



**Human Sustainability**

**“The Culture of Care towards the Economy of Inclusion”  
Business, Politics and Civil Society working together for the Common Good**

**UNIAPAC’s comments with respect to the Encyclica “Laudato Si”**

**Asunción/Buenos Aires/Cologne/Guayaquil/Milan/México/Montevideo/Santiago de Chile**

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## UNIAPAC Statement with respect to Pope Francis' Encyclical Letter Laudato Si'

### **An integral view of ecology and sustainable development**

The International Union of Christian Business Executives (UNIAPAC) embraces the statement Pope Francis made in his encyclical letter Laudato Si' on the "*care for our common home*". In this document, the Pope addresses two issues: not only the ecological crisis, but also the lack of "*the culture needed to confront this crisis*" (53).

UNIAPAC shares this analysis, especially acknowledging the view that development has to be seen as an integral process. The Pope rightly speaks not only of "*environmental, economic and social ecology*" (138), but also adds a fourth dimension: "cultural ecology" (143). He invites us to "*build leaderships capable of striking out on new paths and meeting the needs of the present with concern for all and without prejudice towards coming generations*" (53).

Life in a globalized, hyper-connected world has not necessarily resulted in the "*globalization of solidarity*". We cannot help but acknowledge that "*as society becomes ever more globalized, this makes us neighbors but does not make us brothers*" (Benedict XVI in Caritas in Veritate #19). This lack of globalized solidarity is precisely the result of the loss of our sense of fraternity and reciprocity relationships based on the principle of gratuitousness. If we do not see each other as brothers, and if we do not apply the principle that what happens to one of us happens to us all, then any development we might bring about will not be integral.

### **Climate as a Common Good**

By defining "*climate as a Common Good*", (23) Pope Francis fully places his letter within the scope of the tradition of the Catholic Social Teaching. While Gadium et spes, the pastoral constitution of the Second Vatican Council, defines the Common Good as "*the sum total of social conditions that allow social groups and their individual members relatively thorough and ready access to their own fulfillment*" (GS 26), we can now say that the Common Good is the "*sum total of the social and environmental conditions*", i.e. conditions that allow each and every one of us to achieve our own fulfillment.

In this perspective, UNIAPAC fully subscribes to "*an integral ecology, which by definition does not exclude human beings and needs to take account of the subjective value of work*" (124). Protecting the environment is imperative if we also wish to protect the dignity of the human person who needs "*relatively thorough and ready access*" to natural resources as a means to achieve their own fulfillment.

### **A preferred option for the poor includes ensuring access to work**

The principle of solidarity and the preferred option for the poor both call for greater attention to be shown to "*the needs of the poor, the weak and the vulnerable*" (52). In that regard, UNIAPAC supports the Pope's call "*to prioritize the goal of access to steady employment for everyone*", and shares the belief that "*helping the poor financially must always be a provisional solution in the face of pressing needs while the broader objective should always be to allow them a dignified life through*

work” (128), and that “*In order to continue to ensure the creation of quality work, it is imperative to promote an economy that favors productive diversity and business creativity*” (129).

As Christian business leaders, we embrace the invitation of the Pope to incorporate a social perspective into every ecological approach, which means taking into account the fundamental rights of the poor and the under-privileged, and the fact that there is always a social mortgage on every private property. Promoting a form of corporate social responsibility that is centered on the person is a very effective way of addressing this challenge within a free and truly competitive market economy.

### **Business as a noble vocation**

UNIAPAC therefore regards the Pope’s words as a source of encouragement when he goes on to say: “*Business is a noble vocation, directed to producing wealth and improving our world. It can be a fruitful source of prosperity for the areas in which it operates, especially if it sees the creation of jobs as an essential part of its service to the Common Good*” (129). While providing truly-needed goods and services to society, an entrepreneur may create new jobs—through the use of innovation, technology, resources and labor—in the most efficient, climate-friendly and innovative way possible. However, with a market economy, an entrepreneur is not obliged to create more jobs than are needed to ensure the production of his goods and services and which can therefore be sustainably guaranteed.

### **Is technical progress the solution?**

With respect to technical progress, *Laudato Si’* takes a balanced position. On the one hand, Pope Francis invites us “*to rejoice in these advances and to be excited by the immense possibilities which they continue to open up before us, for science and technology are wonderful products of a God-given human creativity*” (102). And it is indeed true that technical progress has given rise to a tremendous increase in productivity and progress in terms of civilization. In the past 200 years, it has indeed brought about unprecedented economic growth but also, on the other hand, it has brought numerous challenges for our society. The phenomenon of globalization and technological progress has resulted in many unbalances in the world. Poverty and inequality, the transformation of the labor market and employment, the lack of effective institutions, and the issue of ecology are all serious problems that humanity has to face today. Our societies have to manage the risks and accelerated changes in order to promote social and environmental sustainability and integral human development. As he rightly says “*A technological and economic development which does not leave in its wake a better world and an integrally higher quality of life cannot be considered progress*” (194). It is worth mentioning that globalization, in light of the unprecedented level reached over the past decade, can play a very important role in the dissemination of best practices, helping us to reach those with the greatest needs.

We should re-interpret the notion of human beings as masters of creation. We should consider man to be “*a responsible steward*” (116) with “*sound ethics, a culture and spirituality genuinely capable of setting limits and teaching clear-minded self-restraint*” (105).

### **Economic order**

When the Pope invites us to eliminate “*the structural causes of the dysfunctions of the world economy and to correct models of growth which have proved incapable of ensuring respect for the environment*”, he is calling for “*a circular model of production capable of preserving resources for*

*present and future generations, while limiting as much as possible the use of non-renewable resources, moderating their consumption, maximizing their efficient use, reusing and recycling them”.* (22) This call is very much in line with recent approaches that have already been successfully tried and tested in a good number of countries. It has become apparent that market problems to a large extent stem from the incapacities of human beings, who, in the exercise of their freedom granted by God, should apply or use the market as an instrument to serve the Common Good and not solely for the individual’s own good.

An important call is to make better use of materials through a triple-step process –“1.reduce” (ensure lower consumption and the proper destination of all discarded materials), “2.recycle” (transform the discarded material into usable base materials) and “3.re-use” (transform the recycled base materials into new products) – and this is certainly going in the right direction.

Weaker countries will clearly benefit the most from such corrections made to the models of growth, and an open economy will help them to ensure stable growth. Under these conditions, corruption and crony capitalism are reduced, and the effect of the positive economic developments are directly felt by the poor.

### **Need for growth**

UNIAPAC, however, questions the view that “*the time has come to accept decreased growth in some parts of the world in order to provide resources for other places to experience healthy growth*” (193). Rather, we fear that the practical implementation of this statement may actually produce the opposite effect. A recession in Europe or America will clearly only serve to hamper growth in emerging and developing economies as well. Growth is not a zero-sum game: we can all grow together, and growing together is usually healthier and longer-lasting than a start-stop situation.

However, we do admit that open markets are not a sufficient condition to ensure either an inclusive economy, the fair distribution of wealth or integral human development. In addition, we need to prepare and enable people not only to be consumers, but rather producers and part of a competitive economy. Even though the poor possess great potential by themselves to be economically active, their chances have to be improved by granting them access not only to the labour market, but also to education, health care, financial services, legal protection and physical infrastructure etc. This is another prerequisite for ensuring the fair distribution of wealth.

In this sense, a truly free market may—within a properly regulated framework—actually help to resolve many environmental and social problems rather than cause them. This level of development requires the stability and fairness of the rule of law, reliable institutions including Government, judicial systems, and excellence-seeking education systems that can be accessed by the whole society.

### **Political order**

The rule of law (instead of the rule of the powerful) is surely the only solution. It is not enough to appeal to the individual sense of morality of each business leader. Ethics are both ‘individual’ and ‘institutional’. An individual’s sense of morality can of course make a difference. People always have a choice to act in one way or another. However, the “*structures of sin*” in which individuals operate can make it very difficult for them to adhere to their moral principles, and can gain the upper hand over an individual’s good will. We therefore need ‘ethics’ to be not only rooted in the minds and the

hearts of people, but also in the structures and institutions of society and the State in which people operate.

Civil Society is the mould from which the orientation of both market and government towards the Common Good has to come. Open & inclusive markets and fair competition, as well as the respective rules and regulations, are of course necessary, but they alone are not sufficient. The institutions of the market and the State have to be instilled with a culture that promotes the common good. This culture needs individuals—politicians, business leaders, unionists, journalists, academics etc.—who can carry the ethics of the Common Good into these institutions. Moreover, it needs the willingness of these different groups in society to cooperate and join forces towards this common aim. True democracy needs true and committed democrats.

Business leaders of Christian faith, as well as their business organizations, form part of civil society. And they will have to play a decisive role in shaping the structures of the Common Good by offering their expertise of the financial and economic world to political decision-makers, as well as to civil society including the Church.

### **Broad dialogue**

In order to achieve this, a broad dialogue is necessary. Reflecting this fact in *Laudato Si'*, the Pope addresses not only the Church but “*every person living on this planet*”, and he expresses his desire to “*enter into dialogue with all people about our common home*” (3).

### **Recommendations:**

As businessmen, we are called upon to be truthful and to adopt an attitude as *Servers* rather than *Masters* in our dealings with the world. This human ecology is a “culture of care”, of loving our neighbor as we do ourselves. In the entrepreneurial world, our “neighbors” are our staff and their families, the communities in which we operate, our shareholders, suppliers, distributors and clients, in addition to the surrounding environment, which from a human perspective, is understood to include future generations.

*Laudato Si'* seeks to encourage the creation of the necessary conditions in order for each individual to be able to develop their talents as much as possible and to be able to decide autonomously the most effective and efficient way to achieve this goal, through a participatory process.

The products, services, and the jobs that businesses provide, and the economic and social surplus available to society, are foundational to ensuring that a nation and humanity as a whole can live a dignified and quality life.

## General Comments - Exhibit

### Economic scope

UNIAPAC also embraces the Pope's call "*that only when the economic and social costs of using up shared environmental resources are recognized with transparency and fully borne by those who incur them, not by other peoples or future generations, can those actions be considered ethical*" (195). Thus, it is necessary to internalize external costs, both in business accounting as well as in national statistics.

- In this respect, the Pope's negative judgment on carbon trading credits has to be commented. There is broad international consensus that such a mechanism represents an appropriate instrument for internalizing external costs and for helping to re-equilibrate natural unbalances provided that the credits are used responsibly, only if it is managed in a similar way to those for natural resources.
- Moreover, in light of the Pope's call for integral development including ecological, social, economic and cultural aspects, UNIAPAC recommend to clarify some concepts of the use of plastics. Today, all known materials that might be used to replace plastics in clothing or shoe manufacturing, etc. (be it vegetal fiber or animal skin) demand more natural and energy resources for their production and may therefore be much more expensive, thus affecting the most vulnerable the most.
- We consider that there are individual and collective efforts to attenuate or mitigate behaviours that can be potentially dangerous to the environment: waste recycling, the use of renewable and clean sources of energy, higher energy efficiency, and ensuring the proper care of arable land, etc. There are also new technologies and discoveries, such as genetics, agrochemicals, and practices, such as no-till sowing, which, when used properly, can help enhance food production (especially in isolated locations where almost no food was produced before), thereby providing a dignified way of life while maintaining the land and the environment.
- The economic cycle that started in 2009 with lower interest rates for a long period of time has been easing and facilitating the development and growth of many less developed countries.
- International programs to ensure fair tax and trade tariffs have to be agreed upon to boost the development of less developed countries (i.e.: high food tariffs and taxes that affect the main export and import products of poorer countries).

### Political arena

Thus, it is essential that the legislative process is oriented towards the Common Good and not distorted by lobbyism and the undue influence of special/parochial interests. But even the best laws are worthless if there is no executive capable of enforcing the law regardless of the persons involved. And even if rules and regulations are enforced, independent and efficient judiciary is needed to protect the rule of law.

In *Laudato Si'*, the Pope observes that “*politics and the economy tend to blame each other when it comes to poverty and environmental degradation [...] rather than acknowledging their own mistakes and finding forms of interaction directed to the Common Good*” (198).

What seems necessary here is a ‘culture of political participation’. Even though politics is often regarded as a ‘dirty’ game, who else than committed Christian citizens can help to clean it up? The church should encourage the lay faithful to take keen and active interest in public affairs.

To this end, they should organize themselves into local, national and global associations and educate each another on business ethics, and cooperate with other players to shape a culture of level playing fields and ‘common-good mindedness’. There should be greater discussion on trade barriers that unduly punish and obstruct international trade in foodstuffs and food commodities like in no other productive sector.

The format that definitely contributes to the Common Good is that which is based on competition and respect for the law. The fact that there are so many markets characterised by monopolistic practices, privileges or corruption, does not justify the use of expressions that only serve to generate confusion. Rather, one should be highlighting and endorsing the actions of those who do work to enhance the Common Good, and criticize the sharp individualisation of those that do not.

There are many institutions—laboriously built by man during the last three centuries—that are designed to guide the life and willingness of millions of men and women, who are imperfect, sinners, finite, prone to error and selfish. These efforts and institutions may not by themselves be enough to solve all the evils of society, but it is nonetheless necessary to acknowledge these efforts.

## **Dialog**

In line with this universal perspective, Pope Francis in his letter refers extensively to statements and documents from all parts of the Catholic Church; he makes references to reflections of other Christian denominations like the Orthodox Churches as well as statements made by other religions. Furthermore, he emphasizes the importance of the dialogue between faith and science (201). We fully endorse the need to generate dialog among all the peoples and faiths of the world.