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# Integral Subsidiarity and Economy of Communion: Two Challenges from Caritas in Veritate

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Subsidiarity is not always understood in its full meaning. The recent encyclical by Benedict XVI, *Caritas in Veritate* (CV), provides an important contribution for understanding the integral meaning of this principle in the context of human development. Subsidiarity is the respect for freedom and aid received in order to allow development, but it is also a call to responsibility, commitment, involvement, and surrender one's self-potential and become a help to others. This idea can guide both development aid and corporate social responsibility in business.

Following this line of reasoning, and as a model of subsidiarity, one of the most novel proposals of the CV document is the model of the economy of communion (EC). This concerns readily operating businesses geared toward benefit and assigning great importance to giving, gratuity, communion, and subsidiarity. These models can be a source of inspiration for achieving the desired objective of humanizing business activity. Their intellectual basis and some of their limitations are examined below.

## Introduction

In June 2009, Benedict XVI signed his first social encyclical, *Caritas in Veritate* (Charity in Truth),<sup>1</sup> dedicated to integral human development in the context of globalization. Since then, many commentaries have been published on various aspects of this encyclical.<sup>2</sup> Among the challenges proposed to the world of economics by the encyclical, the perspective offered by the renewed explanation of the subsidiarity principle has not received much attention. This principle, just as it is addressed in the pontifical document, is connected to important issues that are

conveniently highlighted: the logic of giving and gratuity, the call to concern for the common good, and even the promoting of a different way of doing business that already exists in the present time.

Indeed, the renewed explanation of subsidiarity is connected to the reference that the encyclical makes to the experience of the economy of communion. This business model exemplifies how it is possible to apply the logic of giving, subsidiarity, and the concern for the common good to the business world.

In this article, we shall first present the understanding of subsidiarity in the encyclical *Caritas in Veritate* (hereafter CV), which can guide both the plans of development aid as well as corporate social responsibility in business. To that end, we shall first briefly look back at some fundamental theological ideas to understand the principle just as it is presented in CV. Second, we shall explain the reference that CV makes to businesses of the economy of communion, as a practical example of the exercise of business activity framed in Christian values, among them subsidiarity.

## The Subsidiarity Principle

Subsidiarity is probably the most famous of the principles of the social doctrine of the Church (henceforth SDC). This is so for several reasons, among which is its adoption by the European Union (then the European Community) as a general clause of the important Maastricht Treaty (1992). When it came time to design the relationship among the member countries and the government of the European Union, the subsidiarity principle was considered a means to regulate the division of competences between each member and the Union.

This vision was influenced by the first formulation of the subsidiarity principle back in 1931. Pope Pius XI then tried to defend the freedom of the people and of intermediate groups in a context clearly framed by interventionism by totalitarian states. On that occasion, he formulated subsidiarity as a "fixed and unshaken" principle in these terms:

Just as it is gravely wrong to take from individuals what they can accomplish by their own initiative and industry and give it to the community, so also it is an injustice and at the same time a grave evil and disturbance of right order to assign to a greater and higher association what lesser and subordinate organizations can do. For every social activity ought of its very nature to furnish help to the members of the body social, and never destroy and absorb them.<sup>3</sup>

Years later, in 1991, John Paul II simplified that formulation in the encyclical *Centesimus Annus*, concerning democracy and capitalism: "A community of a higher order should not interfere in the internal life of a community of a lower order, depriving the latter of its functions, but rather should support it in case of need and help to coordinate its activity with the activities of the rest of society, always with a view to the common good."

This is how this principle is commonly known in the economic world. However, subsidiarity has a richer theological background that can only be captured using a collective vision of the related SDC. Naturally, it is not possible for us to look at this point now. However, to understand the meaning of the contribution of CV when it proposes subsidiarity in the context of the economic development of countries, it is sufficient to succinctly highlight some ideas of the theological substrate of this principle.

# The Theological Background of the Subsidiarity Principle: The Legacy of Saint Thomas Aquinas

When the European Union adopted the subsidiarity principle, a series of works appeared that probed the roots of the principle.<sup>5</sup> Aside from determining that this principle owes its formulation to the SDC, it was highlighted that the ideas that are at the base of the principle are of various origins, not all from the Catholic Church.<sup>6</sup> However, it can be established that there has been consensus in making Saint Thomas Aquinas, a recipient of the legacy of Aristotle, the principal reference in the genesis of the theological aspect of the principle.<sup>7</sup>

To Aquinas, the person, as the image of God, holds a special place in society. The political community is at the service of the ends of the person, of the person's perfecting, because the person cannot do this by himself. Therefore, political power "is ordered either to the attainment, or the increase, or the preservation of the perfection of the things governed." To that effect, authority "corrects what is out of order and supplies what is lacking, and if any of them can be done better [authority] tries to do ...," what is understood on the basis of the determination of those who are governed to achieve their means. If Aristotle thought that the part was subordinate to the whole of the city, Aquinas recognizes that the individual man is effectively part of the perfect community or civil society and, as such, he is subordinate to it as the part is subordinate to the whole but notes that "man is not ordained to the body politic, according to all that he is and has." There are certain aspects that are not subordinate to the collective good, and the individual has autonomy over them. The person cannot be totally absorbed by the political community.

Based on these texts, those who lean toward the thinking of Thomas Aquinas today consider that it was the Dominican theologian who designated a person's dignity and freedom as the basis of what later would become the subsidiarity principle.<sup>12</sup>

The texts of Aquinas that are usually cited to explain how he set the basis for subsidiarity are found in the context of the treatise on divine providence. <sup>13</sup> This is because Aquinas conceived of the government of human affairs (e.g., family, city, and kingdom) in comparison and resemblance to the way that God governs the universe. <sup>14</sup> It is from that perspective that the logic implicit in subsidiarity can be best understood.

God, explains Aquinas, has not wanted to do everything for himself; though being perfectly able to do it, he wanted every agent to do his own part. <sup>15</sup> As far as the human being is concerned, God has wanted to make him in his image and likeness, giving him freedom and linking him in a special way to the government of the universe, to the point that the perfection of divine providence requires that man participate in divine government. <sup>16</sup>

To this effect, it is very important that man carries out his own potential, which demands that he keeps and exercises his freedom. As Aquinas says: "It would be incompatible with providence for that whereby a thing attains the divine likeness to be taken away from it.... Providence tends to multiply goods among the things that are governed. So, that whereby many goods are removed from things does not pertain to providence. But, if freedom of will were taken away, many goods would be removed."<sup>17</sup>

Henceforth, in Thomas Aquinas' idea of divine government, there is a harmonic articulation of the following elements: On one hand, the design of the divine government of creation foresees the intervention of *mediations*, <sup>18</sup> and, on the other hand, it is crucial that man, just as the angelic creature, is called to participate in that government, putting his abilities to work in the exercise of his freedom.

Regarding the first aspect, there is still a complementary element to add. Under the influence of Dionysius the Areopagite, Thomas Aquinas assumes what can be called the *law of mediation*: By the will of God, the divine good is conveyed to inferior beings by superior ones, and inferior beings are redirected to their beginning by superior ones. <sup>19</sup> This law reflects, in the midst of divine government, a dynamic of intermediations and cooperation with each other that must not be glossed over if the roots of subsidiarity are to be understood.

This design follows the goodness of God and corresponds to the principle of perfection: The argument for perfection is found as much in the intensity or plenitude of the perfection that is possessed, as well as in the dissemination

of such perfection to others.<sup>20</sup> That is why Aquinas states that "it is a greater perfection for a thing to be good in itself and also the cause of goodness in others, than only to be good in itself. Therefore God so governs things that He makes some of them to be causes of others in government; as a master, who not only imparts knowledge to his pupils, but gives also the faculty of teaching others."<sup>21</sup>

Therefore, divine government implies the receiving of aid that contributes to self-perfection as well as the free flow of correspondence in the exercise of one's abilities, with the goal of helping others. Indeed, it is not incidental that the person puts his own abilities to work. The logic of subsidiarity also implies receiving, reciprocating the help received, and, furthermore, transmitting self-benefit to others, such as the teacher who mentors students, who, in turn, teach others using their own talents and the aid received. The logic of subsidiarity presupposes the logic of giving, and it is a reflection of the way God governs the world. With this perspective, we then see the proposal of *Caritas in Veritate*.

# The Proposal of Subsidiarity of the Encyclical Caritas in Veritate

In CV, the theme of development in light of charity and truth, as well as the logic of giving, has allowed the demonstration of certain aspects of the substance of the subsidiarity principle, which can enrich the notion one holds of this principle and guide its correct application in the economic world.

Even though the government of globalization has been the aspect of subsidiarity most commented on, this is not the main message as far as subsidiarity is concerned. The peculiarity of this encyclical lies in the fact that it manages to capture the substance of subsidiarity in a more complete fashion, more explicitly, underlining the help that is needed as well as the adequate response of the recipient of that help.

CV tackles the needs of developing countries from a perspective that highlights, above all, the response of the countries to the help that they undoubtedly need. Those countries not only need external help of various types but also internal help to truly achieve their development as CV states: "the international community [is to] take up the duty of helping them to be 'artisans of their own destiny,' that is, to take up duties of their own" (CV, 43).

This vision implies planning development for marginal countries, where "it is very important to move ahead with projects based on subsidiarity, suitably planned and managed" (CV, 47). The key to these projects is, for Benedict XVI,

that they simultaneously seek to promote the rights of those countries and to foresee in every case that

- 1. the "corresponding responsibilities" are also assumed,
- 2. the centrality of the person is respected because it is the person who is "the subject primarily responsible for development,"
- 3. the improvement of living conditions is pursued "thus enabling them [those countries] to carry out those duties which their poverty does not presently allow them to fulfill,"
- 4. the design of help is aware that "the people that benefit from help must be directly involved in its planning and become protagonists of its implementation,"
- 5. to be successful, "there is need for the active mobilization of all the subjects of civil society, both juridical and physical persons" (CV, 47).

Along with these five points that underline commitment and responsibility, the guidelines (that, by the nature of the SDC, must never be technical solutions that the Magisterium does not have to explain and that can compromise the validity of the SDC) must be highlighted so that international development aid is not wasted by feeding a fruitless state of dependence: "[Economic aid] must be distributed with the involvement not only of the governments of receiving countries, but also local economic agents and the bearers of culture within civil society, including local Churches. Aid programmes must increasingly acquire the characteristics of participation and completion from the grass roots" (CV, 58). That is to say, use of the guidelines must be capable of eliciting the appropriate response from all the levels involved.

As can be seen, the encyclical refers to subsidiarity in the context of the development of countries. However, the core of subsidiarity (the help and the response) could be applied on a different scale and in different fields. For example, it can be applied to business organization,<sup>22</sup> or it can be applied to education (it is parents who must educate their children, even though they may need the support of other organizations; at the same time, parents must not educate their children in such a way that they substitute or neutralize the responsibility of the children toward this help).

Following this line of thinking, the passage that best shows the background of the subsidiarity principle is number 57, which I will cite more extensively, due to its importance. After saying that the principle of subsidiarity is "a particular manifestation of charity and ... an expression of inalienable human freedom" the pontiff illustrates the content of the principle:

Subsidiarity is first and foremost a form of assistance to the human person via the autonomy of intermediate bodies. Such assistance is offered when individuals or groups are unable to accomplish something on their own, and it is always designed to achieve their emancipation, because it fosters freedom and participation through assumption of responsibility. Subsidiarity respects personal dignity by recognizing in the person a subject who is always capable of giving something to others. By considering reciprocity as the heart of what it is to be a human being, subsidiarity is the most effective antidote against any form of all-encompassing welfare state.

First, there is the type of help that is always oriented toward the person as author, focus, and end of socioeconomic life, through the intermediary of the body. This help starts from the determination that the individual is not always successful in the development of his capabilities. He cannot always be self-sufficient, even when he has the help of others, or even if the individual constitutes a single "social subject" such as a family. At the same time, the help is not driven by the desire to dominate but rather by love that seeks the good of others, allowing them to unfold the truth of their freedom. That is why the "emancipating end" is emphasized and therefore favors the development of freedom and the involvement always coupled with the rise of the responsibility of surrendering individual talents.<sup>23</sup> Without a doubt, as it is seen, the core of the subsidiarity principle points to the unfolding of the capabilities of the person.

Second, and keeping in mind the framework in which Aguinas explained the ideas that have inspired the subsidiarity principle, the reading of this passage highlights something else. It is true that subsidiarity implies the autonomy of the intermediate bodies and underlines freedom with its corresponding responsibility, but it is more than this. The help received—as it happened with the explanation of the way in which God governs the world—seeks not only the development or perfection of the individual helped but at the same time that such a person also becomes an instrument of improvement for others. In other words, on one hand, it seeks to favor freedom and the possibility of achieving an individual's capabilities for work and to take on responsibilities, and, on the other hand, it seeks to convert the person who receives the help into someone who in turn is "always capable of giving something to others." That is why it is said that subsidiarity always implies reciprocity, responding with commitment, involvement, and the responsibility to yield. With that essential help, an individual's capabilities are now awakened to give because he who receives the help and responds adequately is in turn someone who can help others.

As can be seen, the focus and the logic of giving (CV, 34), one of the encyclical's strong points, allow the manifestation of this deeper aspect of subsidiarity

that is nothing more than a consequence of freedom taken seriously and understood well.

However, to exhibit subsidiarity from the perspective of charity in truth, as the encyclical does, is to see better that subsidiarity implies the gift received and given, and therefore constitutes "a particular manifestation of charity" (CV, 57). While helping personal development, inviting at the same time a response and commitment to seek perfection and become someone who can help others, the individual is living the *charity* that, at the same time, affirms the *truth* of the person receiving the aid. Subsidiarity understood this way reflects the providence of God, who lovingly cares for the creatures' respecting and promoting his truth. As in the divine project, aid *requires* a response for individual improvement; so also does overall human development, which is a vocation. Aid is undoubtedly needed from those who are in the condition to give it in addition to the reciprocity of the subsided community.

### **Subsidiarity and Corporate Social Responsibility**

Without ceasing to emphasize necessary aid, this vision of subsidiarity highlights two important types of desire: First, the desire to do what one can do (reciprocity, involvement) in the exercise of responsible freedom and, second, the desire to be of help so that others may develop.

In the business field, well-conceived corporate social responsibility (CSR) initiatives can be seen as subsidiarity applied by the business. While carrying out its business activity, which is already a service to society, the business also understands that it is its responsibility to serve society (according to its possibilities and reach) with other initiatives aimed at the common good and frequently related to its activity, for example, when a power company decides to extend its power grid to populated areas that are difficult to access even though it may not be profitable. As Benedict XVI says,

There is nevertheless a growing conviction that business management cannot concern itself only with the interests of the proprietors, but must also assume responsibility for all the other stakeholders who contribute to the life of the business.... Many far-sighted managers today are becoming increasingly aware of the profound links between their enterprise and the territory or territories in which it operates. (CV, 40)

In one sense, a business could refuse to do anything, considering that those initiatives must be carried out by the state. Subsidiarity, however, calls one to carry out what one can do. The progressive extension of CSR expresses in a certain measure the understanding that the capabilities of the business constitute

a call to fully surrender them. In addition, globalization has sharpened the awareness of being a part of a common project, thus highlighting the importance of achieving a goal that benefits both the business as well as everyone else. That is why CV also highlights the concept of the common good as the framework of business activity (CV, 7 and 36).

Corporate social responsibility can also reflect the concern for the common good above that of the business, be it in the context of the corresponding community or in a greater context. For example, great businesses occasionally create foundations that oversee broader-reaching projects that are frequently carried out in developing countries in collaboration with specialized organizations.<sup>24</sup> In similar cases, it is worth analyzing those projects from the perspective of subsidiarity. It is worthwhile to try to help and at the same time to involve the institutions and the recipients of the aid.

When this concern is rooted and embedded in the culture of the business and thus acquires a notable value that greatly surpasses the mere concern for the image of the business—when CSR, thus understood, also turns into motivation—we can then find ourselves before the phenomenon described in CV, 46:

In recent decades a broad intermediate area has emerged between the two types of enterprise [profit and non-profit]. It is made up of traditional companies which nonetheless subscribe to social aid agreements in support of underdeveloped countries, charitable foundations associated with individual companies, groups of companies oriented towards social welfare, and the diversified world of the so-called "civil economy" and the "economy of communion." This is not merely a matter of a "third sector," but of a broad new composite reality embracing the private and public spheres, one which does not exclude profit, but instead considers it a means for achieving human and social ends.

Following the logic of subsidiarity, it makes sense that a business that takes this principle seriously and becomes involved in the common good can have, in the same way, the support of superior structures. That is why CV calls us to study the possibility of promoting and reinforcing these business attitudes with adequate incentives: "It is to be hoped that these new kinds of enterprise will succeed in finding a suitable juridical and fiscal structure in every country" (CV, 46).

In the context of CSR, and keeping in mind the deeper understanding of the subsidiarity principle, let us now examine that business phenomenon of Christian inspiration known as economy of communion companies, which the encyclical mentions.

As shall be seen, the profile of these businesses serves as an example of a deep understanding of the subsidiarity principle and, at the same time, gives

an account of numerous statements in *Caritas in Veritate* in relationship to the importance of the logic of giving and the concern of the common good of society in the exercise of one's economic activity.

## **Economy of Communion Businesses**

To understand economy of communion businesses, it is necessary to refer to the Focolare Movement, founded by Chiara Lubich. This movement, which is a part of the Catholic Church, is based on the conviction that, being children of the same Father, men are called to reflect unity in fraternity. As the image and likeness of God, man is inclined to "love more than possess, because he is called to love mankind" and, therefore, to give to others. In the development of a person, the different forms of giving play a fundamental role in answering that call to love that every person has received and feels in his heart. 25 When that love (charity, in the Christian sense; benevolence, in a broader context, understood as wanting and seeking the good of others) becomes reciprocal, then, says Lubich, "solidarity thus flourishes." 26

The promotion of the "culture of giving" follows from this fundamental idea that in the Focolare Movement is lived out through sharing (communion) goods and carrying out certain social relief work. As can be seen, the idea of giving is fundamental to the understanding of the project.

In a trip to Brazil in 1991, Lubich was shocked by the contrast between the extreme poverty of many and the great wealth of the few. It was there, in a meeting with members of the Focolare Movement, that she launched the idea of carrying out economic initiatives that would allow the resolution of situations of extreme poverty because the sharing of goods that already existed in the movement was not sufficient at all. It was necessary to create profitable businesses, whose profits could be used to resolve these problems.

It is in this way that EC businesses were born. Some were created, and others, already in existence, joined the project and thus changed their management style. Currently, the EC consists of a network of approximately eight hundred businesses on five continents, constituting in some cases industrial centers of attraction, cooperatives, and other business models. They are small and medium businesses involved in different sectors of activity, including the banking sector, such as the Kabayan agricultural bank in the Philippines, which has become the third largest bank of its kind in that country in terms of deposit volume.

Standing before the phenomenon of the EC, it is important to emphasize that the purpose of these businesses is not to dedicate themselves to a charity cause, although they may certainly carry them out. Rather, their purpose is to contrib-

ute to humanizing the economy. This is accomplished by bringing together the exercise of just business activity that is guided to profit with a concern for the common good of the society that they are a part of, thus providing an integral service to society. This includes a complete spiritual and material vision of the person: "It is proposed as a *raison d'etre* to make business activity a meeting place in the deepest sense of the word, a place of 'communion': communion between those that have the goods and economic opportunities and those that do not have them; communion between all the individuals involved in different ways in business activity."<sup>27</sup>

In economic terms, the challenge that communion-economy businesses have undertaken is to show that it is possible—and up to this moment they have successfully done so—to integrate both market and gift, both competition and reciprocity, both efficiency and love; in other words, the generalized idea that those categories are diametrically opposed is not dogma.<sup>28</sup> In this sense, it has been said that these businesses are revolutionary because, on one hand, they have changed the method of generating wealth (guided by the perspective of communion) and, on the other hand, they are concerned with redistribution. Until recently, it was understood that the market produced wealth, and it was the job of the state to redistribute it.<sup>29</sup>

In greater detail, EC involves businesses deliberately oriented toward benefit in the framework of a threefold commitment. In the words of the founder of EC, these businesses commit that they will (1) "set aside part of their profits to directly address the most urgent needs of people living in fringe economic situations"; (2) "promote among themselves and consumers, providers, competitors, local and international communities, public administration, and so on, relationships of reciprocal openness and trust, always seeking the common good"; and (3) "live and disseminate a culture of *giving*, *peace*, and *lawfulness* and respect for the environment within and outside of the business."<sup>30</sup>

It is characteristic of EC businesses to have a threefold destination for their profits: (1) one part dedicated to develop the business itself, (2) another to provide the mentioned help to needy people, and (3) yet another "to develop structures to shape men and women driven in their lives by the 'culture of giving,"<sup>31</sup> in other words, dedicated to activities for passing on and developing the values of the EC in the world.

The weight that subsidiarity has in this project is twofold. First, every business tries to carry out that which is within reach without stopping to think that it is other people or institutions that should take care of the problems that trouble society. Second, the help given to those who need it is guided by the idea that the person receiving the help is not a beneficiary but rather someone who is also

a participant in the project and who is at the same time called to make his own contribution. That is why it is part of foundational planning to attempt to recover and integrate needy individuals, frequently marginalized, to the project itself by giving them, if possible, work in the business and even creating new productive activities in which to involve them, thus, always seeking to contribute as they are able. From there, in the words of the founder, it is frequently seen that those who receive help also "live out the culture of giving. Many of them renounce the help they receive as soon as they achieve minimal economic independence. Other people share the little that they have with those who have a greater need." \*\*33

Following this line of reasoning, the relationships among the people involved in these types of companies (shareholders, chief executives, workers, and other *stakeholders*) must have something special. To see it, one has to look at the aforementioned culture of giving.

What characterizes the culture of giving as belonging to EC businesses is the concept of *gratuity*. For the EC, gratuity is not simply free but "goes beyond a reasonable expectation of restitution or reciprocity." Gratuity is related to grace (the Greek *charis*) and with love (*agape* that was translated into Latin as *charity*). Gratuity is an act of giving that is not only a gift to the person who receives the gratuity but also to the one carrying it out because it transforms that person on the inside. Gratuity lived out in these businesses is strongly related to the idea of communion and can be translated as trust. In professional relationships, EC businesses, driven by that idea of unity and fraternity, try to transmit their confidence to other *stakeholders by* helping competitors who are facing trouble, hy making interest-free loans, by hiring personnel that they would not otherwise hire (for example, hiring a person who has been released from prison), and by sharing knowledge beyond that which is strictly required.

When employees, providers, clients, competitors, and other economic actors experience this kind of treatment, it is not strange that a reaction of trust and reciprocity develops, not necessarily only toward the person who provided the gratuity in the first place but also toward third parties, thus generating a different kind of relationship between those involved while remaining in the confines of business activity directed toward benefit. The synergy that causes a free response of the same type is what is called communion. For example, these authors refer to the success of the insertion of marginalized individuals in EC businesses who in turn respond reciprocally by becoming "active agents in the relationship" (not merely people who become stuck in an inferior position because of the help they receive) and creating a cohesive and strongly motivated group: "a climate lived out as a chorus of strongly motivated groups."

As will be understood, it is not strange that the project undertaken by an EC business will create an additional motivation in its employees to complete their task. They know that they work for something more than their livelihood and serve society by offering needed products. Therefore, it follows that it is easier to create cohesiveness in the business,<sup>40</sup> which can have positive effects in productivity,<sup>41</sup> and in which the business owners become especially aware of the importance of involving the employees in running the business. In summary, Bruni has described the dynamics that are at the core of EC businesses: a strong sense of belonging to a community, to an *us*, that is combined with a universal mentality that gives central value to the relationship with others (e.g., client, provider, worker, or competitor). Reciprocity is not conditioned by the reciprocal behavior of others, but, at the same time, it cannot do without it; motivation of the ideal type plays a key role.<sup>42</sup>

Naturally, the communion-economy project has its own problems and limitations.<sup>43</sup> Even though it is a reality that involves a considerable number of businesses around the world, it does not cease to be a fringe phenomenon if we look at it from a global perspective, both in its dimensions and in its time. It could be, however, the yeast in the dough of the world's economy.

Economy of communion businesses are, for the most part, small to medium sized, are frequently family businesses, and have more than one hundred employees in only a few instances. To establish or to reach companies of greater size, shareholding should be more dispersed, and it will be more difficult to achieve the level of commitment characteristic of EC businesses in relation to the use and destination of profits and other EC ideals. Nevertheless, survival in certain sectors can depend on the size and growth of the business. To that end, the EC presents a financial challenge to achieve the necessary additional requirements. There is the possibility of including shareholders who are compensated for their service, but, at the same time, who are mindful to not take away from the spirit of the project. In this sense, some types of collaboration with other agents that do not share the ideals of the business may be necessary. In these cases, the challenge arises of how to sustain the selfless spirit of those businesses in the midst of a heterogeneous environment.

Considering everything, it is clear that we stand before economic realities from which companies oriented toward profit can always learn. These realities are the face of a hope that many business professionals have, and they are examples of a creativity truly at the service of mankind and society. Economy of communion businesses are great examples of citizenship, of exhibiting a deep understanding of subsidiarity, of the determination to achieve the common good, of the ideal of service, and of a reflection of the excellence of which the human spirit is capable.

#### Conclusion

One of the most interesting contributions of the encyclical *Caritas in Veritate* by Benedict XVI is the renewed proposal of the subsidiarity principle from the perspective of the calling to every person to give what she has. Every person, with the necessary help and also when in partnership to bring a business to fruition, has in their freedom a call to commitment, to the responsibility to surrender and offer her talents to others, and to being, within her means, a help to others.

On the other hand, undoubtedly one of the most advanced proposals of the latest Catholic encyclical is the model of the economy of communion as it wagers on the introduction of the deep understanding of subsidiarity, giving, gratuity, and communion at the core of the economic activity.

Economy of communion businesses, despite their limitations, constitute a good example of how to put Christian values in action without denaturing business; on the contrary, they raise business to a high dignity. Economy of communion businesses are just one possibility of making noble human ideals real. They might be a source of inspiration for companies truly interested in serving society.

#### **Notes**

- 1. Benedict XVI, Caritas in Veritate, Encyclical Letter (June 29, 2009).
- 2. See Simona Beretta, Virginio Colmegna, et al., Amore e verità. Commento e guida alla lettura dell'Enciclica Caritas in veritate di Benedetto XVI (Milano: Paoline, 2009), and so forth. See also the monographic numbers of the journals Liberté Politique 46 (2009) about the anthropology of giving in CV; Cúltura económica 75–76 (2009); the monographic notebook of Scripta Theologica 42 (2010), Mondo e missione 9 (2009), and so forth.
- Pius XI, Quadragesimo Anno, Encyclical Letter (May 15, 1931), n. 79. It is worth noting, however, that the underlying idea to the principle already appeared in the immortal encyclical of Leo XIII, Rerum Novarum, Encyclical Letter (May 15, 1891).
- 4. John Paul II, Centesimus Annus, Encyclical Letter (May 1, 1991), n. 48.
- Cf. Chantal Millon-Delsol, L'Etat subsidiaire: Ingérence et non-ingèrence de l'Etat aux fondements de l'histoire européenne (Paris: Presses Universitaires de France, 1992); Chantal Millon-Delsol, Le principe de subsidiarité (Paris: Presses Universitaires de France, 1993).
- Cf. Franco Giampiccoli, "Principio di sussidiarietà," Protestantesimo 52 (1997): 32–52.

- 7. Cf. Antonio Estella, *The EU Principle of Subsidiarity and Its Critique* (London: Oxford University Press, 2002), 77.
- Thomas Aquinas, Summa Contra Gentiles (Notre Dame: University of Notre Dame Press, 1975), III. c. 73 (hereafter SCG).
- 9. Thomas Aquinas, *On Kingship to the King of Cyprus*, Mediaeval Sources in Translation, 2 (Toronto: Pontifical Institute of Mediaeval Studies, 1949), I, c. 16.
- Thomas Aquinas, *Summa theologica*, 5 vols., trans. Fathers of the English Dominican Province (Westminster, Md.: Christian Classics, 1981) I–II, q. 90, a.2 c (hereafter *S.Th.*).
- 11. Ibid., q. 21, a. 4, ad 3.
- 12. Cf. Millon-Delsol, L'Etat subsidiaire; Estella, The EU Principle, 77.
- 13. Chapters 64 through 110 of the third part of the SCG deal with divine providence and in the De Regno the comparison with the way of divine government is constant.
- 14. Thomas Aquinas, On Kingship, c. 15, 13 and 10; SCG III, c. 98 and I, c. 102.
- 15. Cf. SCG, III, c. 70.
- 16. SCG, III, c. 77.
- 17. SCG, III, c. 73.
- Gregorio Guitián, La mediación salvífica según santo Tomás de Aquino (Pamplona: Eunsa, 2004), 199.
- 19. Thomas Aquinas, "Principium Rigans Montes de Superioribus," in *Opuscula Theologica*, I (Taurini-Romae: Marietti, 1954), 441–43n1209. For Saint Thomas this law is "sacred," "untouchable," immovably settled." For more detail, see Guitián, *La mediación*, 146–49.
- 20. Aquinas, S. Th. I, q. 62, a. 9, ad 2. For more detail, see Guitián, La mediación, 194–98.
- 21. Aquinas, S. Th. I, q. 103, a. 6, c.
- 22. Cf. Domènec Melé, "Exploring the Principle of Subsidiarity in Organizational Forms," Journal of Business Ethics 60 (2005): 293–305. This work shows the application of the subsidiarity principle in an important Spanish insurance company (Fremap) that radically and successfully transformed its organizational structure, gaining its inspiration from subsidiarity.
- 23. In this sense, it must be noted that the encyclical's insistence in the link between rights and responsibilities (chapter 4) reflects the prior push toward freedom and responsibility.

- 24. In this respect, Benedict XVI considers that an ethical discernment of the concepts and initiatives of the CSR is necessary, because not all represent a true humanism: "The ethical considerations that currently inform debate on the social responsibility of the corporate world are not all acceptable from the perspective of the Church's social doctrine" (CV, 40).
- 25. Chiara Lubich, "La experiencia 'Economía de Comunión'": una propuesta de gestión económica a partir de la espiritualidad de la unidad, in *Economía de Comunión. Por una cultura centrada en la persona*, coord. Luigino Bruni (Madrid: Ciudad Nueva, 2001), 35–42; 36.
- 26. Lubich, "La experiencia."
- Lubich, "La experiencia," 40; cfr. Vera Araújo, "¿Qué persona y qué sociedad para la Economía de Comunión?" in *Economía de Comunión. Por una cultura centrada* en la persona, coord. Luigino Bruni (Madrid: Ciudad Nueva, 2001), 43–54; 45.
- 28. Cf. Luigino Bruni and Benedetto Gui, "Quattro parole su economia e comunione," in *Economia come impegno civile. Relazionalità, benessere ed Economia di Comunione*, ed. Luigino Bruni and Vittorio Pelligra (Roma: Città Nuova, 2002), 213–26.
- 29. Cf. Antonio Maria Baggio, Etica ed economia (Roma: Città Nuova, 2005).
- 30. Lubich, "La experiencia," 40.
- 31. Lubich, "La experiencia," 38.
- 32. Cf. Lubich, "La experiencia," 38 and 41.
- 33. Lubich, "La experiencia," 41.
- 34. Cf. Bruni and Gui, "Quattro parole," 218.
- 35. Luigino Bruni, "La novità: gratuità e mercato," Città Nuova Rivista 14 (2009).
- Cf. Germán M. Jorge "Amare il nemico," *Economia di Comunione* 30 (2009): 13. http://www.edc-online.org/index.php/es/publicaciones/documentos-pdf/cat\_view/26-notiziario-edc.html.
- 37. Bruni and Gui, "Quattro parole," 218–19.
- 38. Bruni and Gui, "Quattro parole," 222.
- 39. Bruni and Gui, "Quattro parole," 222-23.
- 40. Benedetto Gui, "Organizaciones productivas con fines ideales y realización de la persona: relaciones interpersonales y horizontes de sentido," in *Economía de Comunión. Por una cultura centrada en la persona*, coord. Luigino Bruni (Madrid: Ciudad Nueva, 2001), 149–70; 165.

- 41. Cf. Baggio, Etica ed economia, 128.
- 42. Luigino Bruni (coord.), *Economía de Comunión. Por una cultura centrada en la persona* (Madrid: Ciudad Nueva, 2001), 87–88. From this perspective, some concepts and expressions of the encyclical might be better understood. For instance, when Benedict XVI advocates for "increasing openness, in a world context, to forms of economic activity marked by quotas of gratuitousness and communion" (CV, 39); or when he states that "in commercial relationships the principle of gratuitousness and the logic of gift as an expression of fraternity can and must find their place within normal economic activity" (CV, 36); again, "economic, social and political development, if it is to be authentically human, needs to make room for the principle of gratuitousness as an expression of fraternity" (CV, 34); finally, "space also needs to be created within the market for economic activity carried out by subjects who freely choose to act according to principles other than those of pure profit, without sacrificing the production of economic value in the process" (CV, 37).
- 43. Cf. Mario Molteni, "Problemas de desarrollo en empresas 'con motivación ideal," in *Economía de Comunión. Por una cultura centrada en la persona*, coord. Luigino Bruni (Madrid: Ciudad Nueva), 123–48.