

Human Development in Business: Values and Humanistic Management in the Encyclical Caritas in Veritate. Edited by Domènec Melé and Claus Dierksmeier. Humanism in Business Series. New York: Palgrave Macmillan, 2012. 280 pages. \$95, cloth.

Michael Naughton, *The Logic of Gift: Rethinking Business as a Community of Persons.* The Père Marquette Lecture in Theology. Milwaukee, Wis.: Marquette University Press, 2012. 88 pages. \$15, cloth.

The recent financial crisis, for all the suffering it has wrought, has prompted the great good of rethinking current business models. Pope Benedict XVI, in his encyclical *Caritas in veritate*, attending to the ‘new things’ of a global economy in crisis, proposes that what is required is a “profoundly new way of understanding business enterprise” (§40). Specifically, he issues a challenge “to demonstrate, in thinking and behaviour, not only that traditional principles of social ethics cannot be ignored or attenuated, but also 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*. This is a human demand at the present time, but it is also demanded by economic logic. It is a demand of both charity and of truth” (§36, italics in original).

Many have taken up Pope Benedict’s challenge to give deep consideration to reordering business according to a logic of gift. Two such works are *Human Development in Business* and *The Logic of Gift*.

Human Development in Business is an interdisciplinary compilation of essays that were originally presented at a symposium in 2010. The book includes these twelve essays plus an introductory essay by the editors, entitled, “Humanistic Management in the Encyclical *Caritas in veritate*.” In this essay, the editors bring into focus the problem of reductionism in current economics and cite Pope Benedict’s call to rethink business in more humanistic terms, a call that is the driving force of the book. The editors situate *Caritas in veritate* within Catholic Social Tradition (CST), highlighting basic principles in CST, including the dignity of the human person, the principle of the common good, solidarity, and subsidiarity. They also attend to four central themes in the encyclical: responsible freedom, the truth about the human person, justice, and charity, a value that transcends the logic of justice with a logic of gift. Their essay serves as an adequate introduction to CST and to the encyclical for readers who are unfamiliar with both. The unifying aim of the essays is to “interpret,

comment on, and develop certain aspects of *Caritas in veritate* that are significant for economic and business activity, in order to contribute to humanistic management” (9).

The twelve essays of the book are divided into two parts. The first part, *Ethics and Economics: Toward a New Humanistic Synthesis*, is more theoretical in scope; these essays offer holistic reflections on business and economics that draw from the philosophical and theological insights of *Caritas in veritate* and CST. Claus Dierksmeier considers the Pope’s demand for a paradigm shift in economics from the materialism of neoclassical economics to a more humanistic conception. Stefano Zamagni brings into focus and defends the encyclical’s interpretation of the financial crisis that began in 2007. Domènec Melé examines the contributions of *Caritas in veritate* to business ethics and corporate social responsibility. Francesc Torralba and Cristian Palazzi consider how economic logic can be broadened to transcend market logic and include a logic of gift. Paul Dembinski investigates the concepts of ‘relation’ and ‘transaction’ so as to deepen the account of a new global trajectory, and Michael Abländer examines corporate social responsibility as corporate subsidiarity co-responsibility.

The second part of the volume, “Management and Human Development,” is more practical, focusing on the encyclical’s insights regarding humanistic management. These essays include contributions by Robert Kennedy, Gregory Beabout, Álvaro Pezoa, Antonio Argandoña, André Habisch and Cristian Adaui, and Jennifer Miller. Of particular interest to some readers will be Beabout’s essay on the manager as far-sighted steward in which he proposes a “business humanities” approach to management education. Habisch and Adaui also make a unique contribution to the volume as they trace the role of gratuitousness in the entrepreneurial spirit from the medieval period through modern industrialization and up to contemporary times.

Naughton’s published lecture provides a stunning companion to the Melé and Dierksmeier volume. Naughton identifies the radical compartmentalization of business apart from the wider cultural reality of family and religion as a cause of current financial crises. The roots of the moral life—love, gift, and communion—are found in these cultural institutions, and, as he contends, the fragmentation of business from family and religion has separated business from the deepest roots of humanity at great cost. Naughton’s aim, then, is to rethink business according to the logic of gift and, thereby, to resituate it within the deepest roots of humanity.

Naughton’s masterful essay, which is at once rich in philosophical insight and eminently accessible, is divided into four parts plus an introduction and conclusion. His argument unfolds by, first, a consideration of the

logic of gift. Contemporary business often errs in failing to recognize the “gifted nature and social character of business” (23). Naughton locates the refusal to acknowledge the gifted nature of all things in a displacement of acts of receptivity, such as worship and liberal education, from the culture. Receptivity, however, is central to what love is, a giving and receiving, and, in fact, holds a certain primacy of place within love: “As creatures, we are first receivers before we are givers” (30). The logic of gift is an ordering of relationships according to this dynamic of receiving and giving, and it is this logic that must, as the Pope states, “find [its] place within normal economic activity,” just as it animates the family and religion. In the second chapter, Naughton examines the movement of business toward either of two directions, namely, a society of individuals or a community of persons. A society of individuals lacks the cohesiveness of a shared good and amounts to a collection of self-interested, isolated individuals. A community of persons, by contrast, is “an institution with a common spiritual and/or moral vision that is shared by those persons who participate in such a way that relationships are formed” (46). The logic of gift is the foundation of a community of persons. In the final two chapters, Naughton examines business as a communion of persons, first in the abstract by comparing and contrasting it with shareholder and stakeholder models and then by means of a concrete example of such a business today. He concludes the lecture by exhorting Catholic universities to be, once again, institutions of “one line,” or a “single word,” by taking up an interdisciplinary and explicitly theological approach to business.

The worthy contributions made by Melé, Dierksmeier, and Naughton certainly extend the discussion begun by the Pope to understand business in a more humanistic way. They deepen the account of what it means for a business to be ordered according to a logic of gift, point out concrete ways in which businesses might embrace this model, and invite further interdisciplinary conversation.

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