

Reflections of a Business Ethics Professor

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I have given many business ethics public talks and usually, while dining with my hosts prior to the talk, someone will joke, “So Business Ethics, isn’t that a contradiction in terms?” Yes, some people in businesses do unethical things, and we have all experienced that. On the other hand, many people in business do ethical things. We are, after all, both saints and sinners.

With this in mind, I was particularly interested to read the Pope Benedict XVI’s comments in Part II of the encyclical regarding the practice of love. How does the concept “love thy neighbor” apply within the context of daily business activities and capitalism? While your competitor tries to takeover your market share and drive you into bankruptcy, should you love thy competitor or turn the other cheek? Doesn’t the concept of charity contradict the concept of maximizing profits?

Pope Benedict XVI clearly differentiates different purposes for different realms of social subsystems. The state is responsible for our physical well-being and the just ordering of society, and the church is responsible for our spiritual well-being and charitable acts.

Where does business and economic subsystem fit into this framework? The Pope notes that Marxism attempted to systematically rid the world of poverty by having the State takeover the duties of Business and the Church, and failed terribly. He then moves on to other issues.

Following the Pope's logic, I would like to propose that the Holy Trinity of subsystems consists of the State (the political subsystem), the Church (the spiritual subsystem), and Business (the economic subsystem). Although the Church and Business may be somewhat independent of the State, it is the State that determines just how independent they are. Under dictatorial communism, there was little independence. Under democratic capitalism there is tremendous independence.

Therefore, the State fulfills the role of the Parent (makes and enforces the rules), Business fulfills the role of the Child (generates new revenue sources), and the Church fulfills the role of the Holy Spirit (makes sure that Parents and Children adopt the appropriate principles to guide their decisions).

This is the Holy Family of social subsystems. With assistance from the Holy Spirit – daily spiritual meditations help – a businessperson can love God, love his/her neighbor, and run a profitable business. Indeed, business ethics researchers report that ethical companies are more profitable than unethical companies

But then why does the relationship between economic and spiritual behavior seem to be in conflict, as suggested by the often repeated sarcastic joke noted in the opening paragraph, rather than in harmony?

In reality, the Holy Family – the State, Business, and Church – is a dysfunctional family. We live in purgatory, not heaven, where human beings struggle with a concept called sin.

What went wrong? According to the first part of Pope Benedict XVI's encyclical, although God is love, we neither adequately receive God's love nor channel God's love to others. The Pope grounds his theological explanation for this problem in the Garden of

Eden. According to the Pope, Adam represents first man and Eve first woman and, “only together do the two represent complete humanity and become ‘one flesh’.”

Unfortunately, we do not read about Adam and Eve ever achieving spiritual maturity. Instead, as the biblical story progresses, the still spiritually immature Adam and Eve give into temptation and soon thereafter give birth to Cain and Abel. The eldest son then kills his younger brother, and we’ve been struggling with self-centeredness and anger management ever since.

Human history has been one long lineage of dysfunctional families repeating the same mistake by inappropriately receiving and giving God’s love to each other. In modern times, men and women continue to give birth to children prior to achieving spiritual maturity. Spiritually immature parents raise spiritually immature children, who then go to college, earn a business degree, and become part of organizations populated by other spiritually immature people. As a result, every day the media reports a new business scandal, with Enron being just the most egregious.

We must continue to do our best to embody God’s love within ourselves, our families, and our organizations. My faith is that some day boys and girls will progress through adolescence and become one with God before having children and becoming CEOs. They will then be able to fully channel God’s love not only to their own children, but also to their employees, customers, suppliers, and the natural environment. At that point, we will finally have left purgatory and traveled our way back to the Garden of Eden.