

Laudato si', On Care for Our Common Home: Economics, or Religion, or What?

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Introduction

Thank you for inviting me to join with you and giving me this opportunity to share my reflections on Pope Francis' encyclical *Laudato si', On Care for Our Common Home*.³

I have been working here in Rome for the past seven years. I have come to know and experience the dedication, commitment, and truly charismatic dynamic of your organization – Justice, Peace and Integrity of Creation Commission. I am honored to be with you today. Truly I feel that I should be sitting there where you are in the audience with you up here as the presenter.

You are the "Master Teachers" because your dedication, commitment, values, and actions help make our Christian faith a reality and not just a nice sounding pietistic intercession. Thank you for your unwavering faith in the Christian ideals of justice, peace, and respect for the integrity of creation.

Speaking candidly – but perhaps some may think a bit impolitic – the Church, the hierarchy, and the Vatican need "you" to bring a credibility that many today, unfortunately, believe the institutional Church squandered because of what they consider its recent and past inappropriate actions or inactions. Many publically express this accusation, and it is irrelevant whether we consider it a fair or unfair charge. Given the recent embarrassing public reports (Vatileaks' books, journals, blogs, and media hype about Church scandals and Vatican finances) these criticisms should not surprise anyone.

Each of you – and the Justice, Peace, and Integrity of Creation Commission itself – are more necessary and essential than ever before in order to enhance the integrity and credibility of Pope Francis' principles and aspirations so powerfully exposed in *Laudato si', On Care for Our Common Home*.

Please do not underestimate your importance to the Church, to Pope Francis, to the poor, and to the world as consecrated women and men religious proclaiming *Laudato si'*. I am firmly convinced that it is you who are helping to make real those magnificent ideals and challenges that Pope Francis has heralded in *Laudato si'*.

A Kind of Terrorism

Some of my perspectives may be somewhat differently nuanced from the usual approach of those who are committed to making global society aware of the absolute necessity to transform our actions regarding the sustainability of our world's environment. All must be more responsive and more effective in dealing with the growing "terrorism" perpetuated by world climate and environment abuses.

Yes, it is indeed terrorism! It is a terrorism that effects not only the global environment and climate, but it is a terrorism that is an insidious and devastating attack on people. Its horrible consequences fall especially on the most marginalized and downtrodden in our world today: the poor in their abject poverty who lack the power, or even a "voice," in supporting Pope Francis' call to action in *Laudato si'*!

Try telling the powerless poor people that their "faith" does not need global, regional, and local "finance" in order to end their human degradation and poverty.

Yes, we can present volumes of statistics to support this claim. You are all aware of those facts. However, I think the results of a November 2015 World Bank report⁴ most effectively capture this terror. It estimates that currently there are 702 million people on this planet living in poverty. And if the current environmental abuses are not corrected, we can expect at least another 100 million more people living in poverty by 2030. More than 800 million and that is getting very close to the one billion mark!

Economics, or Religion, or What?

I have divided my presentation into three parts:

- First, I will present *four basic and essential elements* that I believe we must come to understand as we attempt to promote the principles of *Laudato si'*.
- Second, I ask: "Are we reading *the signs of the times*⁵ correctly if all we see is a picture of greed, of consumerism, and of unethical behavior in the economic and business worlds?"
- Third, I will present *some factual observations from today's business world* that I believe substantiate and help explain my convictions.

You may judge that some of my observations are somewhat different than those that are usually discussed on this topic.

1. Four Basic and Essential Elements

The First Basic Element

Let me explain my first basic and foundational point that I suggest is a necessary element in considering our topic. I can best explain this by sharing some of my personal history relating to the experiences that I have encountered.

Over the years, I have encountered difficult and tense situations when I have discussed Christian principles and ethics in business and investment matters. For instance, in 1981 when I co-founded Christian Brothers Investment Services (CBIS, Inc.⁶) we saw the compelling need for Catholic Church investment-type funds to be invested in a more professional, transparent, and socially responsible manner while actively engaging our Catholic values and principles. However, this idea was not always well received – not even in some Church circles.

There were often negative responses and reluctance by some to our mission. Many forcefully said that religious congregations and Church-related persons and organizations had “no business in business”! According to them, we should “mind our own business”!

I am now here in Rome where seven years ago I was asked to help organize CBIS-Global with the same core mission to combine professional investment management with Catholic investment principles through *active ownership, participation, and engagement* of our Catholic social values. Now with the publication of Pope Francis’ *Laudato si’*, I hear that same negative choir of many once again singing out with a loud, staccato chant: “The Pope and the Church have no business in business, nor climate change, nor environmental issues, nor economics, nor politics!”

Behind this common negative criticism are usually rigid ideologues insisting that we must not mix religion with economics. [Does that sound familiar?] Until this day – and I suspect until I am called home to the Lord – I still have the same belief. In today’s world, and even more than when in the 1970s I first started to write about this, there is a compelling need for Catholics and all people of good will to foster ethical investment values in free-market systems. *Faith and finance* must not be considered two separate realities. One without the other has become a flimsy conclusion by the disillusioned that have an illusion that falsely proposes *holiness* is not a core, inseparable part of *worldliness*. They seem to forget that God created this world and saw that it was good – it was very good!⁷

For any of us to be under this traditional, nostalgic, fragmented, and dualistic ideology – one that separates *spirituality* from *materiality* and actions in this world – is a total misunderstanding of the core of the Christian faith: The Incarnation. God, totally spirit, as The Holy Trinity became flesh in the material and worldly body as a human person, Jesus. He came into this world. And that was good – it was very good!

No, Jesus was not just an illusion of God pretending to be human in this material world. Jesus was not some fantasy or imaginary worldly reality. This Jesus – truly God and truly human – lived, died, and had risen in and from this world: this “good world” created with God’s

unconditional love for all women and men and for all the lands, seas, skies and creatures in, on, above and below it. And that was good – it was very good!

“And the word became flesh and lived among us, and we have seen His glory, the glory as of a Father’s only son, full of grace and truth.”⁸

In essence, those opposed to *Laudato si’* want us to stay in the pews and pray that we get to “the next world”; but we must shut up about this world! You and the Pope have answered that command with a resounding, “No, absolutely not!”

Pope Francis and the principles of *Laudato si’* need you and all committed people to help make “whole” and “holy” the integrity of creation!

Therefore, my first basic and foundational point is the following: “Holiness” in the Church and for each of us is our spiritual “faith” made real, decisive, and powerful with the use of our worldly “finances.” *Faith and finance*. Business had better also be our business.

The Second Basic Element

My second foundational point can best be explained if I start with a series of questions. Are you a rational person? Another question. Here is a 10 Euro bill. Which one of you would come up here and set this bill on fire? Why not? It would be foolish. It would be a waste. Those 10 Euros are wages that 5 people who are in poverty earn in a day.

Now, another question. You are in a store buying a watch costing 20 Euros. Your friend tells you that the same watch sells for 10 Euros in a store a few blocks away. Yes, a 10 Euros savings! Would you walk those few blocks to save the 10 Euros?

Now a final question. You are now buying an automobile costing 30,010 Euros. Your friend tells you that the same automobile sells for 30,000 Euros a few blocks away. A 10 Euros saving! Which one of you would walk the few blocks to save 10 Euros on the purchase of a 30,010 Euros automobile? Most, if any, would not. So, you have just “burned-away” 10 Euros that you already said would be foolish to do; and it would be a waste. [Five poor people could have earned those 10 Euros that you just burned today.] Logically, therefore, could someone then ask you: “Why are you so foolish and wasteful?” “Why are you so inconsiderate of the poor?” “Why are you so “irrational?” I guess you get the point!

It is the person that makes economic decisions. It is not a *business organization* that makes economic decisions. Rather, persons in the organization make the decisions for business – i.e., persons *managing* a business and persons *investing* in a business. Finance, business, and economics – contrary to popular beliefs – are not in “essence” always very logical, scientific and rational, as we have been repeatedly led to believe. Do you doubt that? Then if you do, ask yourself whether people are always very logical, scientific, and rational in their actions and decisions?

There is an apparent growing shift in modern-day economic thinking that is bringing to our understanding a significantly different emphasis from classical economic theory that held a belief in *homo economicus* – the rational economic person.

The nineteenth-century philosopher John Stuart Mill⁹ developed his theory of *utility* that said persons would consistently choose the option with the highest expected *utility* in order to maximize their general happiness.

Developed over time and emerging is a theory challenging this traditional economic understanding. It is being developed in what has become known as behavioral economics. A leading expert in this way of approaching the economic world, Dan Ariely, has a fascinating book, *Predictably Irrational: The Hidden Forces That Shape Our Decisions*.¹⁰ Just as an example of what he discovered in his research, he demonstrated that people will work more when they have to work for a cause than for cash. When no money is involved people apply social norms to the situation and will work harder. Indeed, that's not financially logical; but it sure is good – it is very good, for people!

Persons, not organizations, make economic and business decisions. That includes all of us with our values and not just with our rationalized financial gains. Business people in a free-market system are ultimately responsible and responsive to us, the investors in business. And let us also not forget that it is not government that makes decisions. Rather, persons (politicians) in government that “we” vote into office are the decision-makers.

Therefore, as we explore this topic we must be careful where we point our fingers of blame regarding the current economic and environmental situations in today's global society. In other words, our “rationalizations” of economic causes may not be the complete answer to the serious problems that we are now facing.

In fact, I believe this should bring to all our minds that there are those in our Church and in other religions – and other people of goodwill – who (perhaps many unwittingly) have contributed to the deteriorating environmental and poverty situations on our globe. How? They contributed by not always actively engaging socially responsible values with their own investments. Were “they” and / or “we” overly concerned with our “rate of return” rather than our “rate of good influence” on those businesses in which we invested?

All of us must use “our” power, persistence, and courage to stand up for our values and not let anyone shut us up! All of us must ask ourselves if we are making our investment decisions in the world of finance as Catholics in conformity with our Christian and social values. In other words, are we willing to go the “extra distance” to save that 10 Euro bill that others find convenient and easier to avoid?

Therefore, my second basic and foundational point is as follows: Economic and business decisions are by nature involved with some inexplicable and “irrational” dynamics more than predetermined economic or business organizational constraints. Business “does” what persons “decide”! What we decide about our investments matters!

The Third Basic Element

My third foundational point is best described with a reportedly true story regarding the past flamboyant and unpredictable president of Russia, Boris Yeltsin.

In one of his first press conferences as president in 1991, the press corps was out to confront Yeltsin on the deteriorating and horrible economic conditions in Russia at the time. One of the first questions put to him was, “Mr. President, in one word describe the current condition of Russia’s economic condition?” Yeltsin responded, [*xopouo (harasho)*] “Good!” For a few moments the press corps was in silent shock at Yeltsin’s answer. After composing himself, the reporter then followed with the question, “Well, Mr. President, perhaps you can explain that in more words.” Yeltsin then responded, [*hexopouo (niharasho)*] “Oh, okay, not good.”

We should always keep in mind, in our discussion on this topic, that there are no one word or easy answers that will solve the deteriorating environmental and poverty issues of our times. Simple solutions equal simple (non) answers.

Therefore, my third basic and foundational point is the following: Not any person, not any organizations, and not any set of recommendations has a monopoly on “the” solutions to the environmental and economic problems described in *Laudato si’* – not even *Laudato si’* itself. You, I, our Church – all of us – must continue to seek new solutions and to “win over” new “recruits” to promote the basic values of *Laudato si’*.

The Fourth Basic Element

My fourth foundational point involves one of the most famous philosophical questions in the history of philosophy.

Originally, Socrates posed this question: “Is conduct right because the gods command it, or do the gods command it because it is right?”¹¹ In other words, the dilemma that this question presents to us to this day should make us aware that to support the principles of *Laudato si’* we must realize that it is not just a “Catholic” thing!

It really doesn’t matter even whether you believe or do not believe that it is a God-given command. If we are to make Pope Francis’ *Laudato si’* effective in today’s world our arguments and solutions must be attractive to all people, businesses, and organizations of good will. We must be comfortable and accepting that our initiatives are not just for all who believe as we do as Catholics.

My point is to suggest that in today’s globalized world there is a kaleidoscopic array of ways, cultures, and religions that look at reality with a diversity never even before imagined in the history of the world. We are compelled to present our support of *Laudato si’* to the world *writ-large* without arguments that rely only on ideological religious premises. We must appreciate that it is not only Catholics who want to confront the horrors of environmental destruction (and we certainly know there is no unanimity even among Catholics who will accept *Laudato si’*); but

rather people of all religious or non-religious beliefs must be our “partners” and our “associates” that can and do support *Laudato si’*.

We Catholics must be humble enough to remember that we are the “late-comers” in fostering and proclaiming the harmony and integrity of creation! From about the fifth century BCE, Buddhism proclaimed its pragmatic *Middle Path* – a nontheistic reasoned moral self-discipline approach that teaches respect for the world and all creatures on it. Also at about that same time in China, Confucius and Lao Tzu philosophies appeared in which they taught in different ways the *oneness* and *wonder* of human nature and the world. Then there is Islam’s teaching, *khalifah* – the destiny of all humans to serve as stewards for all of creation.

Therefore, my fourth basic and foundational point is as follows: We must understand and argue for the principles of *Laudato si’* as truly a “catholic” (with a small “c”) – that is a universal *human* and *natural* command – and not just as a *Catholic* sectarian religious proclamation. I believe that with this approach we will effectively bring holiness to worldliness.

2. The Signs of the Times

Are we reading *the signs of the times* correctly if we only see a picture of greed, consumerism, and unethical behavior in the economic and business worlds?

Let us explore this situation.

Of course it is not difficult to see that no matter what religion, nation, political or economic system one comes from, there is almost universal appreciation for the inspiration and beauty of Saint Francis’ canticle from which Pope Francis starts his latest encyclical.

“Laudato si’, mi’ Signore” – “praise be to you, my Lord.”

“Praise be to you, my Lord, through our sister, Mother Earth, who sustains and governs us, and who produces various fruit with colored flowers and herbs.”¹²

Today if we read *the facts of the times*, which is much easier than reading *the signs of the times*, we are clearly confronted with a world that has serious illnesses: environmental abuse and a pandemic of human poverty in emerging, developing and even in developed countries!

In 1987 – 763 years after Saint Francis’ inspiring exhortation that poetically embraces the harmonious unity within God’s creation and one sea, one ocean, 6,886 km away from Rome the United Nations’ World Commission on Environment and Development issued a less poetic (but nevertheless potent) message concerning our planet.¹³ It cautioned the world about the absolute necessity to insure that our global development directions never lose sight of the issue of sustainability. I quote from the report:

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

We must remember that sustainable development is not just about today's climate, environment, and economic concerns. It must consider today's and the future's social, cultural, religious, and political dynamics as they interact with economic outcomes for generations to come. And economics especially is where the complexity, the tensions, and the fights begin.

Economic strategies, societal values, and religious dynamics with their consequent outcomes make *faith and finance* inseparable!

And now 792 years after Saint Francis awakened people to the awesomeness and magnificence of God's creation of the world, some say the world is flat, distance is irrelevant, time is only in the "now," and information in the "iCloud" is boundless. Indeed, we are in a much different and more complex world than Saint Francis experienced; but nevertheless "people" are still "people" and "poverty" is still "poverty" – 792 years later!

There are those who believe that with globalization people are less sensitive to the poetic and beautiful spirit of Saint Francis. Even many in the Church contend that the problem in this new technological and financial world is the rampant spirit existing of consumerism, relativism, and materialism.

We will not solve the problems elaborated in *Laudato si'* if we are content to accept at "face value" such negative views of the people and businesses of the world. We will not solve our problems with just nice sounding homilies.

We are called to read *the signs of the times*. That is essential! If we do not read *the signs of the times* accurately, what makes us think that we can solve the problems of the times? What makes us think that we could attain the aspirations that Saint Francis expressed in his canticle? What makes us think that we could attain the hopes expressed by today's Francis, the Pope, in his *Laudato si'*? As we have heard it said, "If you want the right answers, you better ask the right questions!"

Let me share with you something that happened several years ago that sparked a flame of insight in my mind and helped me to better see *the signs of the times*. That sudden flame led me to the insight that while our world, our economies and our businesses are concerned with "profits," does that, however, mean they are therefore as materialistic, greedy, and disregarding of people's dignity as many claim they are?

Now I know that I am on very dangerous ground. I am suggesting that many of us may have to look deeper and quite differently when pointing our fingers of blame to businesses, finance, modern-day technological advances, the market's quest for profits, and materialistic values in general. Undeniably all these do exist. However not all these attributes are so pervasive in all business, economic, and technological cultures that hope for the environment and for people to be helped does not exist.

Of course, the poor certainly need our prayers; but I suspect they may first want and desperately need to *profit* from material and worldly finances that will make them and their families become consumers. They want (need!) food, clean water, clean air, health services, and education so that

they may have the physical strength to kneel down and pray for themselves and then get up and work for themselves with dignity!

A New “Spiritual Geography”

Let me relate an occurrence that I think may point to a more accurate reading of *the signs of the times* that seems to me to be essential if we are to understand the moral / economic underpinnings of this new globalized materialistic world.

June 6, 2011: the day the late Steve Jobs of Apple gave his last major speech before he passed from this world. He talked to a group of engineers, scientists and business people. All admittedly were interested in making profits for themselves and their companies. At this meeting, Steve Jobs introduced the wondrous and marvelous “iCloud” to the public.

The “iCloud” permits a user to store five gigabytes of memory. They questioned him: “Where is it stored?” [A gigabyte can hold over 4,000 books, over 340 digital photos, and much more.]

They asked: “Where is this “iCloud?” “How does it work?” They asked him these questions many times. Jobs answered: “You don’t need to know. I don’t know; it just works!” Finally, they accepted Job’s (non?) explanation, applauded him and marveled at this great creation. We still have his “creation,” and we still don’t know how it really works or where it is! [However, some “experts” think they know!]

What an important lesson for us and the institutional Church to learn and understand about how this incident helps explain what is referred to as a new “spiritual geography” – *the signs of the times*.

Many of today’s youth and business people already *accept* the role of the mystery of faith as part of their lives and as part of doing their business. They live and work with their economic “irrationality.” Remember. They live the mystery of Steve Job’s “iCloud” and *virtual reality in cyberspace* – wherever that is!

As paradoxical as it may seem, it is almost always the rigid ideological Christians – who are supposedly the more “orthodox” believers – that do not embrace the “mystery” of Jesus’ Gospel as it shines forth in Pope Francis’ *Laudato si’*. They claim that the content of the message of *Laudato si’* is not religiously “appropriate” for Christian or Catholic faith!

We must never equate rigid ideological values with Christian faith. “God does not love rigidity,” as Pope Francis said in December 2015.¹⁴ It now appears that “mystery” is more a constitutive part of contemporary life with its new “spiritual geography” than it is in a rigid ideological “other worldly” / “dualistic” and supposedly more spiritual world.

Cyberspace and Virtual Reality

In fact modern-day globalized people, their businesses, their economies, and their spirituality, are intimately interwoven in cyberspace. Today’s ideological traditionalist within the Church must

understand that instead of their understanding of time and space, we also now have cyberspace that created a new kind of reality: *virtual reality*. This virtual reality is real, but it does not exist. That is, it does not exist in a physical place, or in a dogma, or only in a rationalized doctrine, or in a canon of laws. Rather, it exists in the realm of cyberspace, i.e., “mysterious space” – whatever or wherever that is!

Curiously (amazingly!) how far-sighted Teilhard de Chardin was in the last century when he developed his theory of the *noosphere*!¹⁵ For Teilhard the *noosphere* is a growing complexity evolving as human minds interacted into complex networks. It is *an envelope of thinking substance* that encompasses earth with greater integration toward a unification of awareness. Teilhard developed his insights of evolution as he gazed on the magnificence of the integrity of God’s creation. He observed that creation developed from inanimate matter, to biological sophistication, to human cognition.

But where is Teilhard’s *noosphere* located? Where is this *envelope of thinking substance* that encompasses earth? Teilhard did not know. We still do not know. But it is there – somewhere and somehow – and it really works!

In this *virtual reality*, objects are no longer measured only as quantifiable entities in time and space. Economics and business are not only concerned with “greed driven” business strategic plans. With the help of *Laudato si’* the imaginations of many business people and governments are beginning to open like blossoms [almost like Saint Francis’ Mother Earth’s “various fruit with colored flowers and herbs”] as virtual objects in their imaginations. Minds, values, and aspirations are beginning to come together. Who would have predicted just a few years ago that we would have an agreement on environmental goals by almost two hundred nations that came together recently in Paris (COP 21¹⁶)? Thus, people are now more comfortable to operate, move and create in a much different kind of reality and – as paradoxical as it may seem at first – a more spiritual and mysterious reality within a more materialistic, worldly, consumerist and secular reality. Indeed, *business ain’t business as usual!*

Let us read *the signs of the times*. We must break away from past, nostalgic, and comfortable, tidy, compartmentalized worlds that only see an “either-or” world of “spiritual vs. secular.” Such dualistic “sacred-profane” thinking does not make sense any longer in the world of *faith and finance*. More importantly, it will not make us effective messengers in bringing the dynamics of *Laudato si’* to today’s people and businesses that can correct current day abuses.

People today are completely free to let their imaginations explore the mystery of an unconditionally loving God who does not require them – and has never required them – to be the same as everyone and everything else. That we “may be one”¹⁷ no longer means in this new “spiritual geography” that we “must all be the same,” and think the same, and look the same!

But as if this *virtual reality* were not transformative enough, we now see a technological leap developing into the creation of a *mixed reality* going beyond the physical and virtual universe to a metaverse. *Virtual reality* enhances the human imagination by placing us into a world of our aspirations and faith. However, *mixed reality* grasps us right where we are and enhances our

“here-and-now” lived reality with an overlay of computer-generated images on to the existing world.

What a mystery is this supposedly materialistic world! For so many today – immersed within this new “spiritual geography” – the presence of God is truly among us, with us, and embracing us in this new phenomenon: *virtual reality* and *mixed reality*! What a magnificent mystery that brings to the inner dimensions of our Catholic faith that prays “*thy kingdom come, on earth as it is in heaven*” – wherever that heaven is!

A heaven in the here and now material world with the transformed imaginations of those Christians in personal relationship with the Mystery of the Holy Trinity through the mystery of *virtual reality*; or is it in the mystery of Teilhard’s *noosphere*; or is it with those of other faith traditions; or is it with those of no religion at all; or is it with no “labels” or theological formulations in this new “spiritual geography” of the third millennium?

If we do not attempt to understand and explore this modern-day ambiguity – or as some call it a *blessed ambiguity* – as the underpinning and foundation of a transformed world, then we cannot find effective solutions to the real, concrete and devastating problems of poverty and deteriorating environmental consequences in our world.

So, I conclude this part of my presentation. In order to have an effective economic strategy to support the actualization of the principles of *Laudato si’* in today’s world:

- We must actively participate by investing our funds in businesses that support sustainable economic principles in their practices and by attempting to influence those that are not.
- We must understand that our best “economic” argument in this third millennium, with a new “spiritual geography,” is our “moral” argument. “Business profits when people profit.” [How is that for ambiguity?]

3. Factual Observations from Today’s Business World

In this third part of my presentation, I will present some factual observations from today’s business world that I believe substantiate and help explain my convictions. By “factual” I mean to support my observations and conclusions with actual, accurate, and objective data and facts.

We have pointed out that some contend that the current business scenario is best described with accusations such as: relentless drive for profits, greed, materialistic, uncaring, and a disregard for people and the environment.

I have no doubt that any of us can point to business practices and factual incidents that would corroborate such a negative business scenario. All that we have to do is open our eyes and look around to see the mounting deterioration of our environment and the horrible conditions of poverty around the world. However, if this is the total factual and comprehensive reality in the world’s economies, businesses, and investment practices, then how can we explain away some current observable and favorable trends? I contend that currently we can see positive trends that

are different and in fact help form a “continuous loop” that encourages a desire for a sustainable and ethical free-market. A free-market dynamic that benefits people and the environment and also helps us to attain converts in the support of Catholic Responsible Investing and Environmental, Social, and Governance (ESG) values and principles.

First Factual Reality

There is unquestionably growing and mounting evidence that demonstrates that integrating ESG principles and values into business and investment decisions often improves business results or, at worst, is a “neutral” factor.

For example, an MSCI study in June 2015 using the MSCI World Index¹⁸ as a benchmark demonstrated that an ESG-tilt strategy that overweighs stocks with a higher ESG rating and includes those stocks that had improved their ESG ratings resulted in them outperforming the index.

Another example, in the first Christian Values Index established by the STOXX company in partnership with CBIS-Global, a ten-year retroactive performance history was researched that demonstrated that there was almost identical ten-year results by investing in the screened Christian Values Index as if one invested in the STOXX Europe 600 Index.¹⁹

More research studies are being done and evidence is growing that in our current business and investment materialistic world there is greater awareness that more ethical, environmental, and human sensitive dimensions are infiltrating the globalized business equation. *Faith and finance* are entering the modern-day global business equation right now!

Second Factual Reality

In the 2014 study provided by the Global Sustainable Investment Alliance (GSIA) – which included Europe, United States, Canada, Asia, Japan, and Australia – the global sustainable investment market had increased from \$13.3 trillion in 2012, to \$21.4 trillion at the start of 2014, and from 21.5% to 30.2% of professionally managed assets.

- In Europe sustainable investment strategies are continuing to grow at a faster rate than the broad European asset management market. From the beginning of 2012 to the start of 2014, assets committed to sustainability-themed investments grew 30% and assets to which exclusionary screens were applied grew 90%.
- Also, *impact investing* is the fastest growing strategy registering a 146% increase over that period. The progress of engagement and proxy voting in markets such as Italy (193% growth in Euro terms over 2012-2014), Germany (48% increase), and Belgium (94% increase).
- In the USA in 2012, there was an estimated \$3.74 trillion identified as sustainable invested funds. In 2014, it rose to an estimated \$6.57 trillion – a 76% increase; in Canada, a 60% increase; in Australia / New Zealand, a 34% increase; and in Asia, a 32% increase.

The evidence now points to the fact that the spiritual, scientific, and business values heralded in *Laudato si'* – and those same values that you and groups like you have heralded and supported over the years even before *Laudato si'* – have profoundly and effectively influenced the global business and economic worlds already.

By promoting our spiritual values through investment advocacy and by exercising our materialistic investment decisions, you have been the prophets and magnificent contributors to this new “spiritual geography.” This approach helps to eradicate the fragmented and dualistic past antagonism between spiritual vs. material / *faith vs. finance*. This approach makes real for the world our Christian faith in our loving creator God by insisting that finance actualizes the inestimable God-given dignity of each woman and man on this globe.

The significant goal that ultimately we must envision in this quest is to make real and effective the values heralded in *Laudato si'*. That means our belief that poverty will be eradicated depends on the continued use of investments to foster a sustainable and ethical free market of investors and businesses that make decisions that respect the integrity of God’s creation.

Perhaps, you may be thinking and asking yourselves: “Is Louis’ reading of *the signs of the times* a bit too unrealistic or is it just some “wishful thinking” on his part?”

Well, consider these observations by some professionals in the secular investment world:

“We are in the middle of a transition. Ten years from now people won’t be having conversations about ESG as a separate discipline. ESG will be part of how one does business in the investment world.”²⁰

“We believe that ESG principles will be incorporated into almost all investments in the future. Looking forward, I can see a time when my grandkids might say, “you mean you knowingly invested in companies that were polluting or using sweatshop labor?”²¹

Third Factual Reality

Increasingly, we see business organizations and countries making public disclosures on ESG criteria. They are accounting for not only their “bottom-line” profit; but also they are including their “environmental footprint,” effects on climate change, health and safety treatment of employees, sustainable business practices and other areas that help their profits and all of us to profit.

Also, we have experienced just at the end of 2015 significant acceptance and cooperation at the UN Climate Change Conference in Paris (COP 21) of almost two hundred countries worldwide cooperating to reduce “greenhouse emissions” and other measures to improve the environment.

Fourth Factual Reality

There is a significant and far-reaching shift that is taking place. A *metanoia*, a “conversion / transformation,” has emerged in the socio-economic and religious worlds – the end of patriarchal dominance.

Yes, it is quite controversial and upsetting to many. They believe that in our new globalized world there is still a necessity for an historically embedded patriarchal dominance in societies and other institutions.

This shift / transformation is clearly seen in the economically developed world that has evolved into more of a “service economy.” This global transformation is nothing short of phenomenal in how it changes the entire traditional and patriarchal power structures in the world – especially in socio-economic relations. Many “behavioral economists,” psychologists, and neuro-scientists are researching this “shift,” and calling our attention to new ways of doing business and “doing” religion.

A clear overview and summary of this “shift” is seen in a popular and engaging book by Hanna Rosin, an accomplished author and contributor to the *Washington Post*, *The New Republic*, *The New Yorker*, etc. In her book, [perhaps brashly entitled] *The End of Men: And The Rise of Women*, she explains:

The end of men is really the end of a manufacturing-based economy. A new matriarchy is emerging: for the first time in history, the global economy is becoming a place where women are finding more success than men . . . Run by young, ambitious, capable women . . . Taking matters into their own hands . . . Today 50% more women get college degrees, so even if fewer women are at the top, they are beginning to dominate professions like accounting, financial management, optometry, dermatology, forensic pathology, and veterinary practices.²²

Furthermore, in fact, the number of female billionaires across the globe is increasing. For instance, Asian female billionaires increased from just three in 2005, to 25 in 2014; and according to the UBS / Price-Waterhouse-Coopers Billionaire Report,²³ just over half of those women are first-generation entrepreneurs.

Other professional research and current literature on this transition demonstrates such scientifically based observations as:

- Women think, feel, and see differently. They value the economy and the world differently. Psychologically women naturally think long-term and see into the future more readily.
- The male brain is programmed to think short-term – myopic. Therefore, usually the male business leader strives to maximize year-end profits, quarterly earnings, and today’s closing prices. Essentially, the male brain is wired for short-term action.

- Educational systems are now preparing a new generation of more women leaders than ever before in history.
- Globally women now make up 20% of elected legislators, which is almost double from 15 years ago.
- Current research demonstrates that women tend to reinvest economic gains back into their families and communities more than men do.

The point in recognizing this phenomenal female “shift” to a more equality infused power base in today’s globalized world is that the “tipping point” has already happened. It will not be changed; it will not be stopped; it will not be deterred; and any politic, economy, or religion that ignores this faces future irrelevancy or ineffectiveness at best – and possible extinction!

The future reality and effectiveness of *Laudato si’* therefore depends on a political, economic, and religious power base and force that demands the unfettered and unrestricted equality of women and men.

Conclusion

Remember. The title of this presentation was a question regarding *Laudato si’*. Is it “economics, or religion, or what?” I hope that I have answered that question by not attempting to sell you on an easy answer.

What will make the vision and principles of Pope Francis’ *Laudato si’* a reality? Not religion alone. Not morality alone. Not politics alone. Not common sense alone. Not science alone. Not economics alone.

It will take all of the above working together. That will be the power that creates a respect for the integrity of God’s creation in the imaginations of women and men throughout the world.

The important message that I hope that I have conveyed is this: Pope Francis’ call in *Laudato si’* will not be realized unless we assertively and shrewdly read *the signs of the times* and bring *faith and finance* together so that we will have the moral, political, and cultural power to transform the world.

If we are to be the effective instruments for justice, peace and respect for the integrity of creation, we must have the courage to be the prophets and “doers” in today’s world. Nothing less will eliminate the degradation of millions of people on our globe who are marginalized into poverty.

This will only become a reality to the degree that we understand that the economic, moral and political foundation for this quest is inextricably interwoven with the diversity of values of real people, regardless of their gender or religious sectarian views or lack thereof.

That we “may all be one”²⁴ does not depend on we “must all be the same”!

It is we – women and men – equally the “believers,” equally the “supporters,” and equally the “dynamic crusaders” of Pope Francis’ *Laudato si’* who will bring *faith and finance* together so that justice, peace, and the integrity of creation will lead the world to care for our common home.

Remember. Our mission is not to react to the present. Our mission is to create the future for justice, peace, and the integrity of creation.

Endnotes

1. This presentation was delivered on February 27, 2016, at a Forum sponsored at the Casa Generalizia of the Brothers of the Christian Schools in Rome by the Justice, Peace and Integrity of Creation Commission of the International Union of Superiors General of Women and the Union of Superiors General of Men.

2. Brother Louis DeThomasis, who co-founded Christian Brothers Investment Services in 1981, is a De La Salle Christian Brother. He was the chairman of CBIS-Global in Rome from 2008 until 2017 and is a president emeritus of Saint Mary’s University of Minnesota. He earned a doctorate in financial management from Union Institute and University in Cincinnati, Ohio; and he has been awarded six honorary doctorates (Benedictine University, Lewis University, Manhattan College, Saint Mary’s University of Minnesota, Saint Thomas Aquinas College, and University of Saint Thomas).

3. Cf. *Encyclical Letter Laudato Si’ of the Holy Father Francis On Care for Our Common Home* (Vatican, 2015).

4. Cf. *The World Bank Annual Report* (Washington DC, 2015).

5. *Perfectae Caritatis*, the title of the 1965 decree of the Second Vatican Council on religious life, focuses on renewal and adaptation in light of *the signs of the times*. As such, many in the audience would have been hearing these words through that powerful ecclesial lens.

6. Christian Brothers Investment Services “works in partnership with Catholic institutions to develop socially responsible investing solutions that meet their current and future investment needs.”

7. An allusion to Genesis 1:31.

8. *John* 1:14.

9. John Stuart Mill (1806-1873) “was an English philosopher, political economist, and civil servant.” Cf. John Stuart Mill, *Utilitarianism* (1863).

10. Cf. Dan Ariely, *Predictably Irrational: The Hidden Forces That Shape Our Decisions* (HarperCollins, 2008).

11. Cf. Plato's *Euthyphro* (380 BCE).
12. It is believed that Saint Francis of Assisi wrote these beautiful words in 1224 while he was in San Damiano – just 183.5 km from here in Rome – recovering from a serious illness.
13. *Report of the World Commission on Environment and Development: Our Common Future* (1987).
14. Informal comment attributed to Pope Francis on the occasion of the Opening of the Holy Door in Saint Peter's Basilica to officially start the Jubilee Year of Mercy (December 8, 2015).
15. Cf. Pierre Teilhard de Chardin, *Cosmogenesis* (1922).
16. The UN Climate Change Conference (COP 21) was held in France from November 30 to December 12, 2015.
17. An allusion to *John* 17:21.
18. MSCI World is “a market cap weighted stock market index of 1,652 ‘world’ stocks.”
19. The STOXX Europe 600, a stock index of European stocks, “was introduced in 1998.”
20. Jane Ambachtsheer, Mercer Investments.
21. Mark Callaway, The Indigo Group at Morgan Stanley.
22. Cf. Hanna Rosin, *The End of Men: And The Rise of Women* (Riverhead Books, 2012).
23. *UBS / Price-Waterhouse-Coopers Billionaire Report* (Zurich, 2015).
24. An allusion to *John* 17:21.