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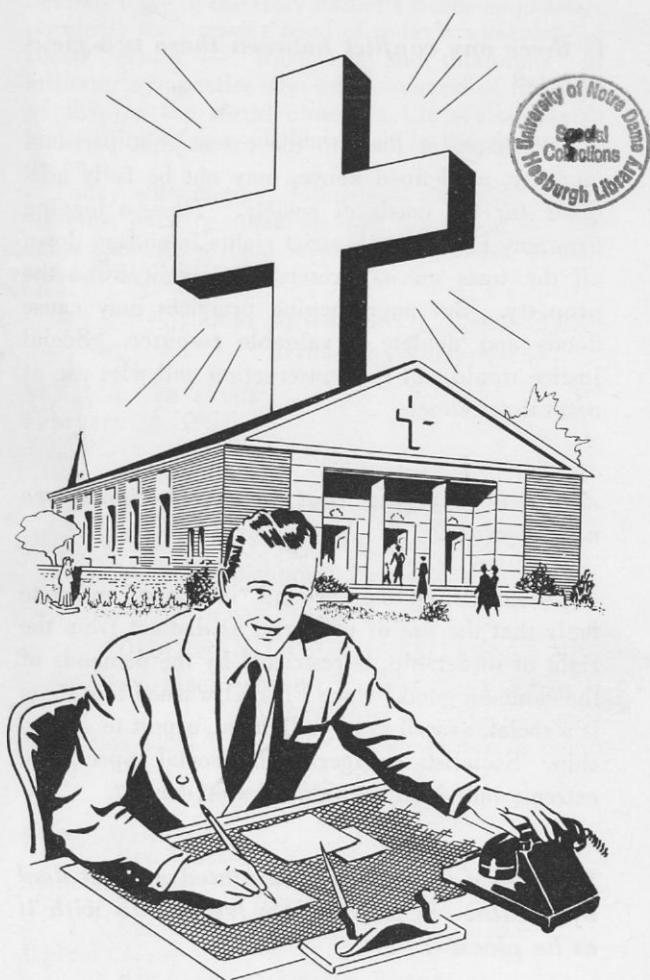
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THE CHURCH

looks at

BUSINESS



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Is there a code of morals for the businessman?

Certainly. The businessman, like every other living soul, is bound to the commandments of the moral law. He must be personally faithful to his religious and moral ideals. In addition, he must consider the social aspect of his actions.

Is there any conflict between these two viewpoints?

Perhaps, at least to the extent that personal morality, as defined above, may not be fully adequate for the needs of society. Thus, a logging firm may be within its strict rights in cutting down all the trees on its preserves, since it owns the property. But poor logging practices may cause floods and deplete a valuable resource. Social justice would call for conservation and wise use of natural resources.

Are you implying that property rights are not absolute?

I am willing to go beyond "implying" and state flatly that the *use* of property, as distinct from the right of ownership, is restricted by the demands of the common good. Pope Pius XI warned that there is a social, as well as an individual, aspect to ownership. Socialists exaggerate this social aspect, and extreme individualists minimize or deny it.

Suppose a man has accumulated a great deal of wealth. Is he morally free to do with it as he pleases?

The age-old teaching of the Church is *No*. Money accumulated beyond the conventional needs of the individual and his family should be considered as trust funds. It should be used to meet the needs of the less fortunate or to provide for worthwhile projects. Investment in enterprises that benefit the community is also a sound outlet for such funds.

This seems to be rather drastic teaching. Is it wrong to seek to be wealthy?

It may indeed be drastic, but how else can one read the Gospels? It is not wrong to seek wealth for a proper motive, such as family security or conferring benefits on the community. It is only the seeking of money for its own sake, beyond all reasonable needs, that merits the title of avarice.

Would the Church, then, accept the capitalist system?

As the term is generally understood here — private property and private enterprise, tempered by social responsibility — capitalism is an acceptable use of human and material resources. The term is defined differently by some Europeans, so that it implies irresponsible exploitation. In this sense, capitalism has been condemned by many European Catholics.

What is a businessman's responsibility toward his customers?

To deal justly with customers, goods and services should be priced fairly and in proportion to their quality. Manufacturers and dealers should not misrepresent their products or take advantage of the ignorance of consumers. Fraud and gross deception are nothing more than theft.

What is management's responsibility toward its stockholders?

To run the business for the long-range interest of the firm and hence of its stockholder-owners. Managing officials should not seek personal gain to the detriment of their trustee relationship to their corporations. On the other hand, our law grants them some independence in judging what the firm's welfare demands. For example, there is no legal or moral objection to deferring dividends in order to strengthen the firm, even though many stockholders do not like it.

What is management's responsibility toward its workers?

This was covered in part in the earlier article. I would like to stress here the duty to pay a living wage. This is defined as a wage sufficient to provide adequate food, clothing, housing, medical care, education, insurance, and the like, for a worker and his family.

Do you know that many high school students, in a poll, thought that business made 10 or 15 per cent or higher on sales? You will agree, I assume, that the real figure is much lower?

I agree, but I think loaded questions like this can explain why business is in the doghouse, so far as many persons are concerned. Percentage profits on sales mean nothing in terms of profits as we ordinarily use the term. A locomotive firm, which builds perhaps one hundred engines a year, might clear 20 per cent on sales and yet get a low return on its investment. A textile firm might make huge profits on its net worth, with only 1 per cent on sales. When we discuss fair profits, we mean the return on investment, not the unit profit per sale.

One final question: are we businessmen in the doghouse, so far as the Church is concerned?

I know why you asked that question. You have in mind the fact that many priests defend labor unions, fight right-to-work laws, and the like. You may also be thinking of the strong denunciation of business abuses by Pope Pius XI twenty-five years ago. But all this does not mean that the Church is opposed to business. Certainly this writer can testify to the high ideals and sound standards of most of the management people he has met. If all of us — labor, management, farmers, professional men, and government officials — could pull together even better, we could go far toward completing the work of social justice.

EPISCOPAL RESIDENCE

Hartford, Connecticut

The observance of Social Action Sunday must emphasize for all Catholics the interest and concern which the Church feels in the many problems which today so sorely vex our society. It must emphasize, too, the obligation resting on all Catholics that, as Catholics, they bring the solution of these problems the saving guidance of the social teachings of the Church.

In the social teachings of the Church we have the desperately sought remedy for many of the world's pressing problems. In these teachings we have a guide which can point the way to rebuild our unhappy world. These teachings are not directed against the rich and the capitalist. They are not insistent on labor's rights and silent on labor's obligations. They do not further class war, or hate, or violence. On the contrary they insist that the foundation of a better society can be laid only when men willingly respect the rights of others, and respect too the duties and obligations they have to God.

However despite the fact that since the days of Pope Leo XIII the Holy Fathers have been urgently encouraging Catholics to take a part in political, economic and social affairs, today the social apostolate of the Church lags in a complacency unworthy of Christians who face the obligation of making Christian a de-Christianized society.

We have so many good Catholics who live lives wholly apart from any concern for the social apostolate of the Church. But God wants us to not only live in the world; He wants us to change it. As Pius XI wrote many years ago:

"The personal apostolate is no longer enough, if indeed it can be maintained that it was ever enough."

What the Holy Father was saying is that the union man in a dishonest union cannot be satisfied with striving for personal honesty. He must strive to change the character of the organization by working with others who share his honesty. He is saying that the professional man who considers fees too high cannot reform the profession by merely lowering his own fees, but he must work in his professional groups to revise the fees. So the girl in the office must not be satisfied only with personal sanctity, but must work at promoting a more wholesome environment in the office. A similar institutional apostolate is demanded of the members of all groups: bankers, industrialists, nurses, realtors, etc.

Some years ago our Holy Father stated:

"I can and do write encyclicals. I can speak over the radio, I can write about social doctrine, but I cannot go into the

