

The Vocation of Business: Social Justice in the Marketplace

John C. Médaille. 2007. New York: Continuum International Publishing Group. ISBN: 978-0-8264-2809-7. \$34.95.

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John Médaille, businessman and academic, has written a very thoughtful book on economics and business. Educators in these fields and concerned citizens alike will benefit from a careful reading of the text. The professed aim of the book is “a reform of business education” (p. xi). This task is important because business, the dominant social institution of our time, is leading us, or has already taken us, to what is, quite frankly, an untenable place. This is the state of affairs we face because economics, the discipline informing business practice, in insisting that it can be a science in the same way physics is, has become “an undisciplined conversation” (p. xii). That is, economics has not only lost its footing in ethics but in all reality, social and ultimate. Elsewhere (cited in Beed and Beed 2006, p. xii), economist Charles M. A. Clark has provided this description of the reigning orthodoxy:

Economics, as an intellectual discipline, had gone from studying the actual economy in order to move it towards normative goals, to studying a hypothetical economy in the hope that it yields insights that will help us promote normative goals, to studying an imaginary economy in order to justify the imaginary economy.

Médaille uncovers the intellectual drift that brought us to this point. He then endeavours to make economics a more disciplined inquiry using the tradition of Catholic social thought (CST). Given what is at stake—nothing less than the continuance of our civilization—this is certainly a study worth undertaking.

The book is separated into four sections. Part I, “The Historical Background,” goes over the history of our thinking since the Enlightenment. The fragmentation of first moral discourse and then economics is traced out. A history of property completes the section. For some, this overview will be too brief, but Médaille shows an excellent command of the material. He explains without oversimplifying and in the end lets those who have made utility triumphant hang themselves with their own analysis. Part II, “The Social Encyclicals,” offers a reading of three encyclicals: *Rerum Novarum* (Leo XIII 1891), *Laborem Exercens* (John Paul II 1981), and *Centisimus Annus* (John Paul II 1991). This gives a good introduction to what CST

teaches. Part III, "Toward an Evolved Capitalism," takes the opposing ideas of the first two sections and holds them in tension. This section is well written but a great deal of redundancy starts to creep in. In fact, this entire section could have been absorbed into Part I since it covers the same ground. This would have strengthened the historical presentation and tightened the whole book. Part IV, "The Practice of Justice in the Modern Business World," presents examples of how CST principles have been implemented. These include Taiwanese land reform, The Grameen Bank, The Mondragón Cooperative Corporation, Reell Precision Manufacturing, and Springfield Remanufacturing Company.

The strength of Médaille's presentation is the courage he exhibits in unflinchingly examining existing social reality. Our social structures are not leading us to a better world and Médaille is not afraid to take note of the alarming symptoms that really should be evident to all. Astronomical debt levels, family and community breakdown, maldistribution of resources, debilitating anxiety, environmental distress, mindless consumerism, and the need for deadly combat are not just signs of economic failure but also, and more significantly, signs of cultural breakdown.

This crisis, centuries in the making, is the result of profound errors in our thinking. The social order founded on these errors will be unstable. Again, Médaille does not pull back from exposing these mistakes. The metaphysical vacuousness of positivism left those in positions of power free to do whatever they wanted. With no restraint on human passions an economy founded four square on the seven deadly sins was created. Everywhere the human person is being pulverized because of this.

Médaille systematically dismantles the premises and conclusions of modernist economics. How can the individual be considered an isolated atom of materiality when what we are comes to us by gift? How can we countenance reduction of our personhood to the level of sheer animality and its pleasure/pain, fight/flight response when our experience is that we contemplate the transcendent purpose of our lives? How could we ever hope that individual perversity could lead to social well-being? How can there be no place for the family unit in economic theory?

Ludwig von Mises' utilitarianism is subjected to a withering critique (p. 169). The author's personal experience of growing up in New York is presented to illustrate how we have manufactured our way into scarcity by losing sight of the proper ends of economic activity (p. 156). The whole Enlightenment idea of a social contract is exposed as pure fiction (p. 205). Corporate concentration of economic resources confers a power that conscripts government (p. 296). A marketing industry that bombards

people with thousands of messages daily urging them to purchase things that will not contribute to their well-being is indicative of the insanity of the system (p. 190).

So things seem grim, and they are. Médaille accesses CST as a prescription for our malady. What truths of this tradition does he recall and what are their importance for clear economic thinking? Summarizing in point form:

- The Christian worldview is theistic. God exists as a Trinity of Persons, Father, Son, and Holy Spirit. In an act of divine love, God created the universe and all the beings in it (p. 30).
- The human person is made in the image of this Triune God (p. 10), possessing an integral wholeness (p. 27). The human *telos* is eternal life with God—i.e., sharing in nothing less than the very life of the Trinity.
- Human beings are social by nature. Human life is always life in community. The first of these communities and the basic social cell of existence is the family. Groups, intermediate between the family and the state, form another level of social existence—i.e., social life is highly textured (p. 142).
- *Justice* is the basic social virtue. It is absolutely required for communal stability to exist.
- The *common good* is the proximate end of every human community or society. That is, the community exists for the full and integral development of every one of its members.
- *Solidarity* links humanity together. Ultimately, all other human beings are owed our respect and concern.
- God has given human beings *dominion* over creation. This is achieved through *work*. Therefore, work is a duty. Work has a transitive (or external) and an intransitive (or internal) dimension. Our work both brings into being things that are good, useful, and beautiful and forms us in the process.
- *Property* is a *natural* but *not an absolute right*. Responsibilities in use attend to its possession and God originally intended creation to serve all of humanity. Ownership is subject to this *universal destination of goods*.
- Capital and labor must be taken together to create wealth but *labor has primacy*. Capital is a means or instrument in the process.
- People are owed a *living wage* from their work. It is only in families that the human race perpetuates itself so families must, at a minimum, have their material needs met.

To say that a tension exists between the assumptions of neoclassical economics and those just given by Catholic social thought is surely an understatement. An unbridgeable chasm exists, at both the ultimate level (one vision is atheistic, the other theistic) and the proximate level (we will pay as little in wages as our power allows us to get away with vs. we will be as generous to our employees as our financial condition allows). The heart of this opposition between the worldviews is *teleological*. To what end should the economy be directed? Médaille provides an answer:

The human person is the measure of all things. Since the human person is the measure of all things, and since the person exists within social structures, the measure of any social structure is how well it serves the human person” (p. 140).

It is possible to have such structures, and Médaille makes that evidence available. Here, though, I think he tends not to draw out the full implications of his analysis. The examples he marshalls, with the exception of the Mondragon Cooperative, are efforts at institutional change or action that adopt only one element or a small part of the total CST package. For example, Springfield Remanufacturing Corporation does extend ownership widely but the “Great Game of Business” they are playing is still to make as much money as possible.

The blind spot here comes about because Médaille, even though he insists on distributive justice (equity) and not just the commutative (or corrective) justice that neo-classical economics uses, leaves out legal justice, the third arm of Aquinas’ treatment of this cardinal virtue. This is critical because it is this form of justice that asks explicitly, what do I owe to the social whole? Organizationally, it is to ask all the questions of practical implementation of CST. It is to commit the enterprise to civic virtue.

This goes to the title of the book. Médaille, perhaps because of his own life in business, holds business in high esteem, as he rightly should. It is a noble calling. In the end the advice he dispenses is that each person engaged in commerce should try to brighten his or her corner of the business world. Your vocation is to perform the tasks that only you can do. But, really, will this be enough? If the present system is “just a pointless and unstable accumulation of things that have no meaning” (p. 170) then won’t the changes have to be more fundamental? If a “ponzi-scheme of consumer credit” (p. xii) is propping up the regime, then collapse is not just a possibility but a certainty. Christopher Dawson’s assessment provided in a quotation (p. 317) is more on the mark: our culture is dying because we have forgotten God. A true Christian social order, should we come to

possess the grace to construct it, would bear little resemblance to what we have built.

The book would be a good supplemental text in any number of courses—e.g., business and society, history of economics, principles of management. John Médaille has done a rare thing in this genre. He has communicated wisdom.

References

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