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## **The Business of Giving**

EoC firms demonstrate how business professionals can play a significant role in human development and collective growth, all in a spirit of universal brotherhood.

BY VITTORIO PELLIGRA

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DURING THESE YEARS OF ECONOMIC crisis and widespread uncertainty due to ongoing military conflicts, old and new types of poverty, and financial scandals—think Enron, WorldCom and Martha Stewart—we fervently need to rediscover the purpose of an economy. When the creation of wealth goes from being a means to an end in itself, there are obvious symptoms that the traditional model of economic development is in serious decay.

We need to ask in-depth questions about the roots, logic and prospects of our global economy, which is completely capable of producing enough wealth to potentially solve the entire world's material problems, while at the same time is totally unable to fairly and justly distribute that wealth. Two thirds of humanity find themselves caught in the trap of poverty, with any hopes for freedom thwarted and extinguished. This has led to the paradoxical point that in some parts of the world people are dying for lack of food while in other parts people are dying of diseases caused by having too much.

Faced with such a bleak picture, it's easy to see why Thomas Carlyle defined economics as a "dismal science" back in 1849. And perhaps Oscar Wilde was right when he labeled economists as those who know the price of everything but the value of nothing!

### **Smiles for a Dismal Science**

It was quite surprising, then, to hear a renowned economist congratulate his colleagues on their smiles during a recent international conference. These were not artificial or "business" smiles, but those that rise from the heart to express true happiness and joy. Another participant remarked how the gift of a smile can forge relationships. Quite the contrary to "dismal science"!

This was a unique gathering sponsored by Focolare, "New Horizons for the Economy of Communion," held September 10–12 in Castelgandolfo, Italy. Six hundred and fifty economists, academics and business people from thirty different countries attended.

Readers of this publication will already be familiar with the "Economy of Communion in Freedom" project (EoC). Living City has covered its numerous developments, including many experiences of those companies or individuals that uphold EoC ideals. But just to refresh your memory, the EoC grew from an inspiration of Chiara Lubich back in 1991 during a trip to Brazil. There she challenged the Focolare community to create companies whose profits could be shared in part with those in need and used in part to fund infrastructures and training programs that spread a culture of solidarity and generosity, even in economics.

The past 13 years since have seen close to 800 companies the world over join in this grand effort and offer concrete help to more than 10,000 destitute people every year. Moreover, the innovative concept of the EoC has become the subject of hundreds of graduate and doctoral theses, conferences, public presentations, and official recognition, including two honorary doctorates that were awarded to Chiara Lubich herself.

Along with the exponential growth of this project and its diffusion into the economic and political spheres came a growing awareness among well-known economists of the EoC's cultural and theoretical underpinnings. A new economic model was developing that granted a central role to relationships, an area often overlooked.

### **Prospects and horizons**

It was precisely these new horizons in the EoC that people came to discuss during the three-day conference at Castelgandolfo. Since companies that participate in EoC operate in the marketplace without being entirely bound by its mindset, they represent a major challenge to the prevalent view held in the field of economics. In short, they take full advantage of the market system in order to achieve the optimal usage of available resources, but they choose to direct the fruits of their activity to aid the less fortunate. As a result they manage to overcome the problems of redistribution through generosity and freely giving.

This giving, however, should not be confused with philanthropy. On the contrary, it concerns something much deeper and profound. It is actually reciprocal giving. For just as business people offer their monetary profits to the poor, the poor also offer their needs to the business people. It is a reciprocal gift, then, that creates a strong bond, a communion that elevates those who receive instead of degrading them. This occurs to such a degree that in the great majority of cases, those who have received financial help from the EoC soon become self-sufficient enough to in turn become givers themselves.

This kind of giving not only satisfies the needs of those in difficulty but also the human heart's need to find greater meaning within economic activity and financial gain. This logic leads to a spirit of brotherhood that today, thanks to the work of Chiara Lubich, has once again assumed its rightful place in the minds and actions of Focolare communities in both economic and political spheres.

The EoC has stimulated much economic research and has come into contact with a number of other initiatives throughout the world that are strikingly similar. For example, in India there are initiatives to achieve an economy based on Gandhian ideals. In Holland and Canada, people are at work to reach an economy of sharing that provides basic necessities for all. Finally, in the Philippines, a financial system has been created that is accessible to the poor through the use of micro credit.

### **Firms and business parks**

This year's EoC conference provided a "state-of-the-union" update for those attending. Topics included the hundreds of EoC-related theses being debated today in Italy and elsewhere, the acquisition and distribution of profits on an international level, and the creation of training programs for entrepreneurs and business leaders. As Professor Luigino Bruno pointed out, the distribution of profits is only the beginning.

“A company’s participation in the EoC model, in fact, significantly modifies its *modus operandi*, company rules and relationships among workers,” explained Alberto Ferrucci, a member of the EoC central committee. “It essentially delineates a ‘company of communion,’ in which every aspect, from the actual work performed to the company’s balance sheet, from the designation of profits to the company’s commercial ties—including its business ethic and institutional ties, workers’ health and the company’s environmental and societal impact—are all marked by the concept of communion.”

These traits are not unheard of at firms today, even those that fall within the traditional business view. The difference, of course, is that these aspects are usually regarded as instrumental to the overall goal of earning profits. “In EoC companies,” Ferrucci added, “all these aspects of a company’s activity take on equal importance, while the primary goal for a company becomes not merely earning profits, but attaining something more lofty,” added Ferrucci.

In this view, the fundamental role of work is radically altered. “To make every hour of work a masterpiece of precision, order and harmony,” suggested Chiara Lubich in her address to the conference, “to use one’s own talents not only for financial gain, but to transform through love everything our hands touch.”

One of the most modern and unique aspects of the EoC system is its view of the relationship between companies. In fact, EoC businesses organize themselves in groups to form so-called industrial parks. These already exist in Brazil and Argentina, with one near Florence, Italy, in the development process. These industrial parks, explains Portuguese development economist Filipe Coehlo, have come about from a spirit of brotherhood in the vicinity of the Focolare’s little cities, in order to profit from the cultural and social synergies. As companies group together in a central location, they become a clearly visible sign of their new economic model and give more energy and momentum to the entire EoC project, Coehlo says.

In addition, these business parks are a point of reference for all EoC companies within a country or region. “It is crucial,” Chiara Lubich explained, “that business entrepreneurs and leaders become interconnected to advise each other in times of difficulty, sympathize with and help each other financially and share creative ideas.”

### **Which development? Which poverty?**

The Holy Grail of modern economics is finding a recipe for economic development. Governments have always been more focused on growth as their overarching goal and on everything else that accompanies it—consumption, low inflation, freeing markets (or protecting them, as the case may be) and so on. After decades of pursuing growth, only now are we starting to question ourselves about what this growth implies and what development model it sustains.

What impact could the EoC have on this situation? What idea of development emerges from this concept of communion? Christina Calvo, an Argentinian economist who has been involved for years in working to reweave the social fabric of her country, recently torn again by crisis, is convinced that the EoC has the potential for laying the foundation of “a new paradigm of joint development that pays particular attention to the challenge of interdependence and the interconnection of cultures among nations.” She advocates a type of development that is inclusive, meaning it comprises all the social conditions that allow for the full realization of human beings and society. Her aim, then, is for a development that is not merely quantitative, but rather qualitative in nature.

EoC reinforces the emphasis placed on the role of international solidarity while upholding the idea that it is necessary to return to the principle of fraternity, since solidarity is insufficient in and of itself to bring about a new paradigm of development. “It is one thing to be in solidarity with someone else,” explains Calvo, “but it is another to consider them your brother or sister. Communion, or true sharing, restores dignity to the other person and creates a society wherein all are equal players contributing together to major decisions.”

Seeing how interdependent people are in the world today, it is easy to understand how often economic growth and an increase in wealth in some countries may result in having a negative impact on the possibility for development somewhere else. The fight against poverty becomes then an issue that affects us all, whether we are workers or consumers. There is in fact, as Bruni states, “a poverty that must be eradicated—namely, the grinding misery of inhuman and unjust living conditions.” Yet, there is also a second type of poverty: “Poverty, freely chosen, becomes the basis for defeating the first. It is based on the conviction that everything I possess has been entrusted to me to be shared with others. In this way, possessions can become bridges.”

And here we do not speak merely in economic terms. The concept of “communion” sheds light on and renews other sectors of human activity as well, such as caring for the environment, politics, international relations and urban planning. The relationship among these various disciplines and activities contributes to the creation of a culture and economy of greater dimensions, in which the human person is no longer divided into his or her multiple facets, but rather integrated and made whole once again.

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Vittorio Pelligra is professor of economics at the University of Cagliari, Italy.