry into the relation of prosperity, poverty and business cannot forego the significant contributions that cultural institutions bring. Social scientists have called this effect, the “role of social capital,” which
highlights the ways groups of people contribute to the wellbeing of societies. Often, the greatest investors of social capital are families, religion and education. People who come from healthy familial structures, religious upbringing and good schooling are typically more relational, more other-focused and more giving. Social capital research shows, for example, that people committed to a faith tradition were more likely “to give money to charity, do volunteer work, help the homeless, donate blood, help a neighbor with housework, spend time with someone who was feeling depressed, offer a seat to a stranger or help someone find a job.” It is precisely these attributes that strengthen business relationships with employees, customers, suppliers and investors. However, when these relationships no longer take a familial, religious or spiritual form within business, expediency and instrumental rationality will dominate, reducing relationships to utility and price.

By considering the cultural resources that religion, family and educational institutions have to offer, businesses have the ability to propose practical and effective methods for generating wealth and relieving the poverty of the world. Yet, these practices cannot flourish nor sustain themselves if they are not planted within a moral and spiritual root system, which gives these practices purpose and meaning. This indeed is a great challenge in a severed world, one that compartmentalizes economic, political and cultural institutions, thus rendering the total vision of business.

On February 26-28, 2015, we will gather a community of scholars and practitioners to examine this important topic of “prosperity, poverty and the purpose of business” and its relationship to integral human development in business theory and practice. The conference seeks to examine the current situation of poverty and inequality in the world and the role of business bringing to bear the intellectual, moral and spiritual resources of the Catholic social tradition in relationship with other philosophical and religious traditions. Because the upcoming conference is held in the Philippines, organizers are particularly interested in the how Asian culture and their particular religious and philosophical traditions can address these questions. We are also looking for theoretical and practical examinations drawing upon an interdisciplinary exploration of the humanities, social sciences and business disciplines to develop creative and insightful ways to address the multi-faceted challenges of prosperity and poverty for business and business education (see Call for Papers on this website).

The topic and timing of our conference is rather appropriate for multiple reasons. The Millennium Project, which was commissioned in 2002 by the United Nations to develop a plan for reaching poverty reduction goals, has 2015 as its target date. This year also marks the anniversary of two very important documents for Catholic higher education. It is the 50th anniversary of the Second Vatican Council’s document, Gaudium et spes (“Joy and Hope”), which is one of the most comprehensive and significant social teachings in the Catholic tradition. It is also the 25th anniversary of Ex corde ecclesiae (“Out of the Heart of the Church”), a document issued by John Paul II on the mission and identity of the Catholic university. These two documents serve as an important backdrop to our conference since they uphold the fundamental role that Catholic universities play in analyzing the problems and solutions of poverty, particularly those related to business as a key wealth generating and distributing institution.

Gaudium et spes, as its more descriptive title indicates, “Church and the Modern World,” famously begins with the following words: “The joys and the hopes, the griefs and the anxieties of the men of this age, especially those who are poor or in any way afflicted, these are the joys
and hopes, the griefs and anxieties of the followers of Christ. Indeed, nothing genuinely human fails to raise an echo in their hearts.”

The document opens by exposing the great panorama of pain and suffering of the poor, the underdevelopment of which the majority of people live, and the horizon of joy and hope, particularly because “progress in the methods of production and in the exchange of goods and services has made the economy an instrument capable of better meeting the intensified needs of the human family.” Yet, the document goes on to state that “at the very time when the development of economic life could mitigate social inequalities, . . . it is often made to embitter them; or, in some places, it even results in a decline of the social status of the underprivileged and in contempt for the poor.” What Gaudium et spes and the whole of the Catholic social tradition brings to the conversation is an appeal for the common good and an examination of whether work (actions) really upholds or transgresses human dignity.

For its part, Ex corde ecclesiae, the “magna carta” for the Catholic university, calls it “to become an ever more effective instrument of cultural progress for individuals as well as for society.” Its research as well as curricular activities should focus on the “serious contemporary problems in areas such as the dignity of human life, the promotion of justice for all, the quality of personal and family life, the protection of nature, the search for peace and political stability, a more just sharing in the world's resources, and a new economic and political order that will better serve the human community at a national and international level.” In this sense, “the Christian spirit of service to others for the promotion of social justice is of particular importance for each Catholic University” and adds that the Gospel is an urgent call to promote "the development of those peoples who are striving to escape from hunger, misery, endemic diseases and ignorance; of those who are looking for a wider share in the benefits of civilization and a more active improvement of their human qualities; of those who are aiming purposefully at their complete fulfillment.”

As one of the largest professional degree programs within the university, Catholic business programs have to support the promotion for individuals and peoples daily, in theory and in practice. It needs to be expressed in their missions and in their plans, in their curricula and in their organizational practices, in each subject and in each program, in the pastoral but also in the academic level (teaching and researching). Business education in Catholic universities, therefore, must creatively and humanly respond to both the material and spiritual poverty that inflicts our world today.

This paper along with the other three essays on this site serve as background papers for the conference. For the past year, the planning committee has been discussing essays on the theme of poverty, prosperity and the purpose of business. Although a complicated topic, it is certainly one of the most significant questions that a Catholic university, especially one with a business program, should be addressing. Whereas the other three papers focus on each of the three goods of business discussed in the Vocation of the Business Leader (good goods, good work and good work), this paper addresses the three goods within a “multilayered” analysis of material and moral/spiritual prosperity and poverty, and poverty as blessedness. Our analysis begins by examining one of the most fruitful experiments within the Church, the Economy of Communion, which provides in microcosm the essence of how the Catholic social tradition fully addresses this question.
I. A Microcosm: A Story that Clarifies

Throughout her life, Chiara Lubich, the foundress of the Focolare Movement, has seen how the current distribution of wealth is a major source of division within society.\textsuperscript{18} Grounded in the gospels, Chiara believed that “the selfish use of private property is one of the most serious causes of division.”\textsuperscript{19} She saw that “the desire to claim possessions for one’s self as opposed to feeling connected to others as family” was not simply an economic problem, but at its core, was a moral and spiritual one.\textsuperscript{20} This failure to share and distribute has been one of the great scourges throughout the history of humanity.\textsuperscript{21} With such disparity between the hurting poor and the gratified rich, the situation between the haves and have-nots has created a terrible division in society, and the distancing between rich and poor has increased substantially (growing Gini coefficient ratios; segmentation of rich and poor in zip codes; gated communities; etc.).

When the Focolare Movement began, Chiara Lubich and her friends followed the generosity of the first Christian community by sharing their possessions with the destitute and poor. But Chiara knew that this inequity, this fracture, could not simply be overcome by the redistribution of goods alone; it had to involve a transformation of the interior life. She believed that the wealthy had a duty, not out of law nor their own so-called “enlightened self-interest” to share their possessions with the poor, but out of deep love for the other, as a brother or sister in Christ.

While they sought deeper union with others by sharing moral and spiritual goods through authentic forms of dialogue, they could not get to the core of this impoverishment. In 1991, when visiting Focolare communities in Brazil, Chiara was so overwhelmed by the poverty of her own members as well as the increasing inequities between the rich and the poor that she began reflecting with the people in Brazil for greater and more effective remedies. John Paul II’s encyclical, Centesimus annus, which focuses on the importance of the business economy and how business can be “communities of work” and give meaning to productive and consumptive activities, gave Chiara the inspiration to establish the Economy of Communion (EoC).

As a result of the modern economic system’s struggle to humanize business communities, and the spiritual charism of unity in the Focolare Movement, the EoC was a major factor in transitioning from, what Lorna Gold calls, a personal economy to a more public economy.\textsuperscript{22} At first, those in the Focolare responded out of personal commitments to redistribute their wealth, the personal economy; they later realized that this system could only go so far. The EoC, however, capitalized Focolare’s spirituality into the realm of business in the public economy, by creating and distributing wealth,\textsuperscript{23} and seeking communion within a community of work (good work). It also sought communion in creating productive communities of work that served the needs of society by providing goods and services (good goods). Lastly, EOC entrepreneurs addressed the origins of wealth inequity through a new economic/managerial ethic that was “motivated by an attitude of creating wealth to share with others, so as to build up the community”\textsuperscript{24} and to understand their distinct responsibility to the poor, whether or not their businesses are the cause of such poverty (good wealth).

The EoC sprung from the deep roots of the Focolare’s religious charism of unity, and moved the Focolare community to extend its moral and spiritual values to the most dynamic wealth creating institution—business. What a theological foundation does for an EoC business is transformative—motivating desires of why they are in business, how they view their employees, customers, and
suppliers, how to distribute their profits, and how the poor are recognized and understood. In other words, the EoC provides deep moral and spiritual roots for business people and connects one’s vocation, lived out in the business itself, to playing “a critical role in the transformation of modern society into a more equitable and just society.”

What the EoC has revealed in a very concrete way is the “multilayered” reality of poverty and prosperity within business. Poverty and prosperity in the Catholic tradition has at least two distinct but interconnected layers of understanding: 1) Material destitution, or poverty, is a form of exclusion representing a violation of one of the first demands of the Bible—for humanity to have dominion over the earth, which is at the heart of prosperity—participating in the goods of the earth. 2) Moral and Spiritual poverty represents a moral and spiritual alienation of the soul that stems from what John Paul II calls a reversal of means and ends. A moral and spiritual prosperity provides the right ordering of the ends and means. There is also a third layer which is often confusing, but cannot be ignored in the Christian tradition—poverty as blessedness as expressed in the first beatitude in Sermon on the Mount—“Blessed are the poor in spirit, for theirs is the kingdom of heaven.” While material and spiritual poverty are realities of exclusion, deprivation and scarcity, poverty as blessed is a paradoxical reality of openness, growth and abundance. These three distinct and interconnected layers of understanding of poverty complexify our topic and analysis, but also provide a more holistic and more realistic account of poverty, prosperity and the role of business.

If business is to play a positive role in promoting “integral human development” it must address this multilayered understanding of poverty, prosperity and business. The rest of this paper is organized according to these layers and the three principal goods of business: good goods, good work and good wealth.

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<thead>
<tr>
<th>Material</th>
<th>Good Goods</th>
<th>Good Work</th>
<th>Good Wealth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prosperity</td>
<td>Goods and services are made available, accessible and affordable to a wide number of people</td>
<td>Work that is designed in such a way that is safe, human and utilizes the talents of workers</td>
<td>A business that is efficient in generating sustainable profits and distributes its wealth justly</td>
</tr>
<tr>
<td>Poverty</td>
<td>Goods and services often produce negative externalities and the poor are marginalized through price, location, environment, etc.</td>
<td>Jobs that are unsafe, harsh, and treat the employees as merely cogs in a machine, where few resources are spent on employee development</td>
<td>Wasteful production and unjust distribution of wages, ownership, prices, and even philanthropy</td>
</tr>
<tr>
<td>Business Action</td>
<td>Creation of goods and services that really serve the poor, more just supply chains and constant mitigation of negative externalities</td>
<td>Creation of in-house training programs, industry/occupation specific training initiatives, and job ladder initiatives</td>
<td>Efficient initiatives that drive out waste (e.g. lean) and ways to allocate resources fairly (just wages, profit sharing, employee ownership, etc.)</td>
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<tr>
<th>Spiritual/ Moral</th>
<th>Good Goods</th>
<th>Good Work</th>
<th>Good Wealth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prosperity</td>
<td>Goods and services that give real value to consumers and the larger community</td>
<td>Where work fosters virtue in employees and responsible relationships in running the business</td>
<td>Wealth is seen as a means to the end of business to serve the common good.</td>
</tr>
<tr>
<td>Poverty</td>
<td>Consumerism: the orientation of people who are more concerned about what they have and less concerned about who they become in the having</td>
<td>Utilitarianism: the ideology that disorders and undermines good work because of the dominance of its instrumental rationality</td>
<td>Relativism: spiritual and moral dimensions are private, individual and separated from business</td>
</tr>
<tr>
<td>Business Action</td>
<td>Businesses resist the commoditization of the products and services by constantly promoting the unique value they offer</td>
<td>Leaders foster subsidiarity relationships by distributing authority and decision making at the most appropriate levels of the organization</td>
<td>Businesses steward resources that creates right relationships among customers, employees, shareholders, and the larger community</td>
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Blessedness: Blessed are the poor in spirit are those whose interiority help themselves to remove themselves from the center of existence, if only so briefly, which allows them to be connected to the cosmos, and to see the deeper reality of who and what they are dealing with.
II. Material Prosperity and Poverty: The Purpose of Business

There is no worse form of material poverty... than that which makes it impossible to earn a living and which deprives someone of the dignity of work.30

Pope Francis

When business is materially prosperous, it has the ability to promote three basic goods for itself and society. The document from the Pontifical Council for Justice and Peace, Vocation of the Business Leader, explains these 3 goods in the following way:

- **Good Goods**: making goods and services, which are truly good and services that truly serve.
- **Good Work**: organizing work where employees develop their gifts and talents.
- **Good Wealth**: creating sustainable wealth and distributing it justly.

When business properly orders these three goods well, they generate significant material prosperity. When they do not, they create significant poverty, and in particular exclusion. Throughout the conference, the relationship of these three goods will be a main focus as well as how they impact the poor throughout the globe. See the other three conference background papers on this website for more detailed discussion on these goods (Santos/Laczniak/Klein, “Good Goods”; Teehankee and Sevilla, “Good Work”; Clark, “Good Wealth”).

All businesspeople, not just social entrepreneurs, should never have the poor too far from their minds. When they are connected to the poor, they will be deeply uncomfortable with the alienation and sin in the world, a sin that is both personal and structural preventing the poor from good goods, good work and good wealth. Cardinal John O’Connor once said that Dorothy Day, the cofounder of the Catholic Worker movement, who lived, worked and served the poor, “[she] worried us. That was her gift to us, a gift I still cherish as I try to maneuver my own perilous way among the accoutrements and ‘practicalities’ of life as a Cardinal Archbishop of New York.” Before knowing Dorothy Day, he said, “I worried about poverty (in kind of an effete way); since then, I worry about poor people. Homelessness doesn't bother me anymore, or hunger (these are abstractions that we can talk about in works on sociology, in big tomes on economics and political speeches); homeless and hungry people worry the life out of me.”31 Too often, the poor can become an abstraction for us, where one has a vague sentiment for those impoverished. This is so, due largely to the poor being marginalized to the periphery and the failure of bringing them into a fuller integration of day-to-day existence.

Too often, business education is expressed as a technical activity that is detached from the reality of the poor. This creates not only a detachment from the poor and their plight, but it also places businesspeople in a morally and spiritually impoverished state. Because businesspeople have been “entrusted with so much in this world, even more is demanded.”32 It is to this point that we turn to now.
III. Moral and Spiritual Prosperity and Poverty: Enriched and Impoverished Relationships

In many societies, we are experiencing a profound poverty of relationships as a result of the lack of solid family and community relationships. We are concerned by the various types of hardship, marginalization, isolation and various forms of pathological dependencies which we see increasing. This kind of poverty can be overcome only through the rediscovery and valuing of fraternal relationships in the heart of families and communities, through the sharing of joys and sorrows, of the hardships and triumphs that are a part of human life.

Pope Francis

The importance of the contribution of material prosperity expressed through the three goods of business cannot be overestimated; but neither can the harm business is capable of doing, through the exclusion and disorder of these goods and the material poverty it causes or fails to alleviate. Yet, this material/economic reality cannot exhaust the analysis for our conference. To give only an account of the material is to give too little. If we are to “see things whole”; if we are to understand the causes of material poverty and sustained prosperity, we need to consciously embed our discussion of economic/material prosperity and poverty within a larger cultural category that takes the moral and spiritual dimensions seriously.

Throughout the Church’s social tradition, poverty and prosperity are seen as a multi-dimensional reality. To the diplomats at the Holy See, Pope Francis stated, “there is another form of poverty! It is the spiritual poverty of our time” that is expressed through consumerism, utilitarianism and “the ‘tyranny of relativism’, which makes everyone his own criterion and endangers the coexistence of peoples.” This insight of spiritual and moral poverty animates the Catholic social tradition. For example, Dorothy Day would question why people saw material poverty only on the Bowery, but neglected the terrible moral and spiritual poverty on Wall Street. On one hand, prosperity is defined as an increase in goods, work and wealth, which provides access to a material standard of living necessary for people to flourish, and poverty, as the exclusion from them. Yet, these definitions only take us so far. The examination of prosperity and poverty must also refer to the moral and spiritual dimensions of business, which is actually necessary to understand the proper ordering of the material.

What is desperately needed is a thorough examination of business, grounded in moral and spiritual soil, where a person’s entirety can develop and grow. This is what the Catholic social tradition calls integral human development. It is this kind of development that will prevent business from being isolated and submerged in a narrow, consumeristic, utilitarian and relativistic perspective, which leaves very little space to positively articulate a meaningful purpose to business. A corporation, for example, can get all the goods and services to the poor, train employees and create and distribute wealth—all of which would be a great accomplishment; but removed from a moral and spiritual foundation, these accomplishments can lead to consumerism, careerism, utilitarianism and the dictatorship of relativism. This world, which leaves people isolated in their wealth and cut off from community, meaning, and God, is not a world too small for the human spirit.

A business education, too, that reduces prosperity and poverty only to economic or material categories will be a stunted education. Without a panoramic lens, these deprivations and the effects of this exclusion will never be seen in its totality. In light of this distinction between material/economic and moral/spiritual prosperity and poverty, the discussion returns to the three goods of business.
**Good Goods and the Challenge of Consumerism:** One of the principal questions for business is what criteria inform how one determines the “good” of products and services. If one is left only with economic categories, the default answer is the market, which takes on a logic of its own. Within this logic, “goods and services” are viewed as objects or actions that have *market value*. That is, they are “valued” by the market in the sense that persons or groups are willing to exchange money for them. If nobody will buy the goods, then their market value is zero (at that time), but if people do buy them, then value is instantly placed on them.

What lies behind this market view of goods are several assumptions that define “consumerism.” The first assumption is that “price” determines value. Value is not reliant on the content or the “goodness” of the product, but on how much people will pay for it. The other assumption is that the more choices we have as consumers, the more “free” we are. Hence, the market is “good” to the extent of one’s variety in choosing products and services. It is on this logic of the market that a whole set of legal products and services are justified, such as tobacco and especially the way it is marketed, exam cheat websites, rent-to-own services with exorbitant interest rates, pornography, highly speculative activities, violent video games, all sorts of weapons, pirating music sites, so-called gentleman clubs, gambling, and so forth.

The CEO of the former company RJR Nabisco (which produced cigarettes), Steven Goldstone, argued that the production of tobacco is a *virtuous* profession because it increases people’s choices. His responsibility as a CEO is not to dictate which choice one should make (since this would be restricting another’s freedom), but rather, to provide consumers with the option of whether to smoke or not. The “choice” of consumers dictates whether goods or services are produced; no moral criteria on the part of producers is allowed to intrude on the freedom of choice of the consumer, otherwise the firm would be accused of the vice of paternalism. Such a position refuses to accept an objective truth that some choices are “good” and others are not, and therefore, implicitly falls into relativism.

Within the Catholic social tradition as well as other moral traditions, the authentic value of goods and services is not determined simply by “what the market will bear” in terms of price. The authentic value of goods and services depends upon the centrality of those goods and services to the wellbeing of the customer and the greater good of the community. While this is not always clear at any particular time, reducing good goods to market system only creates a moral and spiritual poverty that blunts the human conscience and where “there is no longer room for others, no place for the poor.” Human value comes from the ability to recognize the truth about our surroundings and ourselves. If we allow consumerism to taint that reality, we actually become more impoverish due to the failure to see and remember our worth.

**Good Work and the Challenge of Utilitarianism:** At the heart of good work is not a utility, but a person, which is why Catholic social tradition speaks about the “subjective dimension” of work. The worker, the subject of work, is also affected and changed. It is precisely because of this subjective dimension that the virtues, those good habits whereby people become good, are so important to good work. The issue is not a question of whether if, but how person changes; and the key to understanding the significant revealing of his or her personhood is not found in the amount of revenues generated, or levels of promotions, or the percentage of market share captured, but rather, in the responsible relationships he or she has forged with others in the actions of operating the business. The purpose of a business is never *only* to make money, or produce a product or service, but to accomplish these goals in such a manner where the
businessperson and those he or she works with become better people.

While there are many challenges to good work, the utilitarian mindset that reduces work to only a form of instrumental rationality spurs and spreads a moral and spiritual poverty at work. Because of its competitive and economic character and fundamental need to change the objective order, business is prone to succumbing to the forces of a utilitarian ideology that disorders and undermines good work. Although utility and instrumental calculations are an irreplaceable function of business, it is precisely that--a function, a means to be used--not a philosophy or end that defines one’s work.

Work, informed by utilitarianism, is viewed as bargained-for, voluntary exchanges or transactions, not relationships. Thus, a business is seen simply as a nexus of discrete human actions, described as transactions or exchanges, with costs and benefits associated with them. The utilitarian logic orders these exchanges with the goal to maximize the utility satisfaction, which is largely defined in terms of the economic value to the firm. What is often left out of the picture is the kind of relationships that come from them; much less those that precede or sustain them. Virtue, character and community are marginal realities that do not fit within such a lexicon of business and governance, even though, without them—think here of trust, a true cost reducer—the leadership and governance of a business would be prohibitively expensive or even impossible.

The fundamental insight of the subjective dimension of work and virtue at work replaces a utilitarian outlook with a “personalism” that lies at the center of good work and includes the notion of moral and spiritual poverty and prosperity. Good work, then, fosters a community of work that presents employees with opportunities to exercise personal initiative and to overcome the spiritual poverty of disengagement. When leaders take upon themselves, to trust lower level decisions, they are conferring a significant authority upon employees. By taking on the risk of another’s decision, delegation, as a “technique of management,” moves to delegation as part of the virtue of trust, strengthening relationships. The Catholic social tradition calls this “subsidiarity,” which is an important principle in defining good work. While there will always be an instrumental character to this work, more can be said of good work, namely the fostering of trust-filled relationships amongst team members in the work to be done.

**Good Wealth and the Challenge of Relativism:** While we often associate “wealth” with material goods, the very etymology of the word derives from the old English “welde,” meaning “well-being,” particularly moral and spiritual well-being, “often in the testamentary phrase for the wealth of (one’s) soul.” Wealth consists most fundamentally in the quality of one’s relationships to those with whom relation is given constitutively, in the act of creation: God, family, neighbor, citizen, and all the creatures of nature. It is the deprivation of these relationships, which creates a meaninglessness equated to the deepest form of poverty.

When consumerism and utilitarianism are the principal systems informing the relationships of employees and consumers, the logic of the market dominates business, leaving it with a strange hybrid of moral relativism and market absolutism. From a relativistic perspective, “all moral judgments are nothing but expressions of preference, expressions of attitude or feeling,” making market value the only real value in business. Thus, moral value is replaced with market value, and the only legitimate goal within business is profit. Echoing Milton Friedman’s sentiment, the free market absolutist/relativist argues that the attainment of moral goods within the organization is
inaccessible, since "one man's good is another's evil." As a result, managers tend to avoid engaging in any moral debate over their work and instead, reenter the debate in terms of market value. In an article stating Friedman’s response to John Paul II’s Centesimus annus, he confesses “that one high-minded sentiment, passed off as if it were a self-evident proposition, sent shivers down my back: —obedience to the truth about God and man is the first condition of freedom. Whose —truth? Decided by whom? Echoes of the Spanish Inquisition?” For Friedman and many others, business is largely an economic and legal reality where the moral and spiritual dimensions of life are private and individual.

The major problem with the free market absolutist is whether moral and market values can remain separate in business life. When the profit of a firm becomes its dominant purpose, alienation seeps in because there has been a “reversal of means and ends.” Profit is a means, not an end, and when it becomes the principal motive of shareholders and leaders of the firm, workers begin to adopt a similar motive—wage maximization. This erodes the possibility of deeper bonds of communion since profit and wages do not by themselves have the capacity to bind people together in a way that enables them to flourish—they can only be allocated and not participated in to provide real relationships. The challenge of relativism poses a particular threat to aspiring businesspersons, due to the fragmentation of values and the reconstruction of the meaning of wealth. There are few lessons in business more powerful for students to learn than to see that profit and wealth are good servants, but they are lousy and destructive masters.

IV. Blessed are the Poor in Spirit: The Interior Life of Business Leaders

“How blest are the poor in spirit; the reign of God is theirs.” -Matthew 5:3

Paradoxically, the solution to the material and moral/spiritual poverty described above is to be “poor in spirit,” as found in the Beatitudes. The “Sermon on the Mount” has been described as the “magna carta” of Gospel morality, and the Beatitudes are the defining spirit of the Sermon. The first Beatitude, in both gospel accounts, concerns the poor and the poor in spirit, which behooves us to take it seriously in our discussion on poverty and prosperity within business.

As described above, material and spiritual poverty are major obstacles to the fullness of human development. Yet, those who are “poor in spirit,” those who experience a profound emptiness—failure, dependence, vulnerability, sickness, etc.—know they are empty, and thus open themselves up to a promise of reality that is so much bigger than their attachments to riches, self-importance, titles, etc. Through knowledge, recognition and confession of their spiritual poverty, they, in turn, are blest.

Those who do not know, and who ultimately reject, they are spiritually poor, actually suffer from their “spiritual poverty.” Without receptivity in their lives, they, like Nietzsche, see themselves as the final arbitrator of their own personal moral truth. Nietzsche explains that the “noble man” or “superman” is one who regards “himself as determining values . . . he creates values,” he does not receive them. Business leaders, who solely see themselves as creators, innovators, actors and constructors, neglect their own spiritual poverty by failing to receive that which would relieve their spiritual impoverishment. Simply put, they “distort their place within the world and overestimate their own achievements and work.”
Enrique Shaw, a businessperson from Argentina, speaks of the poor in spirit, “as a detachment from the earthly things on which we usually tend excessively to lean.” The detachment takes various expressions: from personal and social ego, from an exaggerated spirit of safety, from goods so as to be generous in giving, or rather “re-giving,” etc. At the heart of “poor in spirit” is the detachment from one’s self and from things in order to be in right relations with others. Overcoming spiritual poverty requires a detachment (not an escape) that paradoxically fosters deep connections with others, the world and God. Blessed are the poor in spirit are those whose interiority removes themselves from the center of existence, if only so briefly, which allows them to see the deeper reality of who and what they are dealing with, rather than simply what they can get from it. “Although nothing is impossible with God,” von Balthasar writes, those who are not poor in spirit are so full of their own self-preoccupations, “it is difficult for the Spirit to move their fat heart.”

Businesspeople who are poor in spirit see themselves not as utility maximizers, but as distributors of justice. “Justice” comes from the Latin ius which means “right”; that is, the just person is in right relation to others, or in the words of Aquinas is “well disposed towards another.” For example, compensation is not simply an exchange found within a market or codified in a contract, but an opportunity for employees and employers in corporate life to create a community of persons in the distribution of goods. When employees see employers working toward a just wage, not only are the social conditions of a just wage established, but also the relationship, the good shared in common between employer and employee, are strengthened. Justice is not principally found in the wage itself, but the bond of communion that is generated between the employer and employee through the wage.

Conclusion

In this background paper, we have explored three institutional goods of business (good goods, good work and good wealth) in relation to a multilayered understanding of poverty and prosperity found within the Catholic social tradition. Our reason for this exploration is to address our topic of “poverty, prosperity and the purpose of business” in a way that we can see things whole. John Henry Newman has argued that universities are about educating the student with a “habit of mind” to see things in relation to each other, and to form judgments about the nature of realities they encounter. We believe that this vision entails taking two fundamental pillars of a Catholic university seriously: the unity of knowledge and the dialogue of faith and reason. These two pillars foster an interdisciplinary conversation that includes the importance of the moral and the spiritual. Unfortunately, these kinds of conversations struggle to find a place in the modern secularized academy. Alasdair MacIntyre has argued that universities have instead provided a narrow and specialized training that produce minds incapable of evaluating the conditions they confront and which often exclude faith and theological resources. They are incapable, because “specialization” creates a syndrome of disconnection from all other disciplines. According to MacIntyre this narrow training of the modern university may in fact contribute to the more remarkable crises of the last decades; a crises, which include the current economic recession, Iraq War, the continuation of the conflict in the Middle East and a host of other serious modern ailments. MacIntyre argues that these failures are the product of the misjudgments of an intellectual elite, often trained in the most prestigious universities. What they lacked was not specialized training, but rather, a larger habit of mind, which would allow them to interpret life’s most complex and converging realities. Our topic is undoubtedly a complex one that will not only need significant forms of specialized knowledge, but also a tremendous amount
of wisdom. As T.S. Eliot once put it “Where is the wisdom that we lost in our knowledge, where is the knowledge that we lost in our information.”
Endnotes

4 The same document states that businesses are also places where “expediency displaces justice, power corrupts wisdom, technical instruments are detached from human dignity, and self-interest marginalises the common good.” (VBL, n.4)
5 This paragraph points to the difference between an Enlightenment approach to ethics found in Mill, Kant and others and a Thomistic approach articulated most recently by MacIntyre. People like Mill and Kant say that the “attempt to develop accounts of morality in the name of some impersonal standard was an understandable response to the loss of shared practices necessary for the discovery of goods in common. Such a project was doomed to failure, however, exactly because no such standards can be sustained when they are abstracted from the practices and descriptions that render our lives intelligible. Modern moral philosophy becomes part of the problem, for its stress on autonomy, like its corresponding attempt to free ethics from history, produces people incapable of living lives that have narrative coherence.” Stanley Hauerwas, “The Virtues of Alasdair MacIntyre,” *First Things* October 2007.
7 “In a world that often appreciates many gifts of Christianity -- as, for example, the idea of democratic equality -- without understanding the roots of its ideals, it is particularly important to show that the fruits die if the roots of the tree are severed. Indeed there is no justice without truth, and justice does not develop fully if its horizon is limited to the material world. For us Christians social solidarity always has a perspective of eternity.” Benedict XVI, Papal Address to the Theological Commission, December 3, 2010.
10 Paul VI, Encyclical Letter *Gaudium et spes*, 63.
11 Ibid, 63.
12 John Paul II, Apostolic Constitution *Ex corde ecclesiae* (1990), 32.
13 Ibid, 32.
14 Ibid, 34.
15 Cfr. 40.
16 Cfr. II Part. Art. 4, § 5 Notre Dame’s mission statement expresses this sentiment: “The University seeks to cultivate in its students not only an appreciation for the great achievements of human beings but also a disciplined sensibility to the poverty, in justice, and oppression that burden the lives of so many. The aim is to create a sense of human solidarity and concern for the common good that will bear fruit as learning becomes service to justice.”
17 What can Catholic universities and their business schools do to help order economic development and prosperity towards integral human development? How can universities and business schools foster a disciplined sensitivity to the marginalized and find concrete and creative ways to help alleviate those who suffer from our current economic system? What issues and problems need to be addressed to help businesses be a more effective institution at both generating prosperity as well as alleviating poverty and inequity in ways that promote integral human development?
18 For numbers on this see Charles Clark essay on this site. ???
20 Ibid, 73.
21 The reasons for this scourge are many: vices of individuals, poor governmental policies, disordered businesses, corrupt cultures and states, poor educational systems, consumerism, dysfunctional and broken families, an all pervasive culture of poverty, mental and physical illnesses, drugs and alcohol, and so much more.
23 Ibid, 82.
24 Ibid, 117.
25 Ibid.
26 Benedict XVI explains in *Caritas in veritate*, “that economic life must be understood as a multi-layered phenomenon: in every one of these layers, to varying degrees and in ways specifically suited to each, the aspect of fraternal reciprocity must be present. In the global era, economic activity cannot prescind from gratuitousness, which fosters and disseminates solidarity and responsibility for justice and the common good among the different economic players.” Benedict XVI, Encyclical Letter *Caritas in veritate* (2009), 38.
The tradition calls these forms of poverty different things, and also has different ways of understanding them. Francis’ papacy articulates a distinct vision on how to understand poverty and the poor in a multilayered way. In his Lenten Message (2014), Francis defines a poverty in following manner: “Desititution is not the same as poverty: destitution is poverty without faith, without support, without hope. There are three types of destitution: material, moral and spiritual. Material destitution is what is normally called poverty, and affects those living in conditions opposed to human dignity: those who lack basic rights and needs such as food, water, hygiene, work and the opportunity to develop and grow culturally. In response to this destitution, the Church offers her help, her diakonia, in meeting these needs and binding these wounds which disfigure the face of humanity. In the poor and outcast we see Christ’s face; by loving and helping the poor, we love and serve Christ. Our efforts are also directed to ending violations of human dignity, discrimination and abuse in the world, for these are so often the cause of destitution. When power, luxury and money become idols, they take priority over the need for a fair distribution of wealth. Our consciences thus need to be converted to justice, equality, simplicity and sharing. No less a concern is moral destitution, which consists in slavery to vice and sin. How much pain is caused in families because one of their members – often a young person - is in thrall to alcohol, drugs, gambling or pornography! How many people no longer see meaning in life or prospects for the future, how many have lost hope! And how many are plunged into this destitution by unjust social conditions, by unemployment, which takes away their dignity as breadwinners, and by lack of equal access to education and health care. In such cases, moral destitution can be considered impending suicide. This type of destitution, which also causes financial ruin, is invariably linked to the spiritual destitution which we experience when we turn away from God and reject his love. If we think we don’t need God who reaches out to us though Christ, because we believe we can make do on our own, we are headed for a fall. God alone can truly save and free us. The Gospel is the real antidote to spiritual destitution: wherever we go, we are called as Christians to proclaim the liberating news that forgiveness for sins committed is possible, that God is greater than our sinfulness, that he freely loves us at all times and that we were made for communion and eternal life. The Lord asks us to be joyous heralds of this message of mercy and hope! It is thrilling to experience the joy of spreading this good news, sharing the treasure entrusted to us, consoling broken hearts and offering hope to our brothers and sisters experiencing darkness. It means following and imitating Jesus, who sought out the poor and sinners as a shepherd lovingly seeks his lost sheep. In union with Jesus, we can courageously open up new paths of evangelization and human promotion.” The Guinean born Cardinal Sarah, president of Cor Unum, which oversees the Church’s charity work, commented on Francis’ broader view of poverty, of destitution. He argued that this view offers a more “complete vision” of man and his needs “without falling in the trap of anthropological reductionism which claims to resolve all the problems of the human person simply by resolving the problems of physical and material well-being. . . . It would be a great pity if our gaze upon those in need failed to acknowledge the spiritual poverty that often lurks in the heart of man and pains him deeply, even though he may be in a condition of material comfort. . . . But if we wish to fully grasp Pope Francis’ Message, we must not consider it only in terms of its anthropological value. Man is by nature the son of God. This is his wealth! . . . Therefore, work in development cannot be simply that of creating new needs, but rather taking a serious look at what the person truly is.” (Zenit, Vatican City, February 4, 2014, http://www.zenit.org/en/articles/cardinal-sarah-pope-s-lenten-message-is-about-more-than-material-poverty)

28 Matthew 5:3.
29 Francis, Papal address to members of the Fondazione Centesimus Annus Pro Pontifice, May 25, 2013.
30 Al Barrara explains that the poor were built into the Old Testament legal codes and ethos of mutual assistance: hardship loans at no interest, almsgiving, tithing, land and kin redemption, the provisioning of released slaves, and the preferential treatment of the stranger, widow, and orphan. Equally important, debt remission, slave release, land return, third-year poor tithes, Sabbath rest, sabbatical fallow, tithing, and shared feasts are institutionalized and practiced at regular intervals. Thus, the Deuteronomist can boldly proclaim that there will be no poor in Israel (Dt 15:4), and the prophet could envision how Israelites “shall all sit under their own vines and under their own fig trees.” (Mic 4:4) Barrera, Albino, Biblical Economic Ethics: Sacred Scripture’s Teachings on Economic Life (Lanham, MD: Lexington Books, imprint of Rowman & Littlefield, 2013).
33 When Americans spoke of “the American way of life” they certainly were thinking about a form of material prosperity for all Americans. Yet, in the best sense of the phrase, it also captured a cultural reality “encompassing shared experiences of daily life and shared assumptions about central American values involving marriage, honesty, hard work and religiosity” (Charles Murray, Coming Apart [New York: Crown Forum, 2012]). This way of life was actually desired, recognizable, and attainable because it was rooted in common goods and beliefs. While coming to
an agreement on these cultural realities is becoming more difficult today, business plays a vital role in influencing and shaping the moral and spiritual prosperity of the culture. If this responsibility is ignored, or even worse, abused, business could become a key contributor to moral and spiritual poverty.

35 Francis, Papal Address to the Diplomatic Corps accredited to the Holy See, March 22, 2013. See also Benedict XVI who states “Gratuitousness is present in our lives in many different forms, which often go unrecognized because of a purely consumerist and utilitarian view of life.” Benedict XVI, Encyclical Letter Caritas in veritate, 34.

36 See Steve Cortright and Michael Naughton, eds., Rethinking the Purpose of Business: Interdisciplinary Essays within the Catholic Social Tradition co-editor, (University of Notre Dame Press, October 2002).

37 Christopher Dawson describes this problem more generally when he wrote: “Instead of the whole intellectual and social order being subordinated to spiritual principles, every activity has declared its independence, and we see politics, economics, science and art, organising themselves as autonomous kingdoms which owe no allegiance to any higher power.” Quoted in Basil Willey, The Seventeenth Century Background (England: Columbia University Press, 1977), 9.

38 In the Old Testament prosperity refers to “two related gifts of (1) material sufficiency and (2) human participation in the divine providence and governance of the world. This relationship is a complicated one and cannot be simply reduced to cause and effect, i.e., live a virtuous life and economic rewards will come; however, it does mean that in general the economic and moral orders tend to cohere. Virtue produces order and order produces wealth. The world was created in such a way that the gift of material prosperity often comes through human virtue, hard work, generosity, and mutual love. Unfortunately, because the world is fallen and disordered, wealth also comes through sin, manipulation, violence, corruption and selfishness and the loss of wealth can happen despite hard work and can actually be caused because of virtue. Nonetheless, the point is the material and moral/spiritual prosperity/poverty are related.

39 We are indebted to Ken Goodpaster for the following insights.

40 See Goodpaster, “Goods that are truly good, and services that truly serve,” Journal of Business Ethics 100 (S1): 9-16 (2011).

41 Taken from an interview from The News Hour with Jim Lehrer, January 29, 1998. Follow link to interview: https://archive.org/details/tobacco_ovy27a00.

42 It has been said that a real wealthy person is the one with few wants. This anti-consumerist line, as attractive as it is, faces throughout history many who don’t live by it. Thomas Aquinas asked over 700 years ago, “Does happiness consists in wealth, honors, fame and glory, power, bodily goods, pleasure or any created good?” [I-II 2.4] precisely because so many act as though such goods do provide happiness. He explains that the person who sins by over- emphasising limited goods becomes addicted to those goods and in the long-run becomes un-free, since he loses out in attaining the various other goods for human flourishing. Some form of consumerism has always been with us. As St. Paul states the desire for money, for stuff, is the root of all evil. But there is something about our age that has intensified the consumer reality.

43 Francis, Encyclical Letter Evangelii gaudium, 2.

44 The significance of this principle can be seen within the Western tradition and two opposing views of work. In antiquity, the Greeks saw the “work of hands” as slave work, non-citizen work, whereas Jews and Christians saw work, including manual labor, with great dignity. These views of work were grounded in the theological root system they operated under. In the Graeco-Roman world, God is not the creator God, a God who gets his hands dirty with “the business of creating matter. The ‘making’ of the world was the work of the Demiurge, a lower deity.” Whereas in the Judeo-Christian God found in Genesis is a God who works and who continues to work in creation. “God himself is the Creator of the world, and creation is not yet finished.” Human work is “seen as a special form of human resemblance to God, as a way in which man can and may share in God’s activity as creator of the world.” Benedict, Papal address to Ministers of Culture, Paris, September 12, 2008.


48 These two forms of poverty are expressed throughout the bible. Al Bararra, O.P. explains that “duties attendant to property ownership and admonitions on the dangers of wealth are evident in the Old and New Testament. Both caution against the idolatry of wealth and the deceitfulness, emptiness, and impermanence of riches. Both testaments underscore accountability for human conduct. Thus, the prophets are adamant on an imminent day of reckoning, even as the New Testament parables repeatedly stress a forthcoming accounting for our sins of commission or omission (Mt 3:7–10; 25:31–46). Both the prophets and Jesus defend those unable to speak for themselves and take to task a delinquent and abusive religious and political leadership. The New Testament
condemns the opulent lifestyle of the royal court (Lk 7:24–26); the greed and grasping ways of the Pharisees (called lovers of money), who impose even heavier burdens on the poor and who corrupt the practice of religion (Mt 23); the Roman impositions (Revelation); the abuses of soldiers and tax collectors (Lk 3:12–14), and the venality of the Temple (Mk 12:38–42). Injustice is an issue for both the Old and New Testament.” (Bararra, 306).


51 John Paul II, Encyclical Letter Centesimus annus, 41.

52 As we move into this third level of meaning, we need to be aware of the danger of over spiritualizing poverty to such an extent that we decouple it with deprivation of the material. This is why we started with material poverty in the paper. Nonetheless we should be mindful of Gustavo Gutierrez’ concerns. He explains that in the affluent west, we typically interpret “spiritual poverty” to be an emotional ‘detachment’ from one’s material wealth. However, this division between the spiritual and the material, Gutierrez believes, is impossible. Further, it then allows us to rationalize our wealth. Gutierrez’s argument is that when we recognize the inherent connection of the spiritual and the material, we move towards having a preference for the poor by protesting the unjust systems at work with our lifestyles – we voluntarily live in simplicity and poverty. We imitate Christ who emptied himself and enter into solidarity with the poor. “It is knocking on the wrong door to wish to salvage the spiritual nature of the Christian message by trying to rid it of the clear and direct meaning of material poverty in the Bible as a determinate, concrete, human, social condition.” Gustavo Gutierrez, The Power of the Poor in History (New York: Orbis Publishing, 1983), 140.

53 In Matthew, Jesus states “Blessed are the poor in spirit, for they will inherit the Kingdom of Heaven,” (Mt 5:3) and in Luke, he says “Blessed are you poor, for yours is the kingdom of God” (Lk 6:20). What does it mean to be “blessed”? There is a positive value in being poor and the poor in spirit, which is connected to spiritual fulfillment. In this sense, being poor is described as “blessedness”; where previously viewed as material or spiritual exclusion, this poverty possesses an absence of want. Those without goods, for example, must learn to live in poverty of spirit, so that material poverty will not deprive them of their human dignity, which is always more important than all possessions. Those with goods must recognize their own spiritual poverty, which can prevent their fixations on wealth and riches. This poverty of spirit creates the conditions for a voluntary detachment of goods, encourages simple living and the avoidance of clutter in their lives. This detachment allows those with goods to be more generous and giving. Catherine Doherty explains that “when the need not to have really begins to take root in the heart, then we have come to the essence of poverty,” and in particular a blessed poverty (source not found—Catherine de Hueck Doherty, Living on Providence, 108). Jesus’s life embodied this deep poverty of detachment and self-emptying, kenosis, which gave to the world, a wealth that could not corrupt. This gift of poverty comes from a love that recognizes that nothing is ours, but that all is given; a poverty that makes people rich and free. Poverty, therefore, as the essence of Christ’s message to the world, becomes a beacon, which no Christian can ignore. “I am interested in the poverty that makes men rich. I am interested in the poverty that makes man free. I am interested in the poverty which, if it were combined with a true love, would change the physical poverty of man into decent, normal living conditions . . . The poverty I am interested in is the poverty of the gospel” (check source, Catherine de Hueck Doherty, The Gospel without Compromise (Ontario: Madonna House Publications, 2009), 99). Evidence of God’s concern for the poor is also clearly shown in the manner by which Jesus welcomes them and makes them privileged members of the kingdom. In Jewish purity laws, the lack of physical integrity was an impediment to full participation in social and religious life (check source, Fulvio Nardoni (2004, 211); Barrera, Albino, Biblical Economic Ethics: Sacred Scripture’s Teachings on Economic Life (Lanham, MD: Lexington Books, imprint of Rowman & Littlefield, 2013)). Cardinal O’Malley has stated that “poverty does not always lead to love. But love always leads to poverty, to the poor and God’s little ones.” In business, the spiritual and moral challenges present a unique opportunity for companies to reflect and consider the foundations on which they build good goods, good work, and good wealth. More than ever, these examinations have a place in business education. When someone is taught how to give meaning and value to work, to inspire creativity and fraternity within a community, and to participate in the universality and truths of God, the proper ordering of material poverty and prosperity can occur. This ordering constitutes a new meaning to poverty; a meaning that no longer reflects suffering, but joy. St. Therese sums it up well: “There is no deeper joy than the one of poverty of spirit.”


“Finally, there is yet another form of promoting fraternity – and thus defeating poverty – which must be at the basis of all the others. It is the detachment of those who choose to live a sober and essential lifestyle, of those who, by sharing their own wealth, thus manage to experience fraternal communion with others. This is fundamental for following Jesus Christ and being truly Christian. It is not only the case of consecrated persons who profess the vow of poverty, but also of the many families and responsible citizens who firmly believe that it is their fraternal relationship with their neighbours which constitutes their most precious good.” Francis, “Fraternity, the Foundation and Pathway to Peace.” Papal Message for the Celebration of the World Day of Peace, January 1, 2014. 5.

Von Balthasar explains that “The cord of the interior self consists not in a concentrated point of self-identity, but precisely in a relation to otherness. Genuine interiority results in uninhibited communication. This appears paradoxical only because of our unfortunate habit, itself typical of the modern attitude, to oppose self-hood to otherness. A less subjectivist concept would reveal selfhood to be total openness.” (Source not yet found possibly Hans Urs von Balthasar, The Heart of the World (San Francisco: Ignatius Press, 1980) or Christian State of Life); See also Joseph Ratzinger on conscience, presented at the 10th Workshop for Bishops February 1991 Dallas, Texas.

Far from enclosing themselves from within, they disconnect themselves from their own fixations and rationalizations to place themselves in right relationships with others. 61

Aquinas, 1947, II-II q. 58, a. 12.
