

# THE TIMES Business

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## Economic theory

# The Economy of Communion

*An innovative economic proposal*

*Unlike the consumeristic economy, based on a culture of having, the Economy of Communion (EoC) is based on the culture of giving. This might seem to be difficult, ambitious, heroic, but it is not so because human beings made in the image of God, who is Love, find their*

*fulfilment in loving, in giving. This need is in the deepest recesses of their being: whether they have faith or not. On this basis, supported by our experience, lies the hope of a universal spreading of the Economy of Communion.*

Chiara Lubich, Brazil, May 1991

THE University of Malta will next week be conferring on Chiara Lubich the degree of Doctor of Literature (*honoris causa*). As the founder and president of the Focolare Movement, Lubich has also put forward a proposal for a real anthropological revolution at an economic, social and cultural level.

Last January 29, the University of Piacenza, in Italy, conferred on Lubich another doctorate (*honoris causa*), this time in economy and commerce for her innovative economic theory. Called "The Economy of Communion", this project was originally put forward by Lubich in 1991.

The world of business is often depicted as a diabolic one. With the fall of communism in the late 1980s, capitalistic theories have somewhat gained the upper hand – as if no other economic theory can withstand the test of time. While capitalism has generated wealth, it has done so many times at great human expense.

Can the world of business be redeemed and serve the human being in his/her entirety rather than the other way round? This question may be answered by the proposed EoC theory.

According to capitalism, individualism is one of the fundamental qualities of the business person. In the Economy of Communion, however, the business person is in a mutual relationship with others.

The phenomenon of the globalisation of finance and the economy, while opening up new possibilities on the one hand, creates, on the other hand, an ever-widening gulf between rich and poor. Something has to change.

Lubich launched the Economy of Communion during a visit to Brazil in response to the drama of extreme poverty experienced by people who are deprived of even the most basic human rights.

The main goal of an Economy of Communion business – and this is the innovation – is to generate profits which are shared equally: for capital re-investment, for people in need and for the formation of "new people" capable of bringing about this new economic model.

These objectives constitute an incentive for productivity on the part of the workers who know that they are not working for themselves alone or for the success of the business, but for a social goal which has world-wide dimensions.

The Economy of Communion project has also generated great interest on the theoretical level. Students of economics are researching the universal values achieved in living this experience. More than 40 theses on the Economy of Communion have been written and another 50 are currently being prepared in various universities around the world. Universities in Europe, Australia, and Latin America have organised seminars and congresses in order to study the evolution of this new experience.

There are currently 750 large and small economy of communion businesses which have

adhered to the project. More than 200 of these are in South America and 400 in Europe (248 in Italy, 50 in Germany and some in eastern Europe). There are also several businesses in North America, Asia (mainly in the Philippines), Africa and Australia.

The Economy of Communion immediately attracted attention in eastern Europe. There it gave hope in the face of the unrestrained capitalism which followed the downfall of socialism. In a very short time, the idea spread to all continents.

"Putting the Economy of Communion into practice," says Italian sociologist Tommaso Sordi, "provokes a quantum leap in our awareness, both morally and psychologically. It catapults us from that practice which reduces economic activity to a mere material relationship based on rational egoism – which is as destructive as lack of freedom or of intellectual stimulation – to a growth in humanity through economic activity, liberating energies which are in the innermost being of every person."

"The people who benefit from the profits of the businesses, those who are in need, assume an 'active' role. 'Receiving' takes on the same value as 'giving': the need is a contribution which is offered, in full dignity and fraternity; it acts as a stimulant for a programme which enables two worlds, which have long ignored each other, to come together: the economy and human solidarity."

"From this solution, an undertaking is born to rediscover the radical social dimension of the economy in its effectiveness, to re-awaken a dormant social conscience, and to promote a way of building together a society that is more harmonious, more human."

It is significant to note that the first official recognition of the economy of communion came from eastern Europe and South America. The Catholic University of Lublin, in Poland awarded Lubich an *honoris causa* doctorate in social sciences on June 19, 1996. In April-May 1998, the honorary citizenship of Buenos Aires was conferred on Lubich, along with the award of an *honoris causa* doctorate by the University of Buenos Aires.

In Brazil, she has been nominated for the highest honour of the country: The Order of the Southern Cross.

Through the Economy of Communion, practising Catholics, Christians and followers of other religions have an opportunity to put into practice what they believe without any contradiction. This provides a solution for businessmen who want to live in unity with their brethren and practise solidarity in everyday life.

This particular theory shows that even profit-seeking businessmen, once they put this theory into practice, can also achieve their final prize: the much sought after return on investment Kingdom of Heaven.

## The main elements

The Economy of Communion (EoC) project covers all the essential elements of a sound economic theory and hence can be put into practice. Here are its main elements:

**Business entrepreneurs and employees** – In formulating strategies, objectives and business plans, business administrators keep in mind the typical business criteria necessary for an equitable management and seek to involve the various members of the company in the decision-making process. The human person, not capital, is at the centre of the business and, therefore, the company attempts to make the best use of each employee's talents and to create a climate conducive to personal creativity, participation and the total assumption of duties and responsibilities.

**Relationship with customers, suppliers, and people in the business community** – The business works together with suppliers to provide useful and quality products and services at fair prices. The members of the business deal fairly with their competitors. The business is thus enriched by a "non material" capital built through a relationship of esteem and trust with customers, suppliers, and the business community. Such relationships will set the business on a course which is less at the mercy of the fluctuating state of the market.

**Ethics** – The business pays all the required taxes. It does not indulge in corrupt practices. It has ethical dealings with regulatory bodies and labour unions. It takes every precaution to prevent pollution.

**Quality of life and production** – One of the primary objectives of business entrepreneurs is to transform the business into a close-knit community. The company complies with workplace health and safety practices and is mindful of the health and wellbeing of employees when stipulating hours of work and designating job roles.

**Communication** – In an effort to strengthen business relationships which are useful and productive, Economy of Communion businesses employ all modern means of communication and information technology to be in contact with other EoC businesses at a local and international level. There is a growth in the sharing of capital, loans and technological know-how among businesses in different countries and even in different continents.

**Profits** – To generate profits which are shared equally: for capital re-investment, for people in need, and for the formation of "new people" capable of bringing about this new economic model. This is the most innovative aspect of EoC.