

1-1-2017

The 2016 Jesuit Task Force Report on 'Justice in the Global Economy:' Analysis, Implications and Actions for Jesuit Business Schools

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2016 Jesuit Task Force Report on “Justice in the Global Economy”

**Analysis, Implications and
Actions for Jesuit Business
Schools**

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Dear fellow deans,

In early 2016, two offices of the Jesuit Curia in Rome issued a Report titled, "Justice in the Global Economy: Building Sustainable and Inclusive Communities." Along with the Task Force report came a request that all Jesuit affiliated organizations worldwide devote some time to considering what the themes of the report imply for their organizations.

Two business faculty members at Marquette University have produced a commentary that connects the themes of the Report to the mission of Jesuit Business schools.

In the spirit of Jesuit reflection and discernment, I pass along a copy of their document should your College leadership team or portions of your faculty wish to use this paper as a stimulus for curriculum or program planning.



Sincerely,

A handwritten signature in dark ink that reads "Brian D. Till". The signature is fluid and cursive, with the first name "Brian" and last name "Till" being more prominent than the middle initial "D.".

Brian Till
Keyes Dean
College of Business Administration
Marquette University

The 2016 Jesuit Task Force Report on "Justice in the Global Economy": Analysis, Implications and Actions for Jesuit Business Schools¹

Gene R. Laczniaak & Nicholas J.C. Santos, SJ (Marquette University)

Part I

Introduction

In early 2016, the Society of Jesus released a Task Force Report titled, "Justice in the Global Economy." It was issued by the Secretariats for *Social Justice & Ecology* and for *Higher Education*. The signatories of the 42 page report, sub-titled "Building Sustainable and Inclusive Communities", were Michael Garanzini SJ (Secretary for Higher Education) and Patxi Alvarez, SJ (Secretary for Social Justice and Ecology). However, much of the Report had been drafted with a committee of seven persons (including five Jesuits) who represented all six Jesuit conferences (i.e., geographic regions of governance of the Society of Jesus) and who drew upon their own insights supplemented by the counsel of dozens of other colleagues with expertise in economics and social sciences. The Report is self-characterized as a "reflection" (Society of Jesus, 2016, p. 6) to assist the many Jesuit institutions around the world in their quest "for greater justice". The Report anticipates that **"what is said here will be developed more fully by groups linked with the Society of Jesus in light of the challenges arising in different regions and local situations"** (Society of Jesus, 2016, p. 6, *emphasis added*). In the spirit of that appeal, *this* essay summarizes and analyzes some of the key dimensions of the Report, adds some additional theoretical context, applies its observations to the domain of Jesuit Business Schools, especially those operating in North America, and provides a series of steps for transformative action.

The nearly 16,000 word (in English) "Justice in the Global Economy" Report is divided into five chapters ranging from "Introduction" to "Recommendations". Of course, there is no substitute for reading the original document, but in this essay, **our purpose is to highlight key aspects of the Report especially as they pertain to education in Jesuit schools of business. In so doing, our essay will provide added background on some of the passages in the Report as well as help 'connect the dots' regarding its likely implications for Jesuit-inspired business pedagogy.** The narrative that follows unfolds in the order of the major "Sections" contained in the Report. Following that, a series of implications and possible actions for Jesuit business education are discussed and validated.

Sections 1 & 2—A call to action & Signs of the Times

The Task Force Report's self-characterized "call to action" [pp.7-8], is well framed by a central and motivating question first raised by Pope Francis in *Evangelii Gaudium* (2013): **"Will the economic advancements we are clearly capable of making, benefit all people or will they be reserved for a privileged few [p.7]?"** As a dramatic underscore to the reality of this point, in 2016, *Oxfam* (the UK

¹ An adapted version of this paper was presented at the 21st World Annual Forum of the International Association of Jesuit Business Schools, Nairobi, Kenya, July 2016.

headquartered poverty fighting organization) released findings indicating that the wealth of the world's top 62 richest individuals equaled the wealth of the bottom 3.5 billion people in the world—half of humanity (Oxfam 2016). Equally troubling, since 2010, Oxfam found that the wealth of the richest 62 persons increased by 44% while the collective wealth of the world's poorest fell 41%. Since 2000, the most impoverished half of the global population has received just 1% of the total increase in global wealth, while 50% of the increase has gone to the already richest 1%. From such realizations of growing and disturbing economic inequality [pp.9-13], two overriding *objectives* are operative in the Jesuit Task Force Report:

“...to contribute to and foster efforts by [the] Church and others to address these questions and challenges, bringing a Gospel perspective to these economic and public policy questions [p.7].” to collectively create “a vision of the common good” such that the exercise offers “an ‘Ignatian’ opportunity to move from reflection, to deeper study, to action and transformation, and more reflection, and prayer [p.8].”

In the paragraphs that follow, we endeavor to highlight and discuss some of the key commentary in the Report; we scrutinize it specifically for the implications it portends for the education taking place in Jesuit schools of business in North America, particularly as that education might shape the common good by reflecting gospel values.

Section 3: Challenges of today—Key Issues at Focus

Section 3 of the Report [pp. 21-21] thoughtfully lays out several of the continuing obstacles for too many people in achieving social and economic justice. Using facts and statistics drawn from the United Nations, the World Bank, the International Monetary Fund and similar organizations, the economic plight of broad segments of the global population is documented to illustrate the need for a more humane and fair economy. Not only is it made clear that there is increasing economic inequality, but that such outcomes disproportionately impact the poor, children and the vulnerable, especially women. Some of the drivers of this inequality are also discussed in this Section including the increasing financialization and monetization of the world economy. Such “modern day financialization” of everything [pp. 16-17] too commonly leads to decreased regulation (and thus, *reduced* protections for the vulnerable) as well as decreased transparency, owing to the opacity inherent in the global movement of capital.

Of particular emphasis in this Section, is the stress placed on the physical environment of the earth due to the exploitative nature of many corporate initiatives. As Pope Francis put it so poignantly in his encyclical *Laudato Si*: “The earth, our home, is beginning to look more and more like an immense pile of filth” [at #21]. And so, when capital flows in the global marketplace have few barriers, investment often streams to areas where environmental protections are weakest and where the poor, without the legal representation or political power to push back, often experience the harshest consequences of “unsustainable agriculture, commercial logging, [over] fishing, and mining practices that threaten air, water and land resources [p.19].” As noted in the Report, these are precisely the themes addressed in *Laudato Si*, the expansive 2015 encyclical of Pope Francis. A common cause of many of these ecological

dysfunctions is the amoral (and sometimes actively immoral) operation of the unfettered market economy. About this last matter, the Jesuit Report cites *Laudato Si* [pp.19-20] but a more succinct declaration might be found in Benedict XVI's 2009 encyclical *Caritas in Veritate*, where [at #35], he writes:

"If the market is governed solely by the principle of equivalency in value of exchanged goods, it cannot produce the social cohesion that it requires to function well. Without internal forms of solidarity and mutual trust, the market cannot fulfill its proper economic function."

Such perspectives about the sometimes questionable and unequal outcomes deriving from the current economic system set the scene for the crux of the Jesuit Task Report in *Section 4*. In this context, the Report notes (referencing LS #109), **"Markets do not have the social conscience, environmental ethic, or long term vision needed to promote the common good..."** [p.20]. It contends that an alternative, more balanced perspective of market outcomes is desperately needed if justice in the global economy is to be realized.

Section 4—A New Vision

On pages 22 to 31, the Task Force Report lays out the essential vision that should serve as the basis of reflection for Jesuit and Jesuit network organizations across the globe. This Section is the thematic heart of the Task Force Report. It is here that "Justice in the Global Economy" offers its "essential guide" [p.22] to stimulate reflection in the broad Jesuit network. Fundamentally, the "new vision" presented is that *global justice* and from the perspective of the Gospels as well as Catholic Social Thought, should be understood by first understanding the contribution of economic activity to *the common good* [p.22]. In this spirit, and as a partial supplement to the Report, several dimensions concerning the common good, different *types* of justice and various mechanisms for insuring justice are now explored, with special reference to their foundations in Catholic Social Teaching (CST). This supplementary, background material is intended to help readers of the Report realize that linking fair economic outcomes to the common good is a nuanced idea rooted in classic understandings of justice.

What is the common good? The common good is admittedly a debatable and sometimes hard to pin down term. That point noted, the Report is quite precise in its definition and amplification. At p.22, the common good is defined as *"the interconnected set of social values that are shared by all of a community's members to at least the degree required by their common humanity."* It is, (quoting Pope John Paul II in *Sollicitudo Rei Socialis*), *"the good of all and of each individual."* The Report further makes evident what the common good is not: *"It is a mistake, for example, to identify the common good with the aggregated incomes of the individual members of society [p.22]."* Thus, as the Report commentary explicitly states, the common good should never be conceived of as the Gross Domestic Product (GDP) of a particular region or country because such measures do not capture society's well being. For example, expenditures that theoretically add to the GDP could involve the production of harmful products (like cigarettes), the maintenance of political prisons, support of a surveillance apparatus that suppresses free political expression or a guest worker system that is ruthlessly exploitative. None of these economic "pluses"—each adding to the GDP— would likely contribute to the well-being of society.

Instead, in the "Justice in the Global Economy" Report, we read, "The way the common good is related to the good of the individual members of society is governed by the requirements of justice [p.22, emphasis added]." And, while justice also is an exceedingly complex concept, the essentials of achieving the common good can be better elaborated by reviewing various *types of justice* and how they are related.

At this point, it also would be evenhanded to observe that the Task Force Report is rather thin on the *theoretical* aspects of justice in its narrative because, perhaps, its authors expect that many of the main readers of the document (e.g., members of the Jesuit Order and affiliated academic scholars) will already be familiar with the subtleties of social and economic justice. For the benefit of non-experts, we will briefly articulate the kinds of justice referred to in this Section of the Report and supplement it with our own analysis about how they connect together.

1. **Contributive (or General) Justice (GJ)**—When referenced in the Christian tradition, GJ has roots that go back to St. Thomas Aquinas' *Summa Theologiae*. General Justice sets forth the *duties* that individuals have to contribute to the common good and, it may be seen as a corollary of the *rights* claims that individuals might make upon a society or community. That is, Contributive Justice serves to remind everyone that "rights" imply "obligations".

Commentary. From a general justice standpoint, citizens are required to actively 'contribute', as they are able, to help create the common good. From the perspective of [citizen] *corporations*--those essential institutional engines of the market system--general justice duties could be argued to include generating jobs in the economy, providing equal opportunity to workers and customers, as well as innovating and producing the products/services required by the community to both grow and sustain the common good. If those *duties* seem to some to go beyond the Friedmanesque manta (Friedman 1962) of 'maximizing shareholder wealth', it is precisely because such *obligations* (i.e., duties) are embedded in the social contract granted by the public to corporations to seek and retain profits. Put another way, corporations are given the opportunity to seek profit by functioning as the provisionary of the society's needs. Their right to 'profit opportunity' entails the social obligations mentioned above.

2. **Commutative Justice (CJ)**—"Commutative justice requires equality and reciprocity in exchanges among particular individuals or small groups [p.23]." Commutative justice is about fair transactions in the marketplace whether it is between buyer and seller or between employer and employee. CJ is focused on the *direct parties* to the exchange—the main, although by no means the only, beneficiaries of economic transactions.

Commentary. At minimum, participants in economic transactions require certain conditions in order to engage in efficient and effective exchange. A list of these participant characteristics for fair exchange, not meant to be exhaustive, would include (a) access to relevant information, (b) meaningful choice options, (c) the expectation of safety in the items exchanged, (d) freedom from coercion, and (e) the ability for redress when negative outcomes occur. Most of these factors have been articulated in various declarations of *consumer rights* by governments or global organizations (Bugnitz 2008). And, regarding the fair treatment of workers, mandates for employee fairness (e.g., right to organize, just wage, decent

working conditions) go back to the seminal document of Catholic Social Teaching, the encyclical *Rerum Novarum* (1891).

3. **Distributive Justice (DJ)**—"Distributive justice is the inverse of contributive justice. It regulates how the common good of the larger society should be distributed or made accessible to its members [p.23]." One definition of distributive justice (Laczniak & Murphy 2008) advocates that it is about the societal fairness of economic *outcomes* and how the benefits and burdens of those results are allocated among various stakeholders.

Commentary. Again, the earlier noted encyclical, *Caritas in Veritate* (2009) provides moral underpinning for this dimension of justice. At #37 of *CiV* we read: "The Church's social doctrine has always maintained that justice must be applied to every phase of economic activity, because this is always concerned with man and his needs. Locating resources, financing, production, consumption, and all other phases in the economic cycle inevitably have moral implications. Thus every economic decision has a moral consequence." Implied in the DJ ambit of focusing on *all* members of society is the contemporary problem that "...some people are not simply left out [from economic benefits] but are positively excluded because of their race, gender, ethnicity or religion [Task Force, p.23]." For those who are most vulnerable, consistent with the CST principle of "preference for the poor and vulnerable", DJ may require special obligations. For example, Santos and Laczniak (2009) have set out a detailed protocol for responsible marketing to impoverished market segments that requires super-ordinate ethical duties including special interest representation for the poor, giving these impoverished segments authentic voice to be heard and committing the seller to invest in a sustained relationship with the poor.

Taken together, the three forms of justice—Contributive (**GJ**), Commutative (**CJ**) and Distributive (**DJ**)—generate a binding and overarching moral force that helps create the common good. This is because these justice dimensions lay out some of the conditions necessary for all members of the community to receive a fair deal from the economic system. That is, *general* justice reminds all players in the economic system, especially powerful corporations, that they have distinct duties to others; *commutative* justice underscores the importance of equal power in the market exchange process and, distributive justice suggests that economic outcomes must be evaluated for their fairness. However, while these forms of justice are *necessary* for economic justice, they are sometimes not *sufficient*. This is because even in an economic system that is not rigged (i.e., corrupt) "...a rising GDP can fail to benefit some members of the community, leaving many to face serious deprivation [p.24]." Thus, another important factor, addressed below, is discussed in the Jesuit Task Force Report.

The Essential Role of Institutions—"Non-market institutions will need to intervene to help make the results of growth accessible for all to the level required by human dignity [Task Force, p.24]." Of course, in the ideal, *corporations*, as the institutional engines of economic transactions, should step up to their co-citizen duties to exhibit a social responsibility that advances the common good even as they discharge their business mission earning profits as a reward for shareholders' risk. But the selfishness inherent as a motivator in mostly unfettered markets often dampens positive outcomes for many persons; that is, gross inequalities (as discussed earlier) can occur in unregulated markets. In such instances, other institutions, both "governmental and non-governmental that supplement the market"

[p.24] are required that will shape economic outcomes “in ways that generate the resources to support the well-being of all... [p.24].” Importantly, such institutions may be local, national or even international, such as the World Bank or the United Nations. And, to a key point of the Jesuit Report, the existence of economic injustice also requires action by “many effective NGOs...linked to the church and to other religious communities, *including the Society of Jesus*” to insure greater fairness [p.27, emphasis added].

Commentary. To give this portion of the Report added theoretical grounding, we would remark that the “justice forms” discussed above constitute a collective *rights claim* for all persons—owing to their inherent human dignity—to equitably share in the economic bounty of their community. In an affluent economy [as noted at p.24], this would likely include sufficient food, healthcare, a decent job, education, political voice and the benefit of a sustainable environment. Since not all economic actors in the business community will choose to proportionately share these outcomes, institutions such as government, social service agencies and religious organizations (living their Gospel values) must provide the impetus (or power) to assure “the good of all and of each individual” as Pope John Paul II put it in his encyclical *Sollicitudo Rei Socialis* (1987). When effective institutions are in operation to provide such countervailing power, rights claims are vitalized and guaranteed by such authority and thereby, justice becomes *transforming* (McMahon, 1999). (See also McMahon 2004 for a detailed argument of how justice requires power, often institutional power, to be achieved). Put succinctly, human *rights* multiplied by institutional *power* equals *transformative justice* (TJ)—i.e., global economic justice significantly increased.

Therefore, the sub-text of the Task Force Report is that the entire Jesuit network, consistent with Decree 6 of *General Congregation 35* “Collaboration at the Heart of the Mission” (2008), should seriously consider how Jesuit organizational entities might serve as an instrument of power. That is, Jesuit entities need to think about how to discharge “...**the vocation of all Christians to work for the building up of the common good and for the creation of institutions and policies that will sustain it** [Report, p.25].”

The remainder of *Section 4* (pp.28-31) consists of *possible* policy directives for promoting greater fairness of economic outcomes, a more enlightened ecological ethic and a greater solidarity with the poor. Again, the document itself should be carefully read and thought about, but a sampling of implications listed in the Jesuit Report, and flowing from some of the previous discussions, includes:

- Considering public policies that redistribute wealth. The supply-side notion of ‘trickle-down’ economics is explicitly rejected [p.28].
- Scrupulous enforcement of laws that protect the physical environment [p.29].
- Greater regulation of financial markets including possibly a “Tobin tax” on financial transactions [p.29].
- Stronger policies that prohibit lobbying elites from capturing the legislative process [p.29].
- The creation of more “decent work”/living wage jobs [pp.29-30].
- The scrutiny of international trade agreements that weaken national sovereignty [p.30].
- The suppression of international tax havens for corporations [pp.30-31].
- A better awareness of our personal “habits of consumption” and how changes might contribute to increased sustainability—social and environmental [p.31].

Some readers of the Report may be surprised by the explicit public policies that flow rather seamlessly from the principles of Catholic Social Thought.

Importantly, this section ends with a reminder, again inspired by *Laudato Si* [at #217 and #118], the 2015 encyclical of Pope Francis, that a profound inner renewal is called for; it involves a “new spirituality” along with a path for understanding our personal well being in solidarity with the poor. The renewal ideally should culminate in a “culture of hospitality” [p.31] that includes a special affection for the needs of the most vulnerable members of the community. There is little doubt that this list of policy suggestions, flowing from the principles of Catholic Social Thought (more about those below), ought to result in an alternative perspective about the purpose of business not typically addressed in firm-focused B-School classes.

Section 5—Recommendations for our Ignatian family

The final Section of the Report [pp.32-34] offers “some additional recommendations aimed at our Jesuit family and the institutions in which we serve [p.32].” It is here where the Report remarks that the Jesuit network being among the “more fortunate, more connected, more capable” [p.32] entities must reflect upon and consider what specific actions its organizational affiliates might take to alleviate “severe inequalities” and to improve “participation in the social order” by the disadvantaged. The general considerations for this reflective exercise might be summarized in three points of greater commitment listed in the Report to which members of the Jesuit network should aspire. These are:

- **Directly engaging the poor and listening to their voices** so that we might better learn how to serve them [p.32]. The report quotes Kolvenbach SJ (2000) that “By preference, by option, our Jesuit point of view is that of the poor [p.33].”
- **Harnessing Jesuit institutions to become “instruments for economic justice”** [p.32]. This potentially involves utilizing the research expertise of academic departments in Jesuit universities to tackle issues that address social justice such as refugee migration, environmental degradation, gender inequality and governmental corruption [p.33].
- **Using especially the expertise of the professional schools** (law, business, journalism) of Jesuit universities **to address policy questions that speak to questions of social justice.** “Our Jesuit business and law schools, departments of economics and faculty of theology are in a unique position to offer new and compelling perspectives in the academic arena [p.34].”

At minimum, Jesuit network reflection should focus on “advocacy of government action, for corporate responsibility, for inter-institutional cooperation...” and “an agenda that targets issues raised in the Church’s encyclicals on social justice [p.33].”

PART 2

General Implications for Jesuit B-schools

It follows that Jesuit *business schools* should seriously think about what the Jesuit Task Force Report suggests. Professional education is an important part of the “Jesuit network”; professional schools are

called upon [p.34] to discern what the observations made in the Report apply to Ignatian instruction. To begin, the elaborations of university "Vision and Identity" statements that house Jesuit B-schools normally include explicit, mission-central phrases such as "Men and women for others", "Care for the whole person" and "Faith that does justice". It is not a stretch of logic to advocate that Ignatian core values *should* permeate professional education in addition to the humanities programs at Jesuit universities, where they have historically resided. Of course, to assert that such a serious examination ought to take place is far easier than changing the current status of many Jesuit colleges of business. For example, Cavanagh SJ (2015), in a deeply thought-provoking analysis of Jesuit business education, detects a drift to where "a few Jesuit colleges of business seem to increasingly emphasize only secular norms [p.53]." He laments the pressure on faculty members in Jesuit business schools to publish mainly in top rated technical journals rather than in outlets that might address macro issues of policy and ethics; he notes the failure of some colleges to replace retiring senior faculty who have devoted their careers to investigating social issues in business, often from the perspective of Catholic Social Thought and, he rues the exclusive commitment of many departments of finance and economics to free market ideology. Cavanagh (2015), a former business dean and provost, provocatively asks: **"Why engage precious people and resources in a business school at a Jesuit, Catholic university if our goals are much the same as other business schools in the U.S.?" [p.61]"**

Of course, the *promises* made by Catholic, Jesuit business schools are anything but generically secular. Spitzer SJ (2013) reviews the general themes *pledged* to students by Jesuit education, particularly (a) examining the purpose of life, (b) developing empathy for others, (c) cultivating the freedom to pursue higher ideals, and (d) understanding ethical principles. He concludes that "business educators in Jesuit universities will serve their students best when they stray into the domain of [these] four great viewpoints of philosophy and Jesuit vision [p.21]." Hanson (2011) observes that his examination of Ignatian spirituality, as well as knowledge of Jesuit business education over many decades, reveals a distinctiveness that has been, is, or *should be* reflected in Jesuit business education. This distinctiveness can be captured in five dimensions reflecting what *every* business graduate of a Jesuit college ought to receive [p.21]:

- The development of their moral and spiritual character as managers;
- The realization of their responsibility to use managerial skills "for others";
- A concern for the welfare of employees in the organization;
- An ability to see the impact of business and organizational decisions upon society, and
- Empathy for the poor and marginalized of society frequently left out by the mainstream economy.

Hanson offers specific classroom suggestions on how each of these elements might be achieved. Laczniaak and Murphy (2012), building on Hanson's work, present reflective rationales [pp.105-111] concerning why each of these elements is endemic to a Catholic, Jesuit B-school education that is well rendered. And, for those who might "object" that the delivery of such ideals cannot be easily measured or made palpable, Pepper et al. (2011) provide the blueprint for an implementation methodology.

Thus, the *promises* of Catholic, Jesuit business education are abundantly clear. A glance back at the Hanson (2011) dimensions also evokes their religious groundings (i.e., concern for the poor, impact of actions on community, the importance of spirituality in managerial character). But the effective *delivery* of these distinctive promises to Jesuit B-school students, as hinted by Cavanagh (2015), is often lacking. For example, Porth et al. (2009) undertook an expansive survey of 42 Catholic business schools, 19 of which were Jesuit. The good news from their study was that the vast majority of Catholic B-schools had mission statements that mentioned the centrality of “ethics education”—an unambiguous AACSB accreditation requirement for *any* business program. Also explicitly referenced in business school mission statements was the “religious identity” of these universities. Yet while the presence of ethics education was typically *measured* in learning outcomes, the bad news was that only 6% of business colleges had metrics to investigate whether the religious values of the university mission were reflected in the learning goals of the business curriculum. Porth et al. (2009) ruefully concluded: “In general, our research suggests that business education at Catholic colleges and universities is not sufficiently distinctive [p.iv].”

In this context, and given the admonition of the Jesuit “Justice in the Global Economy” Report that, “a central part of the vocation of all Christians is to work for the building up of the common good and for the creation of institutions and policies that will sustain it [p.25]”, now is the moment for Jesuit B-schools to reexamine whether they are delivering on their core promises. Jesuit Pope Francis captured it this way in *Evangelii Gaudium*, (2013): “Business is a vocation, and a noble vocation, provided those engaged in it see themselves challenged by a greater meaning in life [EG, #203].”

The sentiments that Francis reinforced—that business leadership was “a genuine human and Christian calling” had been elaborated in another CST document—“Vocation of a Business Leader” (VBL) published by the *Pontifical Council for Peace and Justice* (2011). That reflection, a statement that merits study by all Catholic B-school students, makes some of the following salient points:

- “Business leaders are called to engage the contemporary economic and financial world in light of the principles of *human dignity* and the *common good* [VBL, *Forward*].”
- “When business and markets as a whole are functioning properly, and are regulated in an effective manner by governments, they make an irreplaceable contribution to the material and even spiritual well-being of humankind [VBL, #2].”
- “An important part of the business leader’s vocation is practicing ethical principles while conducting the rhythms of the business world [VBL, #14].”
- “The Christian business leader is alert for opportunities to serve these [poor] otherwise underserved populations and sees this as not only proper social responsibility but also as a great business opportunity [VBL, #43].”
- “...we have a duty to respect and not to attack the world around us. We are free to cultivate the world, but not to devastate it [VBL, #54].”

Each of these themes is consistent with Jesuit ideals and the sentiments underscored in the “Justice in the Global Economy” Report. A key question is *how* they might best manifest in Jesuit business education.

Part 3

Specific Action Ideas for Jesuit Business Schools

Perhaps the key resource to the better integration of Jesuit themes into business education comes from the *faculty* of Jesuit business schools. Some professors at Jesuit colleges are exemplars of Jesuit and Catholic educational ideals and might more easily embrace the recommendations of the Jesuit task force. However, many might find this approach to education at odds with the way they have been socialized into the academy. Garanzini SJ (2016) holds that there are legitimate and illegitimate arguments for adopting a religious and/or ethical perspective as a lens for examining our capitalist system, or any system. Garanzini SJ (2016) identifies four “arguments” that are sometimes disingenuously used to stop change in the university.

- (1) The *Argument from Neutrality* states that an endorsement of a particular viewpoint, whether religious or philosophical violates the faculty member’s duty to remain neutral. Endorsing CST, in other words, would violate that principle. This is because many faculty members are trained to avoid bringing their beliefs into the classroom.
- (2) The *Argument from Diversity* would be the assumption that because we are diverse, in religion, ethnicity, gender etc., it is potentially a sign of indifference or disrespect to select a particular point of view, be it Catholic or Christian, Buddhist or Hindu, socialist or libertarian, etc. Members of the university community have been socialized to hold the value of diversity as a supreme value and thus avoid offending anyone by promoting a particular vision or view.
- (3) The *Argument from Status and Reputation* is deeply ingrained in faculty scholars in that we all want to teach at the institution with the best reputation, which can boast high academic standards, and thus does not align itself with parochial colleges and universities. Sectarian colleges and universities founded in a religious tradition suffer from the perception that they are proselytizing.
- (4) Finally, the *Argument from Academic Freedom*: how dare a university administrator possibly ask faculty to teach “values”, or adjust their syllabus to meet a university’s vision of what should be taught when administrators ought to respect the right of the teacher to teach what he/she wants.

According to Garanzini SJ (2016), the above arguments overlap but seep into one another in various discussions about religious values and ethics; they are each different starting points for faculty who will question any endorsed university vision, philosophy or religious mission coming from outside their academic disciplines. What may be needed to overcome these arguments is an internalization of some of the recommendations of the Task Force so that they come from within the B-school faculty rather than without. One way to do this is to formally bring the academic staff together for a “day of reflection” and to encourage an in-depth discussion of the Jesuit Task Force report. B-school teachers should be asked: *Where do they see themselves and the classes they teach in relation to the recommendations of the report? How might the B-school curriculum be changed in order to reflect the promises and mission of Jesuit universities to their students?*

In addition to the above obstacles, Lacznia and Murphy (2012) recount a few of the key objections of business faculty to Catholic-inspired normative concerns. Included there are typical (and interconnected) protestations by faculty such as:

- (a) Ethics education mainly should be delivered by philosophy instructors; B-school teachers are untrained (and often uninterested) in moral philosophy;
- (b) "Values and ethics" discussions are normative exercises while "management" is a science; thus, prescriptive discussions about ethics should be left to humanitarians and theologians, not B-school professors; and,
- (c) Economic markets and religious judgments about market *outcomes* are best decoupled; the role of B-school professors is to teach winning organizational strategy not opine concerning societal policies or social justice.

Strategies to overcome such common objections were also presented by Lacznia and Murphy (2012, pp.112-114). For example, (a) accreditation standards already *require* that ethics and social responsibility be addressed *within* the B-school curriculum; thus, responsibility for this area cannot be completely sub-contracted, (b) normative ethical standards *can be* articulated; professional codes-of-ethics do this all the time, and (c) to contend that management education should be always "value-neutral" is itself a normative position; steadfastly being 'purely objective' is a hard position to defend. More than likely, these persuasions will only be successful with a minority of faculty. And yet, despite the difficulties discussed above, if Jesuit business schools are to become "instruments for economic justice" as argued for in the "Justice in the Global Economy" Report [p.32], stronger and more radical actions need to be considered. These might include:

- A directive from Jesuit institution presidents that professional schools, including business colleges, intensively exhibit some educational dimensions that unambiguously reflect the university's mission and identity;
- The targeted and enhanced hiring, development and retention of faculty members who can significantly contribute to the mission and themes of Jesuit education;
- The formal education of all B-school instructors in an awareness of Catholic Social Teaching and Ignatian spirituality; and,
- The integration of mission-consistent themes across many classes in the business curriculum.

Each of these points is briefly elaborated below.

The Role of Presidents at Jesuit Universities

It is sometimes said that, "the organization is but a lengthened shadow of the person at the top" (Lacznia and Murphy 2006). This certainly is true regarding the influence that Jesuit university presidents *can have* upon the institutions they lead. The current Superior General of the Jesuits, Adolfo Nicolas, S.J., set the pastoral tone with his message to Jesuit university presidents: **"...all leaders of a Jesuit institution must reinforce and motivate their members and communities in the values and attitudes that are based in the sacred Scriptures of the Judeo-Christian tradition (Nicolas 2010)."** The "Justice in the Global Economy" Report calls for a "new spirituality" where "human beings are called

upon to respond to this ['God's promise of redemption'] by working for reconciliation among divided cities, nations and peoples [p.21]." If Jesuit universities are to be the "instruments of economic justice" [p.32] called for in the Report, then their presidents must resolutely *proclaim* that mission of 'justice seeking' in clear and resounding terms. Too often, Jesuit presidents of recent decades, particularly in North America, have become merely "fund-raiser-in-chief" and "public relations cheerleader" instead of being the leading voice for social justice regarding local, national and international issues. The fear of alienating current and potential university donors (some of whom occupy positions on university boards of trustees) with inconvenient messages that they do not care to hear has shackled Jesuit presidents from spotlighting social issues that demand "by preference, by option, our Jesuit point-of-view [which] is that of the poor"—as former Superior General Kovenbach SJ, eloquently expressed it in 2000. Indeed, Jesuit presidents must fearlessly assert that business education in Jesuit universities will undeniably and distinctly reflect "the service of faith and the promotion of justice" (Kovenbach 2000). Such is the declaration that must begin at the apex of the organization if the ambition of "Justice in the Global Economy" is to be realized. In effect, it is important for presidents of Jesuit educations "to clarify for the faculty and the wider community a vision for what a Catholic business school can do that other schools are not doing" (Garanzini, 2016).

The Hiring, Formation and Retention of Business Faculty for Mission

A commitment to improving global economic justice by Jesuit B-schools "should also impact who we admit to our schools, what we teach, who we hire and what we do with the resources of our institutions [Report, p.32]." And, as the General Norms of *Ex Corde Ecclesiae*, the Apostolic Constitution for Catholic Universities makes clear [at Article 4, Sec. 1]: "The identity of a Catholic University is essentially linked to the quality of its teachers and to respect for Catholic doctrine." Cavanagh (2015), in his descriptions of the Catholic vision of affiliated business schools, suggests that a basic condition for hiring new business faculty should be their ability to contribute to the distinctive Jesuit mission of the university in the context of business. While the Catholic mission of Jesuit universities is vitalized through programs, resources *and people*, without a committed professorate, many programs will falter and resources will be wasted.

When it comes to **hiring** "mission-able" faculty members at Jesuit B-schools, often, Jesuit themed information is disseminated to "short-listed" faculty candidates; moreover, the campus interview process also will likely include some mission-focused discussions or materials. In this manner, most faculty applicants, if not already aware, will learn at least minimally about Jesuit pedagogy and its promises. However, when it comes to the actual job *offer*, among most academic departments, research potential normally trumps a candidate's ability to contribute to mission, *even when* a strongly "mission-able" faculty candidate exceeds all the requirements for posted position. Cavanagh (2015) argues that this is where the role of the Dean must come into play—nudging departments to hire those who, in addition to their disciplinary expertise, "can stress corporate social responsibility, social justice, the common good, sustainability and ethics" in the functional business classes that they will teach. It is true that it might not be easy to find scholars exposed to CST. It is here where Catholic schools with PhD programs, particularly in business, can play in crucial role in providing PhD's who have some training in the Catholic approach to economics, finance, marketing etc. The DBA program recently launched by

Creighton University in collaboration with faculty from other U.S. Jesuit b-schools is one effort towards this goal. Catholic universities such as Boston College and St. Louis University also have doctoral programs in business and could potentially make great contributions to the education of mission-ready faculty members. Unfortunately, because these doctoral programs are not among the elite providers of advanced degrees in business, most Catholic university B-schools typically do not look there very often for new faculty recruits.

Faculty **formation** programs that immerse faculty members in Jesuit ideals and Ignatian spirituality are also evident on Jesuit campuses. Offices such as "mission & identity" and "campus ministry" provide mission supporting seminars and other special programs that may focus on topics such as "developing service learning opportunities" or "ethics education across the curriculum". In the Jesuit network, programs for faculty to learn about distinctively Jesuit education are available via inter-university initiatives such as the Heartland Delta conferences and/or various *Association of Jesuit Colleges & Universities* (AJCU) liaison groups. However, most of these programs are voluntary, and often attract the same few committed faculty while most of the business professorate keeps their distance by design or due to professional time constraints. A real challenge concerning faculty development in mission-supporting activities is getting participation in such efforts to count positively toward annual departmental evaluations, in a manner similar to good teaching and scholarship.

Faculty commitment to the Jesuit mission is almost never a factor in faculty **retention and promotion**. Tenure, salary increases, promotion-to-rank and other matters of advancement are largely based on the traditional criteria of "teaching and research" plus, to a lesser degree, university "service". Sometimes, a faculty member's concern for Ignatian mission may actually be viewed with suspicion by his/her academic department. For instance, some may say: 'Why isn't faculty member X working harder on scholarly research instead of spending each summer accompanying students to volunteer in impoverished areas overseas?' Ironically, Catholic B-schools are not nearly as aggressive in the hiring, promotion and tenure of mission-contributing faculty members as other [religious] denominational business schools such as Baylor (Baptist), BYU (Mormon), Pepperdine (Church of Christ) or Yeshiva (Jewish). Without a greater commitment "in practice" to the mission contribution of faculty, "Jesuit business schools will soon be indistinguishable from their secular counterparts, and we witness this happening in some cases (Cavanagh 2015, p.64)." Therefore, a key action in the renewal of Jesuit B-schools must take the form of an aggressive hiring and development program for faculty who are "mission-able". The ability to contribute to mission ought not to be found in some Roman Catholic litmus test of doctrinal knowledge but rather in a humane and demonstrated willingness to make the ethical/spiritual promises of Jesuit education come alive in business instruction.

Catholic Social Thought and Ignatian Spirituality: Applications

A distinct if not explicit theme of the Jesuit Report is that *Catholic Social Thought* (CST) provides the guiding *principles* for a meaningful Jesuit contribution to greater "justice in the global economy." This is evident by citations in the Report to various social encyclicals and proclamations. It would appear that Jesuit business education cannot be complete or distinctive without some exposure of business students to CST. In addition, aspects of *Ignatian Spirituality* (IS), a unique aspect of Jesuit formation, spotlight a

process that can hasten insights concerning the best path forward for each Jesuit institution. As noted earlier, the Report itself is offered as a 'reflective opportunity' in the Ignatian tradition (p.8).

Catholic Social Thought, as many familiar with Catholic inspired social justice initiatives know, is a collective body of religious-inspired principles about societal concerns that are rooted in Scripture (including the Decalogue and other passages from Old and New Testament); the derivation and implications of its principles are especially embodied in the Papal social encyclicals. CST, more broadly, also incorporates other writings of Vatican offices, including documents prepared by various Church commissions plus Episcopal letters from national councils of Catholic bishops. A complete enunciation of Catholic Social Thought can be found in the *Compendium of the Social Doctrine of the Church* (2005). Central to CST are certain core principles such as *human dignity, solidarity, subsidiarity* and the *common good*. A list of some of the key principles of CST, along with brief examples of how they might apply to business practice, is provided in **Exhibit One**. It should be cautioned here that CST was never intended to be a 'cookbook of prescriptions' for simple-minded usage because the nature of general principles requires reflection upon the unique circumstances of application to particular cases. However, once basic situations are specified, Lacznia and Klien (2009), as well as others, have illustrated that CST can inspire corollary, mid-range ethical principles that can helpfully guide ethical business practice.

As suggested previously, the principles of Catholic Social Thought are an essential piece of the "ethical education" (Hanson 2011) that business students should take away from the curriculum taught at Jesuit B-schools. Some business professors might instinctually object to the centrality of religious-based values being integrated into B-school classes. To the doubters, the following salient points (adapted from Klein and Lacznia 2009) about Catholic Social Thought (CST) should be pressed:

- CST principles can assist in the resolution of ethical dilemmas at both the micro and macro levels of business practice;
- CST demarcates a robust perspective about the purpose of business that helps students understand the tensions that persist between financial maximization and the common good of society;
- Since religious norms are often central to an understanding of economic institutions and their behaviors around the world, CST offers a values driven approach, consistent with the Jesuit mission, that can inform the development of a global ethos for business practice;
- CST meets an important test of rationality in so far as its principles can be derived from the natural law tradition—i.e., it can originate from a coherent understanding of the nature of humanity, as well as be co-deduced from the non-sectarian writings of other experts in moral philosophy.

It would seem difficult to argue that business education in a Jesuit B-school could be considered complete without a deep familiarity by students regarding these core CST principles of ethical consideration. Thus, the integration of CST into business education, along with an opportunity for application, is "primary step" in making B-school instruction compatible with its Ignatian heritage.

However, besides exposure to CST principles, the curricular integration of Ignatian spirituality essentials can provide Jesuit business students with further value added for business leadership (Haughey SJ, 2013; McCallum SJ and Horian 2013). More and more B-schools see the need to be inter-disciplinary.

Curriculum reform movements are not new and previous efforts have included adjustments to be more social science integrative, to incorporate writing across the curriculum, or to include professional ethics as part of philosophy classes. Perhaps it is time for the movement of integrating CST across the B-school curriculum.

In his book *Heroic Leadership*, Chris Lowney (2003) advocates themes well understood by those familiar with Jesuit process and pedagogy. Drawing on the *Spiritual Exercises* of St. Ignatius—those structured and prayerful routines of all Jesuits to this day—Lowney details the leadership style that Jesuit B-schools *might be* able to deliver if their educational model is well considered. According to Lowney (2003) leaders in the Jesuit mold should be self-aware, ingenious, loving and heroic. Importantly, such qualities do not materialize out of the ether but rather they are cultivated through intentional formation. This means providing students with the opportunity to be self-reflective; it involves providing the occasion for students to take stock of the macro dynamics of the business world so that they can ‘innovate’ informed by a deep understanding of the business landscape in its many manifestations; it clearly entails seeing every stakeholder in one’s business sphere as having essential worth and human dignity, consistent with the first principle of CST (**Exhibit 1**); and finally, it includes a willingness to exercise leadership with a charity for others that is consistent with the Gospel message of Jesus to “love thy neighbor”. Needless to say, the impetus for the development of such a leadership style does not occur by chance or administrative fiat. Jesuit business education can only be transformational if the business classes as well as supporting university programs are *designed* to be transformational. To that point we now turn our attention.

The Integration of Mission-inspired Themes into Jesuit Business Education

In the Mexico City speech in 2010 noted earlier, addressing Jesuit university presidents, the Superior General of the Society of Jesus, Adolfo Nicolas SJ, posed an essential question: **“How many of those who leave our institutions do so with both professional competence and the experience of having, in some way during their time with us, a depth of engagement with reality that transforms them at their deepest core?”** Fr. Nicolas (2010), channeling Kovenbach SJ (2000), went on to challenge those present to “reinvent the university” such that a Jesuit education teaches depth of analysis, reflection, discernment and critical thinking that results in a moral imagination born from a witness of “the gritty reality of this world.” Fr. Nicolas (2010) sought to motivate an experiential, transformative education that leads Jesuit students to “perceive, think, judge choose and act for the rights of others, especially the disadvantaged and the oppressed.” Consistent with this, Jesuit Pope Francis (2013), focusing on the global business system, urges “a generous solidarity and to the return of economics and finance to an ethical approach which favors human beings.” The upshot of both these comments is that if Jesuit business education is to be a force for global social justice, its programs of business education must have unique and engaging elements that will permanently alter the future behavior of Jesuit school

graduates. As the Task Force report succinctly states it: **"The potential of our professional schools has not been realized or harnessed [p.33]"** but needs to be.

Many instructors in Jesuit business schools would likely agree that to encourage students to shape the common good toward an arc of greater justice is a noble ideal. Reflexively, many of these same faculty members also would opine that the "devil is in the details" and that modifying course units and supporting extra-curricular programs to fit this purpose would be a long arduous slog, often contentious. They would likely assert that no one can really know what "being Jesuit" actually means for business education. And on this last matter, they would be decidedly wrong.

There already exists a rich menu of business programs and practices that have been demonstrated as contributing to mission-inspired Jesuit ideals and outcomes. These ideas are captured in the manuscripts published in the *Journal of Jesuit Business Education* (JJBE), edited by Professor Stephen J. Porth of St. Joseph's University (PA). Currently in *Volume 6*, many of these articles are refinements of "best practices" shared by Jesuit business school faculty members at their annual "Colleagues in Jesuit Business Education (CJBE)" conference. The CJBE was founded in 1998 by Robert Spitzer SJ, then faculty member at Seattle University and soon to be President of Gonzaga University, to promote the exchange of best practices in Jesuit B-schools for mission achievement. The good news here is that in the pages of the JJBE, one can find numerous ideas, frameworks, protocols and outlines for vitalizing and incorporating the inherent promises of Jesuit business education—i.e., ethical reasoning (Avari and Brancatelli 2014), concern for employees and the vulnerable (Santos and Lacznia 2011), spiritual formation (Delbecq et al. 2012; Byron SJ 2011) and an abiding awareness of the societal impact of business practice (Reilly and Larya 2015). The not-so-good news is that too many instructors at Jesuit B-schools are unaware of the JJBE and CJBE meetings; membership tends to be most concentrated in management departments (where business ethics and social policy classes are typically taught). Moreover, commitment to the CJBE is important to only a small minority of faculty members, whose mission-inspired exhortations among their B-school associates are often ignored or viewed as a distraction to the "science" of disciplinary business education.

Nevertheless, what is clear that the vivid detail of what makes a business education "Jesuit" does not need to be invented. The programmatic specifics are already published in the JJBE and await implementation by Jesuit business colleges wishing to renew themselves and the missions of their colleges. A *sampling* of the richness of information contained in the volumes of the JJBE is provided below.

- Porth and McCall (2015) address head on what may be the biggest obstacle to the implementation of a Jesuit inspired business education. They make the case why "shareholder value maximization", the dominant ideology of numerous financial models, is neither an infallible truth nor an economic law. These authors put forward the proposition that economic *contribution to the common good* of the community/society is the greater purpose of business. They approvingly quote John Paul II's encyclical *Centesimus Annus*, who writes: "Profit is a regulator of the life of a business but it is not the only one; other human and moral factors must

also be considered which, in the long term, are at least equally important for the life of a business (CA, #35)."

- Tellis (2011) provides a blueprint for how *service learning* in developing countries, a programmatic staple in many Jesuit universities, can be connected to the Ignatian ideals of "reflection upon experience" leading to purposeful future action. Service learning experiences allow business students to participate in course-based experiences that endeavor to help stakeholders with few resources. Consistent with Kovenbach SJ (2000), such situations when linked to reflection, become 'transformational and spiritual' allowing students to realize their solidarity with vulnerable persons as their hearts are touched by direct contact with the poor and powerless.
- Santos SJ and Facca-Miess (2014) offer the study of *social entrepreneurship organizations* (SEOs) as an alternative to the analysis of traditional for-profit firms; They view SEOs as a mechanism to interject social and ecological concerns into business classroom while still teaching students required managerial skills. Santos and Facca-Miess make a compelling case—consistent with the Jesuit and CST option for the poor—that some of the most interesting case studies can be found in subsistence markets. Indirectly, these authors help answer the question that many business instructors ask about how they might interpose greater social and ethical issues into their business classes while still covering essential disciplinary principles.
- Reilly (2013) takes the current business "megatrend" of *sustainability* (Mittlestaedt et al. 2014) and illustrates how social and ecological concerns can be incorporated into business classes, even by instructors without formal training in environmental science or ethics. Channeling the *stewardship* principle of CST (**Exhibit One**), she advocates a "triple bottom line" approach—i.e., economic, environmental and social impact measurements—as essential outcome analysis for responsible managers. This approach of cultivating personal responsibility for organizational actions recalls the exhortations of Pope Francis in *Laudato Si* (2015): "...there can be no renewal of our relationship with nature without a renewal of humanity itself. There can be no ecology without an adequate anthropology [LS, #118]."

While most of the business disciplines such as accountancy, management, finance, marketing, supply chain etc. require constant updating and refreshing to be relevant, this is the moment to ask 'why not our profession as Jesuit business educators?' (cf. Garanzini, 2006). Jesuit business educators, especially deans and department heads, must ask how they can deliver on the promises of Jesuit business education and continue to be relevant in our dynamic world. Some of the points raised above could easily be material for in-service workshops. In this regard, it might also be helpful for us to consult and leverage some of the existing Jesuit networks, each of which provides an abundance of detailed information, born of the Ignatian tradition. We list some of these network sites below:

- Jesuit Digital Network [<http://www.jesuitdigitalnetwork.org>]
- Jesuit Networking [<http://jesuitnetworking.org>]
- Global Jesuit Case Series [www.gjcs.org]
- International Association of Jesuit Business Schools [<http://www.iajbs.org>]
- Colleagues of Jesuit Business Education [www.cjbe.org]
- Jesuit Commons: Higher Education at the Margins [<http://www.jc-hem.org>]

The overall message here is that a full spectrum of course modules and programs for integrating the mission of Jesuit universities into business classes is “on file” in the JJBE and elsewhere; this trove of information is available and ready for those Jesuit business schools wanting to create a *Magis*—the Ignatian spiritual desire for “More” or “Depth”—in management education. Most obviously, the 2016 Report itself is a clarion call to raise awareness about the severity of global injustice and to advocate that Jesuit business schools help do something about that by transforming their curricula into a distinctive force for the common good. Yes indeed, managerial economic competency remains the primary goal of Jesuit B-schools, but consistent with the above commentaries, heroic ethical leadership, concern for stakeholders, especially the most vulnerable, and a sophisticated understanding of the societal impact of business actions must also be front and center in authentic Jesuit business education.

Summary and Conclusion

The Jesuit Task Force Report “Justice in the Global Economy” brings attention to various forms of societal unfairness that stem from the global marketplace; these include increasing economic inequality, the marginalization of the poor and vulnerable (e.g. indigenous minorities), the growing legions of “working poor”, the degradation of the environment and the capture of the political process by the super-rich. The document asks that all Jesuit organizations and entities, including Jesuit business colleges, to think about how they might better serve as instruments of social justice. The erosion of the common good is too often perpetuated by financial transactions that seem stacked in favor of the rich and powerful. Since the onset of the “Great Recession” financial organizations (numerously bailed out by the government) and the wealthiest 1% of people, have completely recovered or exceeded their previous net worth while the majority of people (who do not control substantial capital and who were not bailed out) have yet to recuperate (Stiglitz 2013). The ‘many’ cry out for justice. Is this the time that Jesuit business schools vow to deliver an education that more directly reflects the Jesuit, Catholic values embodied in CST principles? If not now, *when*?

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Exhibit One: KEY PRINCIPLES OF CATHOLIC SOCIAL TEACHING

Human Dignity—The most basic and fundamental instruction of CST flows from the idea that *all* persons have inherent worth regardless of race, color, or creed. Dignity is not “earned” but rather it is always a given right to be accorded to all persons in all circumstances. This principle is used to argue that “*The economy exists for the person, not the person for the economy*”² and that an excessive focus on profit maximization can be harmful to authentic personal development because rewards and burdens may not be justly distributed. Following this principle, the exploitation of workers in Third-World countries to achieve cost advantage is clearly unethical. Similarly, charging premium credit rates to those least likely to handle their debt load (e.g., pay-day loan stores) seems an unambiguous violation of this principle.

Common Good—This central principle flows partly from the idea that persons typically live in community and therefore social rules should contribute to the mutual benefits of the commonwealth. While CST clearly affirms the right of private property, this teaching provides a foundation for the notion that all persons have the right to secure the basic necessities of life (e.g., food, shelter, available work, as well as access to education and affordable healthcare). Following this principle, a marketing firm should assess the impact of its products on multiple stakeholders. A clear violation of the parameters of the common good would be a product such as cigarettes, which clearly do harm to consumers; often impacting families negatively due to loss of loved ones and also affecting society with increased medical costs. The common good should be a consideration in all *outcomes* assessments.

Subsidiarity—This is one of the most basic articulations of rights and responsibilities inherent in CST. Specifically, “It is an injustice...to assign to a greater or higher association what lesser and subordinate organizations can do”.³ Commentators on this principle also imply that the concept warns about the dangers of over-regulating business activities and, indeed, such an argument can be sustained. However, the same principle is also used in CST to insure that sufficiently powerful parties (including government) weigh in to offset persistently unfair practices in society. Following the subsidiarity principle means that companies would allow marketing departments, product managers, salespeople to make decisions at the lowest feasible level regarding issues relating to treatment of customers and other stakeholders. Similarly, international trade deals should not incapacitate the autonomy of nations to pursue their own economic destiny.

Preference for the Poor and Vulnerable—This teaching recalls the admonitions of Scripture to “Love thy neighbor” and “What you do for the least of my brethren, you do for me.” Here CST argues that the proper end of economic activity is the progress of the entire community, especially the poor. The centrality of the obligation to help the poor is manifest not only in CST, but also in *every* other major religious doctrine – Jewish, Protestant, Islamic, Hindu, and Buddhist. Finance schemes that target the debt-laden or using fear tactics to sell second-rate products to the elderly surely would violate this

principle. Securing market research information over the Internet from unsuspecting children is another clear trespass of this doctrine.

Worker Rights—This theme advances the idea that work is central to human growth and that workers help to continue the wonder of creation. This is the oldest teaching of modern CST dicta dating back to 1891. A more recent affirmation proclaims: “All people have the right to economic initiative, to productive work, to just wages and benefits, to decent working conditions as well as to organize and join unions or other associations”.⁴ These writings grant workers the right to organize in unions and contend that past loyalties by workers always need to be recognized by the firm. This principle suggests that managers have a moral obligation to create trusting, nurturing communities in which employees can improve as persons, even as workers should be motivated to provide a productive work for their employer.

Solidarity—This concept recognizes that all people and social groups are united in a brotherhood that seeks common growth and fulfillment, dependent on one another for the support that we require in community. It provides a framework for the idea that “... economic life should be shaped by moral principles” because all persons both seek and want a fair opportunity to attain betterment in their lives.⁵ This foundational theme of CST is the basis for advocating ethical responsibilities of rich nations to poor as well as the special ethical obligations of multinational businesses operating in developing countries. This means that international marketers should develop products that are economically affordable and appropriate for customers in less affluent markets.

Stewardship—This precept captures the responsibility of every party – including corporations – to contribute to the care of the earth. It is among the newest principles in the evolution of CST. It calls for economic actions always to “respect the integrity and cycles of nature” and to fastidiously avoid environmental exploitation.⁵ It views the physical environment as a common pool of abundant resources not to be exploited for the benefit of only a few or at the expense of future generations. It connects to the “green ethic” and “sustainability” so prominent in current business strategy discussions. Marketers practicing the stewardship principle would likely develop less environmentally harmful versions of their products, never engage in “green-washing” and would create reverse channels for the disposal of their products.

Source: Adapted from Klein & Laczniak (2009)

NOTES

National Conference of Catholic Bishops (1997). “A Catholic framework for economic life”, *U.S. Catholic Conference*

Pius XI (1931), *Quadragesimo Anno*. Vatican City, Italy.

Same as footnote #1

Same as footnote #1

Pontifical Council for Justice and Peace (2005). *Compendium of the Social Doctrine of the Church*, Rome: Italy.