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Business, Faith, and the Economy of Communion

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6. Exploring Subsidiarity

The Case of the Economy of Communion

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Abstract

This article discusses the meaning and significance of subsidiarity and its companion principles, solidarity and participation, as both principles of Catholic social thought (CST) and as management principles. The author provides a brief overview of the development of CST, particularly with regard to subsidiarity and principles related to contemporary management. The discussion of subsidiarity and its companion principles posits a culture of subsidiarity that indicates the presence of the principle and that is necessary to sustain it in practice. A short introduction and history of the Economy of Communion (EoC) and its parent, Focolare, form the basis for an examination of how subsidiarity works in practice. The specific example used is the startup of the EoC, featuring particular actions pointing to the presence of a spirit of subsidiarity.

Keywords: subsidiarity, solidarity, participation: Catholic social thought, Economy of Communion

Introduction

Why would businesses from different countries, unrelated markets, and industries align themselves with an association that, on the face of it, contributes nothing to their economic performance? Join an association that asks leaders to take on more responsibilities when they already have full agendas? Join an association that asks them to set aside a significant portion of their profits to support projects for the benefit others – imposing a constraint on business growth and personal wealth accumulation?

Why, indeed. In the traditional way of viewing business priorities, it is hard to understand the appeal of such an association. But there are many things about the Economy of Communion (EoC) that are hard to understand in the usual way. EoC has anything but a traditional view of business; in fact, it claims to be “out to change the world.” How? By “humanizing the economy” through businesses that prize relationships more than transactions, that place communion (i.e., community) on a plane with human dignity – and both of these above prosperity as the purpose of business. The EoC’s approach to “changing the world” has nothing to do with insurrection, resurrection, economic dominance, political power, or partisan agendas. It is, in practice, much humbler, reflective of the maxim attributed to Gandhi: “If you want to change the world, start with yourself.”

Ghandi’s advice very neatly encapsulates a key aspect of subsidiarity. The idea is that change is best begun where the need for it arises first – locally. Change is best achieved when the first to be materially affected by it hold themselves responsible for the decision. Change-making decisions work best when the those with the most to gain or lose also have a commitment to follow through. This is the object of subsidiarity: the right ordering of decision-making. As a normative principle, subsidiarity applies to individuals, families, communities, institutions, and civil life and it states that it is unjust to assign to a greater and higher association what a lesser and subordinate organization can do. Is not this Ghandi’s point? It is EoC’s point too. Their plan to “change the world” is to do it locally – one person, one transaction, one relationship, one business at a time.

This paper first discusses the meaning and significance of subsidiarity; then, using the Economy of Communion as a case example, it illustrates what the principle might look like in practice. For some readers subsidiarity will be a new term, though its companion principles – participation and solidarity – may sound more familiar. Subsidiarity is by no means a mainstay in the lexicon of management. But then the Economy of Communion is not exactly a familiar term either. So this is an opportunity to examine two important ideas in one essay, to look for evidence of one in the other, and to ask what it might mean, in practice, to establish and sustain a culture of subsidiarity, thus letting responsibility for decision-making contribute to personal and organizational development.

My own introduction to EoC happened about a decade ago while working with John Gallagher on a business case about Mundell & Associates, Inc., an EoC company in Indiana. The business was interesting, of course, but we were both surprised and confused by some of

the terms and phrases the owner used to describe his company and its challenges. Stories were peppered with phrases like “spirituality of unity” and “seeing Christ in the other” and a “culture of sharing.” He talked about international gatherings of members of the “communion” (translated as “community”) who owned businesses in South America, Canada, South America, Africa, and Europe. He talked about maximizing his employees’ educational opportunities. He was also committed to sharing two-thirds of the company’s profits – a portion to the poor and a portion to promote EoC outreach, and the rest for the business. But the owner, John Mundell, was not running a charity. This was a competitive enterprise operating in a free market and proud of it. Fascinated with the EoC idea, John Gallagher and I undertook a study of a dozen or so North American EoC companies and published the results in *Structures of Grace: Business Practices of the Economy of Communion*. Many conferences and conversations later, the EoC companies, principals, and employees continue to interest and inspire.

Subsidiarity, Solidarity, and Participation: A Leadership Trio in Catholic Social Thought

Catholic social teaching addresses the questions and challenges in daily life: e.g., the nature of work; the culture of work environments; management and economic practices; care for the poor; the creation and use of wealth. They remind decision-makers to consider what is at stake for humanity in a given decision and to be guided by Christian morality directed at a transcendent good. They inspire creativity in identifying new moral solutions to social problems. They work as screens for evaluating the morality of specific options. Key elements of Catholic social teaching are presented as principles applying to multiple venues, including family, community, business, and government. In its own way, each principle reiterates the essential truth of human dignity and points to the goals of human flourishing and the common good.

Contemporary expressions of Catholic social teaching have their roots deep in church history. But with the publication of Pope Leo XIII’s *Rerum Novarum* in 1891 the stage was set for a more intense and continuous look at social changes and moral challenges brought about by industrialization and its accompanying social upheaval. The *Compendium of Catholic Social Thought* calls *Rerum Novarum* “a heartfelt defense of the inalienable dignity of workers.” (Pontifical Council: §268) The forces Leo addressed were powerful and complicated: historical events, economic changes and the social displacement of laborers, labor movements, modern philosophies, capitalism, socialism, and Marxism. *Rerum Novarum* marked the start of the church’s “commitment to vitalize Christian social life.” (Pontifical Council: §89) Throughout the twentieth century the list of concerns addressed by CST continued to expand: war, fascism, communications, technology, science, education and postmodern philosophies hostile to Christian culture and to humanity itself. In response, Leo’s successors in the past century produced a stream of encyclicals and other reflections that further developed the church’s thinking (Pontifical Council: §§87-92)

Within this rich vein of reflections on economics and organizational life are three principles that have unique relevance to the challenges and dynamics of management and business: subsidiarity, solidarity, and participation. Among other things this management trio addresses human development and the realization of individual potential. They affirm the

importance of welcoming ideas and perspectives from all corners of the organization. They simultaneously encourage delegation, personal responsibility, partnership, collaboration, and accountability. The economic and social outcomes for which they aim are widely, if not universally valued by organizational leaders.

Subsidiarity as a Management Principle

Subsidiarity is concerned with the right ordering of participation in decision-making emphasizing the need to make decisions at the level where consequences are likely to be greatest. The assumption here is that people at all levels of the organization want to be broadly informed and take an active interest in policies and strategies where they have expertise or will be the first to feel the effects. In practice subsidiarity discourages efforts to reserve for greater and higher levels of association what lesser and subordinate ones can do themselves. Consequently, where authentic subsidiarity is practiced, bureaucracy, centralization, and management by fiat are minimized. Leaders do not so much distribute authority for decision-making as to acknowledge that the quality of decisions may be higher when they are made closer to the point of implementation, at various locations and ranks within the organization, or connected naturally to places, expertise, and human relationships. So instead of moving outward or downward from central authority, delegation moves from the parts to the center. (Underlying themes of duty and moral responsibility associated with the principle have relevance in a variety of institutions, beginning with “the family, as a community of persons [which] is the first human society,” (John Paul II: 883) but extending to intermediary communities, business, government and so on. Subsidiarity points to the goods of human fulfillment and healthy communities. In addition, it opens the way for innovation and meaningful change in organizations, and by its very nature reinforces the need for accountability and a shared vision of the good (Naughton et al.)

In their treatment of subsidiarity in business, the authors of *Respect in Action, Applying Subsidiarity in Business* (2015) link it with an organizational environment of co-entrepreneurial ventures; it is “not a matter of management giving away power but placing power where it belongs the most” (Naughton et al.: 7). In the management context, subsidiarity assumes “that people are an organization’s most valuable resource and that a manager’s job is to prepare people and to free people to perform” (Drucker and Colins: 239). Leaders in this environment encourage employee engagement and are challenged to be good listeners and observers of people. The resulting culture emphasizes employee competencies, management practices, and trust. In such a culture leaders do not emphasize subordination or encourage dependent subordinates. Instead, they foster freedom and encourage meaningful participation; and members recognize their responsibility to contribute from the bottom up. Charles Handy describes a subsidiarity environment as featuring reverse delegation, important because it makes fresh thinking more likely and sets the stage for new ideas to be tried. People become more willing to engage the unfamiliar, confident that their insights and judgment will be honored. In this way subsidiarity helps individuals discover new interests and their own special abilities; the organization likewise discovers new resources, talents, and opportunities. Subsidiarity, says Handy, avoids the discouragement and indignity employees experience when they are asked to contribute only the minimum.

The contemporary view of the leader as servant, visionary, and strength builder complements these managerial treatments of subsidiarity. But the idea itself is not new. The idea of subsidiarity has roots in ancient Rome – like much of the language and some of the methods for organizing and leading that management still uses today. *Subsidium* is a Latin word meaning “to assist or to strengthen.” It refers to a military leader’s role in relation to soldiers on the battlefield (Naughton et al: 2). In battle the Roman commander’s task was not primarily to fight but to observe and to be ready to provide the soldiers what *they* needed in order to do fight. Yet credit for the concept of subsidiarity as we understand it today belongs less to Caesar and his legions than to the Church of Rome that survived their fall. In the late nineteenth and twentieth century, when the social challenges of the industrial revolution and succeeding technological periods created social upheaval and displacement, that church teaching began to explicate the theological principle of subsidiarity. Addressing it in new and more expansive ways, papal encyclicals have used it to affirm the primary responsibility for formation and care of family, to examine the role of work in human development, and to consider in a host of social, political, and economic dynamics the benefit derived from giving local responsibility and local effort priority over central authority and central planning.

Subsidiarity as a Theological Principle

In *Rerum Novarum* (1891) Leo XIII addressed issues raised by socialism, communism, and philosophies promoting the idea of the state’s supreme authority. By introducing the idea of subsidiarity and placing it within the family he made it clear that the state is subordinate to the individual and not vice versa. Twenty-five years later, in *Quadragesimo Anno*, Pius XI (1922-1939), who was the first to call subsidiarity a “social philosophy,” extended Leo’s logic regarding limiting the power of the state. The state was obliged, Pius said, to let subordinate groups handle matters and concerns of lesser importance. Today the idea of subsidiarity is generally understood to reflect the idea that the state should have a subsidiary function in society, undertaking only those tasks which cannot be done effectively by people at the local level, e.g., within the family or community. The principle points to less rather than more centralized authority in civic and other spheres.

Theologically, subsidiarity begins with respect for the human person and the intermediary communities which together make human flourishing possible – family, groups, locations, governments, and groups that form around various enthusiasms. Subsidiarity rests on the logic of gift. That is to say, it accepts that human dignity derives from the truth about the individual human life – that each life reflects the creator, has a purpose, and is endowed with certain gifts, duties, vocations, missions (Hittinger: 393). This dignity and purpose elevate each person to the level of decision-maker. It thus affirms the right for people to have a voice, if not full authority, over those matters for which they are by nature responsible (e.g., self and family) and which directly impact the fulfillment of their lives. Logically, a mature expression of this right to voice and to authority requires discovery, development, and the individual exercise of unique gifts and ultimately, the dispersal of gifts within populations. This diversity and distribution of gifts is, among all living things, unique to humankind.

Gifts are meant to benefit all of humanity. Some gifts – talents, abilities, callings – are apparent early in life. More often, though, they are discovered through experience – learning, performing, and trying new things. Parents, friends, teachers, and leaders may be instrumental

in this discovery. They play varying roles in encouragement, attentive nurturing, and opening opportunities for expression. Responsibility for the care and effort needed to bring native gifts into maturity and to use them well lies within the individual person; but family and intermediary groups share in this duty as well. To squander, waste, exploit, commoditize, or take for granted our own gifts or someone else's is an injury and an injustice.

Good, But Not Utopia

It can be said that subsidiarity is present to the degree that a community or organization facilitates participation in decision making. While "all or nothing" may not be the correct measure of subsidiarity in an organization, precisely for the sake of participation, a good measure may be "more is better than less." Why? First, it has the potential to advance the organization beyond the need to manage efficiently and effectively. Good leaders pay attention to individual performance and decisions in light of these constraints. Subsidiarity adds a new dimension; it assumes that leaders are at their best when they actively draw upon the diverse gifts of all employees. The focus on individuals that this requires not only allows the discovery of gifts and the possibility of developing them. By doing so it reduces the potential for isolation, alienation, and boredom.

A second reason to hold out for subsidiarity is that it faces up to the challenges of hard times. It has the potential to make people stronger. If subsidiarity were only meaningful in good times it would justifiably be seen as shallow, insincere, and even manipulative. Fortunately, subsidiarity challenges people to understand one another, to express themselves honestly, to openly discuss differences, and to do a lot of forgiving and forgetting because there will inevitably be problems and disagreements. Trust, psychological connectedness, and spiritual maturity – key virtues in a culture of subsidiarity – get stronger when tested, when failure and disappointment make it tempting to walk away, but people stay anyway.

Third, innovation moves the organization forward. Because subsidiarity invites the discovery, development, and expression of diverse gifts, rethinking jobs, training, and performance will be a constant. The implications are important. At a minimum this will mean special attention to job design, training, and development, decision-making practices, hierarchy, delegated authority, and communications methods. In this way the chances for innovation increase.

Solidarity and Participation

Subsidiarity is no panacea. Leaders have a duty to see and to engage the organization in its entirety. Where subsidiarity is practiced local interests and local autonomy may begin to take precedence over concern for the common good. The result may be a slide into privatism or self-centered concern for local welfare: "We will do what serves our interests and never mind yours!" Expression of diverse gifts and interests cannot long survive in the face of persistent resistance or resentment. So subsidiarity needs a balancing factor and solidarity serves that function. Solidarity is a necessary companion to subsidiarity, reducing the chances of runaway localism and strengthening the potential for individual development and the good of the community advance together.

Solidarity reminds us that sometimes we need to set aside personal interests and submit to the common good, discouraging personal ambition for the sake of dominance. As a

theological principle solidarity is a choice to respect human dignity and at the same time to serve the common good. It is a moral virtue, born in the heart of Christ, a human response to his prayer to the Father that “they may all be one” (Hittinger: 196). The whole array of relationships and interdependence of life, from family and friendships to business and economic life depend on solidarity. It is evident in forgiveness, reconciliation, and sacrifice for the good of another. In church teaching, solidarity has been called simply “friendship” and “charity.” An act of moral imagination, an attempt to empathize, a quest to live by the Golden Rule – these are acts of solidarity at its broadest. When we try to understand the world from another’s point of view, that is solidarity. Refusing to be free riders, benefitting from the labor of others with no contribution of our own, demonstrates solidarity. Acknowledging the reciprocal bonds and duties of the Christian faith is acting in solidarity. Gratitude for the heroes, wealth, and culture that are part of our heritage is also an act of solidarity. When we express true appreciation for the discoveries, creations, and effort of all kinds shared by men and women from the past and in our midst, we demonstrate solidarity. When we protect and preserve what is good today for the benefit of others tomorrow, that is an expression of solidarity too. Solidarity acts as a sort of compass, orienting an organization to the common good, contributing to the feeling of being part of something meaningful and important. Without solidarity, subsidiarity tends toward social privatism or localism, forgetting to be concerned for the good of others and grateful for their gifts.

Solidarity is no panacea for the challenges of organizational life either. Despite its potential for good, it can devolve, becoming just another version of social assistance, demeaning those in need by insisting on doing for others what they can do for themselves. Too much solidarity tends toward paternalism and centralization (Naughton et al.: 59). A good balance of the two – subsidiarity and solidarity – depends on the third in the management trio of Catholic social principles: participation. It is the indispensable method for the discovery and expression of individual gifts and for the affirmation of the community.

Participation is a foundational principle in management, affirming the need to inform decision making by inviting the input of multiple perspectives (i.e., stakeholders). It recognizes the importance of honest communication, suggestions, feedback, and shared responsibility in decisions as a path to inclusion and engagement, to building community, and to optimizing the chances for decision to be implemented effectively. Too little participation or too much top-down management creates a kind of dictatorship – benevolent or otherwise; too much trivializes the importance of voice and generates cynicism of death by meetings. Theologically speaking, participation is not merely a tool. It is a moral imperative. In Catholic social thought it refers to the activities through which people, individually or with others, directly or indirectly, “contribute to the cultural, economic, political and social life” of the civil communities to which they belong. It is interesting to note that participation is described first, not as a *right* but as a *duty* – “to be fulfilled consciously by all, with responsibility and with a view to the common good” (Pontifical Council: §189). Forms of participation range from voice, to playing an active role in social life, to affirming ownership of capital (Pontifical Council: §281) and one’s own labor. In this sense participation is an aspect of justice at all levels of society. Pope John XXIII called it “the greatest aspiration of a citizen,” and a pillar of all democratic orders, “one of the major guarantees of the permanence of the democratic system” (Pontifical Council: §290). It is more than self-expression or democratic inclusion.

Participation is oriented toward asserting influence, even if it is only the influence of free assent over matters that concern our lives and others' as well. It is in this sense that participation is central to the practice of subsidiarity. When accompanied by prayerful reflection, participation provides the channel through which the Spirit moves. Thus it is a key aspect of discernment regarding community life and the common good. Exhibit 1, at the end of this chapter, offers a brief summary of key cultural elements of subsidiarity, solidarity, and participation.

The Economy of Communion

The EoC is unique, but not simple to understand. The influence of Catholic social principles is evident in the management and culture of both the association and at least some of its individual members. EoC has, from the first, embodied ideas and practices associated with the principle of subsidiarity and its expression in organizational culture. Though spiritually motivated, EoC is also very concrete – concerned with economic activity where people have to use their brains, roll up their sleeves and get to work (Lubich: 286). As a community of businesses, EoC pursues shared objectives, recognizes individuals' unique gifts and potentials, and honors both by emphasizing local decision making and avoidance of unnecessary bureaucracy or centralization.

The EoC philosophy views business positively. It appreciates the value of entrepreneurship, private ownership, and free markets. It recognizes both the capacity for business to meet real needs and to open avenues for human achievement and progress. At the same time, EoC has a vision of the transcendent good – a deeper, broader, and more enduring good – that can be accomplished when a lively faith informs daily life in the practice of business. In this regard they see a need for change. Starting with themselves, the individual businesses of EoC try to conduct business in ways that model every excellence for the purpose of serving a transcendent good. Businesses of the EoC, though diverse in their products, services, markets, locations, size, and organizational structures, are anything but a random group.

Returning to the questions raised at the start of this paper, the pursuit of excellence and a transcendent good go a long way to explaining what attracts business owners to the EoC. Participating businesses come freely into the Economy of Communion. They are likewise free to leave at any time. These two facts are central to the character of the association – whose full name is “The Economy of Communion *in Freedom*.” A spirit of unity drives the organization. Like the challenge of living up to twin expectations for person-centered management and for sharing wealth, living in a spirit of unity can only be realized if freely chosen.

As members of EoC, business leaders envision a new kind of economic culture where building community and sharing abundance with the poor take precedence over market dominance and the accumulation of wealth; where relationships are privileged over transactions, and profit is valued more than profit-maximizing. EoC is committed to fostering unity and to creating a culture of giving – for the sake of the gospel. In the sphere of business worldwide, EoC is still relatively unknown. None of its participating companies are the equivalent of Fortune 500 businesses. Yet virtually from its founding, EoC has been the subject of journal articles, graduate theses, and even several dozen books. Writers have looked at EoC's philosophy and its theological roots, its impact on various local cultures, especially

in poorer parts of the world, and at the principles and business practices that seem to be shared by its members. EoC has been mentioned in a papal encyclical (Benedict XVI). Its leaders have been invited to the United Nations to explain EoC's purposes and ideals. At the EoC's 2017 international conference in Rome, Pope Francis addressed the assembly, as John Paul II and Benedict had done before him.

Each business develops in its own way, shaped, as businesses tend to be, "in response to its experiences, its crises, its celebrations, its failures and its triumphs and, of course, by the values and perspectives of the founder (Gallagher and Buckeye: 182). So it is with EoC businesses. They look like other businesses of their size and kind wherever they are in the world. In our study of the business practices of EoC companies in North America, John Gallagher and I found no strong evidence that EoC businesses adhere to a uniform set of management practices or that they share anything like a one-right-way mentality. We did, however, see evidence of *patterns* of cultural preferences and management practices. In marketing, for example, the range of concerns for pricing, communicating, etc. were what might be expected anywhere. But we also saw a pattern among the companies that we described as "habitual sensitivity to the needs and wants of customers." As a marketing practice, this took precedence over market research and supported "word of mouth, reputation and relationship marketing" over any other kind of promotion (Gallagher and Buckeye: 181). While we observed no consistency in the way that leaders introduced employees to the EoC or fostered a sense of EoC identity, we did see among leaders a "keen awareness of their identity as EoC companies" and an unquestionable commitment to EoC ideals. We saw evidence of a pattern of "hiring for the community," for team decisions in hiring, and for selection based on optimal professional qualifications; but we found nothing that suggested parochial hiring or insider/outsider thinking (Gallagher and Buckeye: 184). There were other patterns, as well:

These companies appear to share similar cultural aspects marked by openness mutual respect, and they appear to take the development of culture seriously and intentionally . . . they strive to be familial and embrace storytelling and celebrations, for example, and do not generally embrace formal mission and vision statements . . . (leaders) demonstrate a preference for action; they are doers first and talkers later. . . . (They show) a flexibility grounded in their understanding of the business as community (Gallagher and Buckeye: 185-86).

EoC's attraction to business participants may also be explained by a well-articulated package of values, grounded in faith and spirituality, e.g.:

1. EoC members see their businesses and the EoC itself as a concrete expression of the "spirituality of unity" and they openly talk about Divine Providence as a factor in organizational life, inviting God to intervene, "even within the hard facts of economic reality" (Lubich: 277);
2. The businesses seek to live out the social teachings of the Catholic Church with a particular focus on solidarity with the poor;
3. Commitment to sharing with the poor includes sharing profits, creating jobs, training, and patient endurance with regard to employee development (Lubich: 276);

4. In the daily activity of business, EoC companies seek to place the person at the center of the enterprise;
5. They share an economic philosophy that emphasizes private ownership and accountability; free market activity; a general commitment to ethical management; establishing “loyal and considerate relationships” with customers, suppliers, government and even competitors; appreciating employees, involving them, and keeping them informed.

Member companies seek out the EoC, not the other way around. EoC’s reputation spreads by word of mouth rather than promotion (Gallagher and Buckeye: 181). For the leaders of EoC, whether entrepreneurs or heads of established businesses, the association provides access to a network of business leaders who share their values, opportunities for meaningful discussion (through publications, conferences, internet, etc.), and an ongoing inspiration to integrate faith and work. EoC members “feel themselves part of something much larger” than just being in business or running a business (Lubich: 277). The writings, reflections, and self-reported experiences of EoC business leaders are replete with references to participation, the common good, human dignity, solidarity, respect for creation, and respect for life. This is not surprising since most businesses come into the EoC by way of the Focolare movement, EoC’s organizational parent and a spiritual model for articulating goals, beliefs, and mission in a way that resonates across cultures.

Focolare – A Brief History

Out of the destruction and loss of life that marked the bombing of so many great cities in WWII, came at least one remarkable new creation: the Focolare Movement. The unlikely founder, Chiara Lubich, was little more than a girl. Not only did she cunningly and courageously endure the relentless attacks on her city and home, she triumphed over them. In the manner of young entrepreneurs, she saw a need and set out to fill it. And in the manner of a morally mature Christian and to paraphrase an idea often attributed to St. Ignatius, “she prayed as if everything depends on God, worked as if everything depends on her.” Deciding first to share her own belongings with those who had lost everything. Others were attracted by her generosity and diligence. Together they created a system to collect from those who were able to share and to distribute to others who needed it. The work became a lifeline for the poor in need until the war ended. After the war, it survived, grew, and lives on now as an official and worldwide work of the Roman Catholic Church (Masters and Uelmen: 33).

The story of Lubich and the Focolare demonstrates the power of subsidiarity. She saw a need. She accepted responsibility for solving a problem. She used the resources to available her, addressed the problem locally, and invited others to join her – with or without outside a line of direct authority. Focolare thrives today as a work of the spirituality of unity in pursuit of universal brotherhood, dedicate to encouraging a culture where *giving* is more important than *having* (Gallagher and Buckeye: 20). Meeting the needs of the poor remains a priority. Lubich continued as Focolare’s spiritual leader until her death in 2008. But her written legacy – letters, spiritual reflections, etc. – continues to undergird the Focolare tradition. But Focolare is not Lubich’s only institutional legacy; she founded the Economy of Communion as well.

Founding the Economy of Communion

By 1991 Brazil had a large Focolare community representing all parts of the local society. In May of that year Lubich visited. She came knowing about the country's poverty, but nothing had prepared her for the poverty of Sao Paulo. Thousands of meager dwellings spread across the hills surrounding the city formed the favelas, or slums, where the poor lived on the absolute edge of society, with too little food, little or no paying work, and only the slimmest hope for ever achieving anything more. Not only were the favelas home to the poorest of the poor, Lubich learned, but they were home to many Focolare members too.

In response to this deep poverty, Lubich decided, as she had 50 years earlier, that something must be done (Bruni: 34). She discussed the problem with a handful of other Focolare leaders and together they developed a plan for action. Within days of her arrival Lubich proposed a way forward. In Focolare there was talent, energy, and faith enough to take on the challenge. Focolare would create an Economy of Communion to do more than attract charity to fill the gaps in the lives of the very poor. The EoC would actually "increase the communion of goods through giving rise to new companies . . . entrusted to competent people who would be able to run them efficiently so as to make a profit" (Bruni: 15). At the very least these businesses would generate income and jobs enough jobs to address the needs of Focolare members living in Brazil. The crowd received Lubich's idea warmly, eagerly. Lubich herself was surprised by the immediate buzz of enthusiasm. Within days word of the EoC was out among Focolare throughout Brazil, but also in Latin America, Europe, wherever Focolare communities were found (Bruni: 16).

Lubich offered few specifics, but almost from the moment she proposed the plan, prospective EoC business owners were developing, experimenting, and refining the idea and how it could be achieved. The original call was "to increase the communion of goods through giving rise to businesses, which would be . . . (managed) efficiently to make a profit" (Bruni: 15). Some of the profit would go directly to people in the form of charity and jobs that paid a living wage' another part would be reinvested to grow the businesses; a third part would go to spread the word about the project and to inspire others to adopt the model. EoC businesses would look like other competitors in their markets. Their products and services would look the same. Generating revenue and managing expenses – that would be the same too. However, EoC companies would be different from other businesses in at least one essential: they would operate with practices informed by Focolare ideals. Instead of treating net revenue as strictly for the benefit of the businesses or its owners, for EoC businesses profits would be seen as a gain to be distributed in multiple ways and for multiple purposes. What charitable giving alone had been unable to accomplish for the poor in Brazil and elsewhere, profits from EoC businesses would supply (Gallagher and Buckeye: 22).

In the first four years, almost 500 businesses became part of EoC, operating businesses of all kinds in multiple economic sectors. Lubich credited early success to Focolare. EoC grew, she said, "because it was promoted by the people of our Movement (Focolare), shaped by our ideal" (285). Nearly 30 years later, with new businesses coming and others leaving, EoC has stabilized at about 850 enterprises worldwide each managing in its own way and carrying out a shared mission to do business well and to do it in solidarity with the poor. Most, though not all EoC owners are part of Focolare. Their businesses ride the same currents of competitive

activity as others in their markets. Size and economic success varies. Like the owners of small and medium size businesses, especially family businesses, EoC owners today have concerns about succession planning and transitioning ownership to the next generation, both a sign and a challenge to success.

Several years after the birth of EoC, Lubich revealed that before visiting Brazil she had come to believe that “God was calling the Focolare movement to something more and something new,” but what that was she did not know (275). Nor, apparently, had she connected this calling with the journey to Brazil. Lubich continued to believe in the promise of EoC and she clearly understood it as a response to heavenly calling:

This is how we should see, how we should understand the Economy of Communion: something built according to the mind of God, a work that will endure not only on this earth, but remain in the life to come, where we will have the immense joy of finding it again in the new earth and the new heavens that await us (287).

Reflections on Subsidiarity Economy of Communion

Did Chiara Lubich and the Focolare leaders use subsidiarity as a principle to support the creation and shape of a new way of being in business? I have no specific evidence to share on this question. But whether or not it *consciously* guided their thinking, subsidiarity was there in spirit. In the story of EoC’s founding we see evidence of this and it helps explain the proposal’s immediate appeal. It also sheds light on EoC’s ongoing attraction for entrepreneurially-minded business owners: respect in action. A brief reflection on EoC’s founding highlights five observations in support of this point.

First, as the founder of Focolare talking to a gathering of Focolare members about the extreme poverty experienced by some among them, Chiara Lubich sounded very much like a woman who was taking action as a family member on behalf of her family in the spirit of subsidiarity. It was surely no great stretch for Lubich to relate to Focolare as a spiritual family, albeit a worldwide one. They were a special community, close knit by virtue of their shared spirituality and ideals; they cared deeply about one another. Lubich’s call for a “new economy” was meant to resolve a painful and potentially life-limiting problem facing this family. The proposal was to address the problem for the family and within the family. This ideal is the very heart of subsidiarity. Without the resources or the direction of an outside authority, a family addresses a problem threatening their own survival or undertakes a project to enhance their lives. The family needs no permission to do what is needed to care for its members. Sometimes it must act alone. The stronger and better equipped members of a family look out for others among them; and all contribute as they are able for the good of the family, especially for those in greatest need. In the case of EoC, the initial concern was like family concern – by Focolare for Focolare. In other words, Lubich and her leadership team were asserting for the assembled group that they had full authority for those matters (poverty among them) which, in the natural order of things, they held themselves responsible.

Second, at its start EoC addressed a problem where it arose in the natural order, where solutions would be felt first and most profoundly and, quite literally, locally – where the poor lived and worked. Lubich and the other Focolare leaders could have responded very differently

to the poverty they witnessed in Sao Paulo. It would have been natural, for example, for the founder and spiritual leader of a large and growing organization to try to generate public interest in the problem of poverty in a more public way. Lubich might have called on government to do something by admonishing or pleading with national leaders who seemed to have done too little in the past. She might have lectured the city fathers and local clergy. She might have asked for help from international investors and globalists who admired Brazil's natural resources and economic growth but ignored her poor. But she did not. Nor, apparently, did she try to estimate the size of the problem and what it might cost to fix it, and then go out to appeal for public support. She did not suggest the creation of a new congress to explore what could be done or to decide what to do. In other words, she did not call on help from outside Focolare – from the U.N., Europe countries, the U.S., or even the church. Lubich's call emphasized initiative, problem-solving and decision-making, at the point where the problem originated and where outcomes would be felt the most. Another sign of subsidiarity.

Third, any of the strategies just listed could be justified; most had, in fact, been tried before. But affirming the dignity of the Focolarini present, and demonstrating respect for them, Lubich chose instead to invite members themselves to be part of the solution. There was no language singling people out on the basis of wealth or poverty. No effort to use the powerful to rescue the powerless. The call for an Economy of Communion recognized that individuals have different gifts which they could freely use for the benefit of others. If Lubich had asked the Focolare gathered in Sao Paul to dig deeply into their own pockets and give what they could, they almost certainly would have responded generously; after all, sharing is at the heart of Focolare spirituality. Instead, she chose the path of subsidiarity, inviting people to solve their own problems, affirming their ability, waiting to help if asked.

Fourth, Lubich was not proposing a theory in Sao Paulo that day, (Bruni: 20) something that others, more intelligent or more able than present company should ponder and or employ. She was calling for action – for discrete steps and concrete outcomes generated by capable individuals who would use their own gifts to help solve their own problem. It was as though she was saying, “We do not need to turn this over to the experts. The time to solve this is now. Your participation will mean something. We are a community who can be responsible and take care of itself.” And so was born the EoC, or, as Lubich described it, “a unique manifestation of a free economy based on solidarity” (274) and originating in a call to action expressed in the spirit of subsidiarity.

Fifth, Lubich did not call for the creation of an organization to accomplish what she knew could be accomplished by Focolare. She did not declare herself the leader of this endeavor. But neither did she ask for the intervention of a higher authority, i.e., church or state, though she did apparently act having been advised and affirmed by trust leaders. Having accepted the idea of sharing as a Christian duty she needed no one's permission to act. Lubich's call to action was a classic example of respect for human persons and an expression of the need for human flourishing. By claiming for anyone who wanted to participate the *right* to participate, she affirmed their gifts, demonstrated trust, and connected psychologically with both “haves” and “have nots” in an act of spiritual maturity.

Conclusion

Reflection on the meaning and characteristics of subsidiarity, particularly as presented and developed in Catholic social thought, provides a basis for looking for the evidence of that principle in a business culture. To the extent that a culture of subsidiarity is present in any organization, one might expect to see a commitment to participation and solidarity and evidence that these values reach outside bounds of the organization. Subsidiarity would be evident in relationships with clients, customers, suppliers, and even competitors. Business activities would be inspired by a commitment to ethics and legality. Attention would be given to the working environment and to the natural environment because both are important for workers' well-being. Above all, persons and giftedness would be valued. A shortcoming of this paper is that it deals with subsidiarity in the founding of EoC but not in the daily activities of EoC businesses as they pursue their individual missions and objectives. Exhibit 2 is an effort to respond to this shortcoming by citing examples of current and regular EoC practices that support for a culture of subsidiarity, solidarity, and participation. Most of these practices would not be priorities for non-EoC businesses. Moving ideas from the edges to the center; preferring local decision-making and responsibility; emphasizing employee gifts and development; creating a person centered businesses. Unusual, yes. But from a human perspective, they make all the difference.

Exhibit 1

Managerial Habits Supporting Key Elements Associated with Subsidiarity, Participation, and Solidarity

Subsidiarity:

1. Recognizes that it is wrong to assign to a higher association or unit what a lesser one can do;
2. Encourages problems solving and meaningful participation in decision-making by people closest to the problem and capable of solving it;
3. Welcomes local responsibility demonstrated through initiative decision-making;
4. Avoids needless bureaucracy, centralization or management by fiat;
5. Cultivates listening and observation skills, trust, psychological connectedness, and spiritual maturity;
6. Recognizes that individuals have different gifts, and that human gifts are intended to benefit all mankind;
7. Acts with care and effort to bring native abilities to maturity in each person;
8. Avoids squandering, wasting, exploiting, commoditizing or taking for granted any individual's gifts;
9. Orients culture and community life toward the potential for human flourishing;
10. Affirms voice, if not full authority, over those matters for which persons are by nature responsible and which directly affect the fulfillment of their lives.

Participation:

1. Emphasizes the need to have both a voice and an active role in social life;
2. Allows meaningful contributions to community life and shared tasks;
3. Orients individuals toward asserting influence – even if only free assent;
4. Affirms ownership of one's own labor, ideas, and gifts;
5. Fulfills a duty to serve to the common good.

Solidarity:

1. Emphasizes the importance of friendship, charity, and the Golden Rule;
2. Acts on the need for shared sacrifice and generosity;
3. Seeks healing and restoration through forgiveness and reconciliation;
4. Practices diligence in making personal and local contributions;
5. Expresses gratitude for the faith, culture, institutions, and wealth, and for models of wisdom, heroism, and personal sacrifice bestowed by past generations;
6. Treats expression of unity as a moral imperative;
7. Extends through an array of relationships and interdependence;
8. Protects what is good today for the benefit of others tomorrow.

Exhibit 2

EoC Practices Reflection a Culture of Subsidiarity, Solidarity, and Participation

1. Annual regional meetings of EoC business leaders (with locally created agendas) that include education, spiritual reflections, discussion of worldwide EoC concerns, encouragement and formation of future EoC members.
2. Semi-annual global meetings for the purpose of discussing the EoC project as a whole, for spiritual reflection, for education, for connecting with fellow EoC business owners from around the world.
3. A preference for in-person meetings, visiting other EoC businesses, reaching in solidarity to work in locations around the world where the need for entrepreneurial activity is wanted but resources are low.
4. Ongoing efforts to connect and to communicate with the church and with spiritual leaders.
5. Inclusion of academics with scholarly interest in EoC but no direct involvement in its work, and whose questions, observations and participation in discussions become part of a learning and reflective environment.
6. Ongoing involvement in educational opportunities – conferences, publishing, formation of university programs, etc.
7. Creation of educational and professional development exercises for young men and women interested in EoC
8. Publications and development of EoC websites appealing to various audiences and highlighting trends and concerns within the organization worldwide.
9. Ongoing efforts to encourage EoC participants and supporters to communicate concerns, local problems, personal experiences, successes, failures, difficulties, innovations, and so on; “storytelling,” (highly valued) that sometimes become legend” and reinforce values around person-centered management, lessons learned, the work of Divine, the rewards of sharing, etc.
10. Creation of symbols and tools to communicate and reinforce shared EoC values.

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