[Introduction]

I’d like to start today with a quote from *It’s a Wonderful Life.* This is a scene early in the movie when George Bailey’s father asks him to consider staying on at the Bailey Building & Loan.

George Bailey: “Oh, no Pop, I couldn't. I couldn't face being cooped up for the rest of my life in a shabby little office... Oh, I'm sorry Pop, I didn't mean that, but this business of nickels and dimes and spending all your life trying to figure out how to save three cents on a length of pipe... I'd go crazy. I want to do something big and something important.”

Peter Bailey: “You know, George. I feel that in a small way we are doing something important. Satisfying a fundamental urge. It's deep in the race for a man to want his own roof and walls and fireplace, and we're helping him get those things in our shabby little office.”

I started with this quote for two reasons - One, I needed a stupid gimmick to kick things off and get your attention. Two because I think it nicely illustrates the Church’s vision of business and workplace and the two foundational principles behind the Church’s social teaching.

As Monsignor discussed last week, the cornerstone of the church’s social teaching is the concept of human dignity. The Church teaches that “each person is an image of God and so endowed with an irreducible dignity, or value. Each Person is an end in him or herself, never merely an instrument valued only for its utility – a “who” not a “what”, a “someone” not a “something.”

The quote speaks for itself and doesn’t require more discussion.

The second foundational principle is the “Common Good”. The common good flows from man’s nature as a social being. No matter what we may think in our modern society -- human beings don’t flourish in isolation or as individuals. They don’t have only individual goals and they don’t grow alone. They grow and flourish in society, in communities, in relationship with others. The Common Good is any good that is developed when human beings participate in common projects that generate benefits that are shared by many.

When it comes to business, the Church sees it in similar terms as a social enterprise.

When I speak of business, I’m speaking broadly about all work, not just a“for profit” business.

“Business is inherently other-centered: a business joins together people’s gifts, talents, energies, and skills to serve the needs of others which, in turn, supports the development of the people who do the work. The tasks they perform in common bring forth the goods and services needed by a healthy community.” *(Compendium of the Social Doctrine of the Church)*

Out of these two foundational principles flow more practical principles that apply to business. I found these in a document prepared by the Pontifical Council for Justice and Peace called *Vocation of the Business Leader: A Reflection*. I know we’re all not business leaders but I think these principles give us a framework for thinking about ethics in the workplace.

*Principles for Business*

1. A business should address *genuine* human needs through the development and production of goods and services. I think the key phrase here is “genuine” human needs. Does our work meet a genuine or authentic need or does it feed unhealthy or disordered needs and desires? The pornography industry for instance does not meet a genuine human need.
2. A business should foster good work. What is good work? Good work respects the dignity of the worker, it does not damage the health or well-being of the worker, and permits workers some freedom to flourish and develop themselves and their talents in their jobs, while helping others to flourish.
3. A business should be a good steward of the resources given to it - whether in the form of capital or human resources. Scripture tells us that good stewards are creative and productive with the resources placed in their care. Recall the parable of the talents. The servants don’t just take what is given to them, but they use their talents and skills to produce more from what has been given.
4. Finally, a business should provide for a just allocation of wealth. Aristotle defined justice as giving each person their due: In the business context, this means giving all the stakeholders in the business their due. That means:
	* just wages for the employees,
	* just prices for customers
	* just prices for suppliers,
	* just returns for the owners,
	* just taxes for the community.

Returning now to Bedford Falls and the Bailey Building & Loan. I think Peter Bailey’s words provide a beautiful illustration of the Catholic view of work and business and these principles. He recognizes the fundamental dignity of his customers and their deep desire for a home of their own. His customers are not a “what”, they are not numbers, or accounts, they are not data points on a spreadsheet. They are human beings. He provides them a service that meets their needs and that allows them to flourish, and in doing so is able to provide for his own family.

The Bailey Building & Loan - like all business - is also collaborative in nature. There is no Building & Loan without customers, and there are no homes in Bailey Park without the Building & Loan. In the end, all the stakeholders in the business - - the owners, the customers, the employees, and the town - all share in this common good. We see this later in the film when see what the town would be like without the **Common Good** that is the Bailey Building & Loan.

You know, as I prepared this talk, I kept having different reactions to the material: On the one hand, I find this vision of business and the workplace to be refreshing. We’re so used to viewing work as toil and drudgery, we’re so used to viewing business cynically, as being about survival and competition that this positive and hopeful vision seems a little alien. I also kept measuring this Catholic vision against my own personal experience and the experience of many people and see how damaging the workplace can be. I’ve worked as a teacher and a counselor but for most of my professional life, I’ve worked as an attorney in various positions. When operated in the correct spirit, law firms can be a true partnership in which all firm personnel are focused on providing the clients good service and advice. But many firms can also be highly individualistic and ultimately Darwinian in nature - a dog-eat-dog world where one eats what they kill. When the focus is not on serving clients, when the focus is on meeting the narcissistic needs of a few, it can become a place where other human beings (partners, associates, and support staff and clients) become instruments in the service of those individual ambitions. In this type of environment, attorneys are measured only in terms of billable hours; the temptation to inflate one’s time is strong; employee turnover and burnout is high; client service suffers; the firm stagnates. The Firm may foster an “ethical” culture in purely secular terms – the attorneys will undoubtedly meet the standard of “professional ethics” but that is a low bar. Professional ethics and company codes of ethics reflect the silver rule – which is to “do no harm.” They don’t demand what’s best in us, they don’t inspire us to love and serve through our work.

So how do we change this? what are the obstacles for developing an ethical and humane culture in the workplace?

The first obstacle is the problem of the “divided life” - this is the split between the faith which one professes and one’s daily life. Many people, myself included, tend to adopt a different worldview in the workplace. It’s as if the workplace or marketplace operates by a different set of rules where the “softer” virtues like love, charity, compassion are temporarily suspended during the workday and then picked up again at the end of the day when we return home. But this split is unhealthy and artificial. We should be striving to lead fully integrated lives. As Benedict reminds us *“human relationships of friendship, solidarity and reciprocity can also be conducted within economic activity, and not only “outside” it or “after” it. The economic sphere is neither ethically neutral nor inherently inhuman and opposed to society. . . . it must be structured and governed in an ethical manner”* *(Benedict XVI, Caritas in Veritate, 79).*

The second obstacle is losing sight of the purpose of our work which – again – is about serving others by meeting some genuine human need. When other goals become the primary purpose of our work, they become idols, and we lose our way.

Take for instance, the emphasis on “profit maximization”. Let me just say that from what I read, the Church does not have a problem with profit. The Church sees it in positive terms as the natural result of using resources wisely and creatively. Profit is an “indicator of organizational health” - the surplus of earnings over expenses that enables an organization to sustain itself (*The Vocation of a Business Leader)*. The problem arises when profit maximization becomes the end in itself. When this happens, the culture changes and our ethical judgment becomes impaired.

The same thing happens on a personal level. When certain goods - ego-gratification, approval, status, financial security, leisure, and luxuries. When these goods become our primary focus, our ethical compass doesn’t have a true north which should always be union with God. If the goal is self-oriented, then other humans (in subtle ways) become a means or an obstacle to obtaining the goal.

[Personal testimony]

**Questions for discussion**

1. *“Each person, regardless of age, condition, or ability, is an image of God and so endowed with an irreducible dignity, or value. Each person is an end in him or herself, never merely an instrument valued only for its utility – a* ***who****, not a what; a* ***someone,*** *not a something.” (The Vocation of the Business Leader)*
* Does the culture in your workplace foster a respect for others? Are others (employees, employers, investors, customers/clients, service providers/suppliers) viewed as a “who” or a “what”?
1. *“Business is inherently other-centered: a business joins together people’s gifts, talents, energies, and skills to serve the needs of others which, in turn, supports the development of the people who do the work. The tasks they perform in common bring forth the goods and services needed by a healthy community.” (Compendium of the Social Doctrine of the Church)*

*“Profit is like food. An organism must eat, but that is not the overriding purpose of its existence. Profit is a good servant, but it makes a poor master.” (The Vocation of the Business Leader)*

* What is the purpose of your work, firm or organization? Is the day-to-day focus on providing “a good or service that meets authentic human needs”? or is it on the bottom line or maximizing profits? How does your organization’s focus impact its culture and ethics?
* How do you, through your work, serve society? What’s your definition of success? Has it evolved? How has your faith impacted your approach to work and how you treat others in the workplace?
1. *“Human relationships of friendship, solidarity and reciprocity can also be conducted within economic activity, and not only “outside” it or “after” it. The economic sphere is neither ethically neutral nor inherently inhuman and opposed to society. . . . it must be structured and governed in an ethical manner” (Benedict XVI, Caritas in Veritate, 79).*
* Do you lead a “divided life” when it comes to work and faith? Do you tend to leave your faith and beliefs outside of your workplace or do you try to integrate it? Do you feel you’d be at a competitive disadvantage if you brought Christian ethics and values into the workplace? Can an ethical or virtuous business be a profitable business?
1. *“For most companies, ethics have been reduced to a compliance function, involving a legalistic checklist devoid of any influence on strategy or culture. Compliance is a type of adolescent discipline for preventing infractions, whereas the pressures in most business environments actually require the ethical maturity to . . . practice moral courage.” (Dalla Costa, Business Ethics As If Morality Mattered)*
* Have you ever faced situations at work that require moral courage (even small acts of courage?): terminations, promotions, fraud, waste, anti-competitive practices, overbilling, cutting corners, work/life balance. Did your faith play a role in how you addressed the situation?