

Mussolini, Benito. Speech given before the Italian Chamber of Deputies, May 1927.

8

The Profile of the Manager in *Caritas in Veritate*

Gregory R. Beabout

[From the perspective of the Church’s social doctrine, there is a growing conviction that business management cannot concern itself only with the interests of the proprietors, but must also assume responsibility for all the other stakeholders who contribute to the life of the business: the workers, the clients, the suppliers of various elements of production, the community of reference. (CV 40; italics in original)]

*Caritas in Veritate* [Charity in truth], the 2009 encyclical that treats social development in the context of contemporary globalization and the financial crisis, “requires a profoundly new way of understanding business enterprise” (CV 40, italics in original). My goal in this chapter is to draw out of the encyclical a profile of the type of manager endorsed by Pope Benedict XVI and to indicate several points of contact with ongoing discussions in the contemporary literature. Borrowing phrases from the encyclical, a distinction is drawn between two kinds of managers: the short-term cosmopolitan capitalist and the far-sighted steward. As distinct character types, these two models of management involve contrasting self-understandings of the role of the manager. I show that Pope Benedict XVI criticizes several qualities of the short-term cosmopolitan capitalist (CV 40) while praising the holistic, humanistic approach of the far-sighted steward (CV 40). The proposed model sounds suggestive and attractive in certain ways, but it also raises a series of questions. What is the role of the manager? How should managers conceive their activities? What dispositions are required of this type of manager? How might one acquire the outlook needed to excel as a far-sighted steward? In order to bring into focus the proposed conception of the manager found in *Caritas in Veritate*, I place themes from the encyclical in dialogue with several
strands in the contemporary literature. I focus especially on: (1) the recent increased interest among business ethicists in practical wisdom; (2) leadership literature that focuses on stewardship, servant-leadership, and transformational-leadership; and (3) recent efforts to rethink business education by emphasizing the integrative role of the liberal arts. I conclude by showing that the encyclical’s call to understand economic development in light of a “new humanistic synthesis” (CV 21) points to a need to develop a “business humanities” approach as a part of management education, analogous to the development over the past several decades of the field of “medical humanities.”

1 The context of Caritas in Veritate

Caritas in Veritate aims “to pay tribute and to honour the memory of the great Pope Paul VI, revisiting his teachings on integral human development” and then “to apply them to the present moment” (CV 8). If the encyclical were a symphony, the topic of management and the proposal to re-envision the manager as a far-sighted steward would be one among many other melodic motifs, perhaps an evocative counterpoint that arises and repeats itself several times amid a larger, many-hued composition that is rich and textured. The encyclical is a text that is in conversation with both the rich tradition of Catholic social teaching and the contemporary context of a global economic recession. The unifying theme of the encyclical is “the development of peoples with the splendour of truth and the gentle light of Christ’s charity” (CV 8). As indicated by the opening words of the text from which the title is drawn, the central argument is that an appropriate response to the challenges of global development and progress toward the common good requires both love and the truth.

As with previous social encyclicals from the Vatican, Caritas in Veritate is addressed both to Catholics and “to all people of good will.” Specific sections seem aimed at distinct audiences: political leaders, religious leaders, aid agencies, those responsible for the structure of global institutions, and business leaders. The focus of the text moves back and forth, ranging from theological and philosophical questions to matters of global economic and political development. In addition, the level of analysis ranges from individual human persons to large-scale institutions and social structures. The encyclical applies the theme of love in truth to (1) “individuals, their moral conscience and their personal and social responsibility” (CV 36), (2) “micro-relationships (with friends, with family members or within small groups)”, and (3) “macro-relationships (social, economic and political ones)” (CV 2). The text invites all people of good will to take up a common inquiry seeking new ways to realize authentic human development. “Remarkable convergences and possible solutions will then come to light, without any fundamental component of human life being obscured” (CV 32). This shared quest, it is suggested, should be undertaken in a manner that respects the order “proper to each element and in the light of an integral vision of man, reflecting the different aspects of the human person” (CV 32). Focusing on the encyclical’s proposed new conception of the manager does not rule out an emphasis on individual moral reform or the need for structural transformation at the levels of the business enterprise or the global economic system; to the contrary, multiple approaches can be complementary.

2 Two character-types in Caritas in Veritate

The encyclical includes repeated calls for new and creative solutions. “The current crisis obliges us to re-plan our journey, to set ourselves new rules and to discover new forms of commitment, to build on positive experiences and to reject negative ones” (CV 21). The pope writes, “Old models are disappearing, but promising new ones are taking shape on the horizon” (CV 40). One aspect of this is the distinction drawn in the encyclical between two different types of managers, each with a distinctive self-understanding.

In describing these two, I find it helpful to recall Alasdair MacIntyre’s description of the manager as a character (1981, pp. 25–35). MacIntyre develops the notion of the manager as a character by drawing both from literature and from Max Weber’s account of “ideal types.” Weber developed an “ideal-type” theory in his classic book, The Theory of Social and Economic Organization. According to Weber, an “ideal type” is a “synthesis of a great many diffuse, discrete, more or less present and occasionally absent concrete individual phenomena, which are arranged...into a unified analytical construct” (Weber 1947, p. 88). I am using the term “type” in this sense. MacIntyre describes the modern manager (as office executive who devises policies to organize social groups to efficiently and effectively accomplish a given end) as a central character “in the social drama of the present age” (1981, p. 27). MacIntyre uses the notion of character “because of the way it links dramatic and moral associations” (1981, p. 27). For the one who inhabits a given role, a particular character-type acts to guide, structure, and
constrain action. For others who come upon this character, it is crucial to be able to recognize and interpret the intentions of such characters because, whether encountered on the stage or in the drama of life, characters "partially define the possibilities of plot and action" (1981, p. 27). So, blending MacIntyre's notion of a character with Weber's notion of a "type," we can investigate the two sorts of managers described in *Caritas in Veritate.*

Drawing from terms used in the encyclical, I name these two character-types the short-term cosmopolitan capitalist and the far-sighted steward. Distinctive dispositions shape the thoughts, desires, feelings, self-understandings, and actions of each. From the encyclical, we can draw out a fuller description of these two types of managers.

A The manager as short-term cosmopolitan capitalist

Pope Benedict XVI offers both a description of a well-known managerial type and stinging criticisms of this character. It should be clarified that the pope is not critical of all managers who work in the capitalist system, nor is he specifically critical of those who might consider themselves cosmopolitan. The encyclical tradition contains a subtle treatment of capitalism. Pope John Paul II, in his 1991 encyclical, *Centesimus annus* (CA), distinguished between various forms of capitalism; he praised "the fundamental and positive role of business, the market, private property and the resulting responsibility for the means of production, as well as free human creativity in the economic sector" (CA 42) while criticizing forms of capitalism that fail to see that economic freedom needs to be circumscribed "within a strong juridical framework which places it at the service of human freedom in its totality, and which sees it as a particular aspect of that freedom, the core of which is ethical and religious" (CA 42). In a similar way, *Caritas in Veritate* is not critical of capitalism *per se* or of all managers who work in a capitalist system with short-term responsibilities; nor is it opposed to a cosmopolitan setting. The pope is awakening us in particular to certain dispositional tendencies, especially insofar as they are shallow and short-sighted. In section 40, the following characteristics of one type of manager are identified:

1. They work in large firms.
2. They find themselves expected to produce quantifiable short-term results.
3. They are employed as replaceable units.
4. They work in many cases without a stable director, that is, without a person or family who feels responsible in the long term for the life and results of the company.
5. They often rely on outsourcing because they are encouraged to pursue efficiency by taking advantage of economies of scale.
6. Perhaps because of recurrent outsourcing, they have cultivated in others, and may themselves feel, a diminished sense of responsibility regarding the impact of their firm's activities on various stakeholders: the workers, the suppliers, the consumers, the natural environment, and the broader society.
7. Their remuneration is performance-based as measured in terms of profits and as a result they frequently find themselves answerable only to the shareholders of anonymous funds.
8. Like the shareholders of such funds, they frequently feel a sense of mobility and hence do not consider themselves to have any responsibilities to a specific geographical area (CV 40).

Why does the pope draw attention to this sort of manager? It seems clear that the pope aims to criticize this character, but it is not a wholesale criticism; the pope is not criticizing those who are cosmopolitan, nor is he criticizing every form of capitalism. What are the precise shortcomings of this character-type?

This character, as described in the encyclical, seems disinclined to engage in serious reflection on the tension between perceived self-interests (or shareholder interests) and questions about what makes for a good human life. In some cases, policies, laws, or institutional constraints may make it difficult for such a manager to deliberate with others about broader moral and social questions. Such a character tends to become blind to several crucial truths. The dispositional leaning of this character is to neglect the long-term impact of decisions, to treat human persons as replaceable objects, and to ignore the impact of managerial decisions on the local community, the natural environment, and the broader society. The pope suggests that such managers act in a fragmented and alienated manner, acting as if the professional and business significance of managerial decisions are entirely separable from all human significance (CV 41). Such a character tends to disregard the truth that every human action is a "personal action" (CV 41), as if one could be relieved of all responsibility for one's business decisions by saying, "It is nothing personal." In focusing one's concerns on increasing shareholder value without regard for others who are impacted by the
decision, the short-term cosmopolitan capitalist acts without regard for truth or charity.

B The manager as "far-sighted steward"
Within the encyclical, Pope Benedict suggests an alternative type of manager who operates according to a quite different paradigm. The pope does not provide concrete examples of such managers; nor does he offer a single, orderly description. However, it is possible to draw from various parts of the encyclical to piece together a number of characteristics of the type of manager that the pope prefers. *Caritas in Veritate* lists the following ten qualities of the manager as far-sighted steward:

1. While there may be contemporary examples of far-sighted stewards, this sort of manager exists outside mainstream contemporary business models; this type of manager is described as a promising new one that is "taking shape on the horizon" (CV 40).
2. They are "far-sighted," concerned with the responsible use of financial resources, focusing on long-term sustainability more than short-term profits (CV 40).
3. They may exist in various types of enterprises, (not simply public v. private or for-profit v. not-for-profit), and they favor "cross-fertilization between different types of business activity, with shifting of competences from the 'non-profit' world to the 'profit' world and vice versa, from the public world to that of civil society, from advanced economies to developing countries" (CV 41).
4. They operate according to "traditional principles of social ethics like transparency, honesty and responsibility" (CV 36).
5. They attend to the concrete particularities of their social context by remaining "aware of the profound links between their enterprise and the territory or territories in which it operates" (CV 40).
6. They recognize that business activities are first and foremost the activities of human persons; hence, they treat workers as persons, recognizing the dignity of each worker by providing opportunities for everyone to make a personal contribution that develops his or her capacities as a person (CV 41).
7. They operate with "person-based" and "community-oriented" concerns for common goods, global integration, and openness to transcendence (CV 36, 42).
8. They operate with an ethic of stewardship, that is, they are attentive to the environment, recognizing that the "environment is God's gift to everyone, and in our use of it we have a responsibility towards the poor, towards future generations, and towards humanity as a whole" (CV 48).
9. They operate according to the "logic of gift" and the "principle of gratuitousness" (CV 35-36).
10. They reason together with others about the ends being pursued by their enterprise; the good of financial success is balanced with a range of other goods, including the well-being of "the workers, the clients, the suppliers of various elements of production, the community of reference" and the natural environment (CV 40).

We are now in a better position to answer some of the questions raised at the beginning of this chapter. What does it mean to manage as a far-sighted steward? What dispositions and self-understanding characterize the far-sighted steward?

3 The dispositions and self-understanding of the far-sighted steward
This proposed alternative type of manager, the far-sighted steward, might strike some as perhaps initially counterintuitive in certain ways. However, it actually shares a great deal with other recent proposals for management reform: (1) the recent increased focus on the need for business leaders to cultivate the virtue of practical wisdom, and (2) the stewardship literature, especially the leadership literature.

A The far-sighted steward and the retrieval of practical wisdom
In his recent presidential address to the Society for Business Ethics, Dennis Moberg focused his remarks on the need for business leaders to retrieve the ancient virtue of practical wisdom. Moberg noted, "Practical wisdom has received scant attention in business ethics" (2007, p. 535), although the publication of his remarks went a long way to redress this shortcoming. Of course, practical wisdom has an ancient pedigree as one of the four cardinal virtues. This intellectual excellence goes by many names: prudence, foresight, sagacity, and practical reasoning. Aristotelian used the ancient Greek term phronesis to distinguish knowing how to act from knowing how to make things (techne) and knowing eternal truths (sophia) (Aristotle, 2002 (NE) 1140a1-1141b23). In medieval Latin, the term prudencia was formed from a contraction of the ancient term providentia, that is, divine foresight. The prudent person could see clearly well into the future. The virtue tradition prides prudencia as auriga virtutum, the herding charioteer that gathers all the
other virtues and guides each judgment of conscience. As a disposition, it is an acquired trait, an enduring personal quality, a state that allows one to discern the true good in every circumstance and to choose the right means of achieving it.

The recent interest among business ethicists in retrieving the ancient virtue of practical wisdom has forerunners; Robert C. Solomon, writing in the early 1990s, developed an Aristotelian approach to business ethics in which he treated *phronesis* under the name "good judgment" (1992, pp. 328–9, 1993, pp. 174–9).

Moberg begins his account of practical wisdom with a dictionary definition: "the ability to judge rightly in matters relating to life and conduct" (2007, p. 536). He immediately refines that definition, defining practical wisdom as "a disposition toward cleverness in crafting morally excellent responses to, or in anticipation of challenging particularities" (2007, p. 536), and he goes on to provide a range of common business situations that call for practical wisdom (ambiguous situations, binds, dilemmas, and leadership predicaments) followed by an incisive account of the virtue.

In a similar way, Gary Weaver has written that among those concerned with business ethics and organizations, more attention "needs to be paid to the notion of practical wisdom" (2006, p. 358). A number of writers have done so recently (for examples, see Sison 2009, Clarke 2010, Melé 2010, Maines 2010). Barry Schwartz and Kenneth Sharpe (2010), in their recent book, *Practical Wisdom*, bring into focus many instances in which contemporary social institutions encourage shortsighted decisions that are unwise, selfish, and foolish; the aim of their book is to retrieve Aristotle's emphasis on *phronesis* in order make this virtue relevant to our contemporary context, especially in the context of business, law, education, and medicine.

As Moberg notes, the disposition of practical wisdom is developed through experience, reflection, and inspiration (2007, p. 547). The person with limited experience, or the person who is disposed to experience the world only through a narrow, limited perspective, is prone to aim at goals that are obvious or readily quantifiable in the short-term. The person of practical wisdom has a well-developed moral imagination that allows one to empathize with alternative points of view and anticipate how others might feel about a particular situation (2007, p. 549). The person of practical wisdom is excellent at "a creative mode of inquiry that pulls together different views and abstract ideas into a unified whole" (2007, p. 550).

In *Caritas in Veritate*, when Pope Benedict calls for managers who are far-sighted, he points especially to the importance of recognizing "the profound links between their enterprise and the territory or territories in which it operates" (CV 40). "Paul VI invited people to give serious attention to the damage that can be caused to one's home country by the transfer abroad of capital purely for personal advantage" (CV 40). So, when *Caritas in Veritate* praises the quality of being far-sighted, the disposition being suggested is the traditional cardinal virtue of prudence or practical wisdom that has been the subject of increased attention in contemporary business ethics literature.

**B The stewardship literature: servant-leaders and transformational-leadership**

The notion of stewardship is an explicit and recurring theme in *Caritas in Veritate* (CV 27, 48–51, 67, 69). The text states, "Human beings legitimately exercise a responsible stewardship over nature, in order to protect it, to enjoy its fruits and to cultivate it in new ways, with the assistance of advanced technologies, so that it can worthily accommodate and feed the world’s population" (CV 50). The pope speaks of stewardship primarily with ecological concerns in mind. "The environment is God's gift to everyone, and in our use of it we have a responsibility towards the poor, towards future generations and towards humanity as a whole" (CV 48). The pope clarified and expanded his teaching in his World Day of Peace message delivered on January 1, 2010 when he stated that the Church is concerned that the question be approached in a balanced way, with respect for the "grammar" which the Creator has inscribed in his handiwork by giving man the role of a steward and administrator with responsibility over creation (Pope Benedict XVI 2010, 13).

As a result of Pope Benedict's emphasis on stewardship and environmental responsibility, Newsweek dubbed him the "Green Pope" (Stone 2008). In addition to Pope Benedict's concerns for environmental responsibility, he also uses the notion of stewardship in a broader sense to include care for all of the gifts that we have been given and charged with preserving and passing on to others. As stewards, we have been put in charge of a multiple gifts: "ecological, juridical, economic, political, and cultural" (CV 48). In this way, Pope Benedict uses the notion of stewardship broadly, referring to a wide range of projects that will
impact coming generations and which “need to be marked by solidarity and inter-generational justice” (CV 48).

The leadership literature in business frequently uses the notion of stewardship in this broader sense, referring not simply to the responsibility to care for the natural environment, but to “the attitudes and behaviors that place the long-term best interests of a group ahead of personal goals that serve an individual’s self-interests” (Hernandez 2008, p. 122). Stewardship is not primarily the result of formal rules; rather, it “is facilitated through organizational structures that help leaders to generate interpersonal and institutional trust, clarity regarding organizational strategy, and intrinsic motivation in followers” (Hernandez 2008, p. 122).

Peter Block, in his book, *Stewardship: Choosing Service over Self-Interest* (1993) extends and expands ideas that he had earlier developed in *The Empowered Manager* (1987). Block writes, “Stewardship is to hold something in trust for another. Historically, stewardship was a means to protect a kingdom while those rightfully in charge were away, or, more often, to govern for the sake of an underage king” (Block 1993, p. xx). Block is writing for managers and leaders of organizations, challenging them to change their orientation by encouraging them to “choose service over self-interest” and to “reside over the orderly distribution of power” (Block 1993, p. xx). The task of the manager-as-steward, according to Block, is “to systematically move choice and resources closer to the bottom and edges of the organization” (Block 1993, p. 18). His book is filled with examples of how the manager-as-steward can empower members of the organization to become active participants in decision making. Block provides suggestions for redesigning management practices, flattening the organizational structure, rethinking staff functions, and redesigning reward systems. Block seems to be unaware of the deep similarities between the form of management that he is proposing and the notion of subsidiarity, a central principle in the social encyclicals of Catholic thought— that decisions should be made at the level appropriate to each issue. 

Despite Block’s seeming lack of awareness concerning subsidiarity, he makes explicit reference to the original religious context of the notion of stewardship “to care for the earth” (1993, p. 41). On the whole, Block situates stewardship in the context of managerial leadership: “Corporate stewardship has come to mean financial responsibility for both the institution and the community it lives in” (1993, p. 41). Understood this way, according to Block, stewardship is “the willingness to be accountable to the well-being of the organization by operating in service, rather than in control, of those around us” (1993, p. xx).

Block’s notion of the manager-as-steward is influenced in part by Robert Greenleaf’s idea of the servant-leader. In his seminal and now classic book, *Servant Leadership: A Journey in the Nature of Legitimate Power and Greatness* (1977), Greenleaf proposed a model of organizational leaders as servants. Servant-leaders give priority to others, aiming to build up others and help them flourish by empathically listening to others and helping them draw out their deepest aspirations and purposes. Larry Spears, the longtime successor, President, and CEO of the Robert K. Greenleaf Center for Servant-Leadership (1990–2007) identified 10 characteristics of servant-leaders: listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment to growth, and building community (Spears 1997, pp. 4–6).

As understood by Greenleaf and Spears, stewardship is the recognition that leaders have the task to hold their institution in trust to serve the good of society; in that way, “stewardship and servant-leadership are closely aligned ideas” (Spears 1997, p. 85).

The notion of servant-leadership is also quite similar to the managerial model found in the literature of transformational-leadership, an approach that has been developed by James MacGregor Burns and Bernard M. Bass. MacGregor Burns, in his seminal 1978 book, *Leadership*, and then Bass, in his 1985 book, *Leadership and Performance beyond Expectations* (1985), drew a distinction that is now well-known in leadership literature: they distinguish between transactional and transformational leaders. Transactional leaders motivate workplace performance through a system of rewards and punishments, while transformational leaders provide an inspiring mission, inviting others “to transcend their own self-interests for the good of the group, organization or society; to consider their long-term need for self-development rather than their need of the moment; and to become more aware of what is really important” (Bass 2008, p. 50).

While both servant-leadership and transformational-leadership might be viewed as alternatives that are somewhat out-of-the-mainstream compared with older command-and-control models that are bureaucratic and more rigidly hierarchical, each have been extensively studied, empirically evaluated, and applied in a range of organizations (Bass 2008).

Pope Benedict’s proposed managerial model, the character-type that I have called the *far-sighted steward*, is similar to these; the points of contact merit further investigation. In particular, in these approaches,
the self-understanding on the part of the manager toward one's task involves preserving something in trust for the well-being of others by operating in service to the well-being of others and the good of society, including future generations; this is carried out by encouraging initiative, participation, and decision making by those impacted, and by encouraging responsible reflection and deliberation about what is really important beyond the immediate needs of the moment. In these and similar ways, the managerial character-type proposed in *Caritas in Veritate*, the *far-sighted steward*, shares a great deal in common with several strands of contemporary leadership literature.

With regard to the pope's praise for the *far-sighted steward*, an objector might protest that choosing service over power and self-interest runs counter to the logic of the marketplace. Such an objector might point to a rationality of economic utility that is entirely separate from humanistic concerns. Aren't economic activities to be judged solely according to a quantifiable logic of cost/benefit analysis that focuses on measurable outcomes? How would Pope Benedict respond to this sort of objection?

4 A holistic, humanistic approach to business management

One of the central points of *Caritas in Veritate* is to provide a response to the objection that economic concerns are entirely distinct from human concerns. Pope Benedict proposes that the economic crisis, while complex, points to the need for a deeper and increasingly interconnected understanding of economic development. Indeed, the text calls for "new efforts of holistic understanding and a new humanistic synthesis" (CV 21; italics in original). According to this proposed mode of thinking, technical concerns need to be integrated with "the fully human meaning of human activities, within the context of the holistic meaning of the individual's being" (CV 70).

The direction of this response moves beyond a call for "business ethics," especially if business ethics is understood merely in terms of a "code of ethics" or set of principles intended to place limits on an otherwise unbridled pursuit of profits. Prior to the onset of the economic crisis, the concern with business ethics was already on the rise in university settings, in centers of business ethics, and among many practitioners in various business contexts. Further, in recent decades, there has been an increased interest in ethical banking, ethical investing, and so forth, both in the area of micro-finance and in the growing area of socially responsible investing. The adjective "ethical" can be abused, "even to the point where it includes decisions and choices contrary to justice and authentic human welfare" (CV 45), especially in instances that lack a clear emphasis on authentic personal development and a sound moral criterion. In a manner parallel to the way that some foods have been labeled "natural" or "organic" without any clear indication of what those terms mean, the term "ethical" is subject to similar abuse. With this in mind, the Pope calls for a holistic, humanistic approach.

This raises another question. How might the humanistic concerns of the *far-sighted steward* be cultivated? How might business schools cultivate in future managers the characteristics and traits that accord with a holistic, humanistic approach?

A lesson from medical humanities

One way to understand the encyclical's call for a "new humanistic synthesis" is to point to the development of the field of "medical humanities" while noting the relative lack of a corresponding field of "business humanities." Medical humanities developed as a response to shortcomings that were felt as medical culture became increasingly "dominated by scientific, technical and managerial approaches" (Greaves and Evans 2000, p. 1). As a pedagogical movement, medical humanities has a complicated history (Cook, 2010, pp. 3–4). The term "medical humanities" can be traced to the 1960s, but the medical humanities movement has expanded significantly in recent decades (Evans and Greaves 2010, p. 66). As physicians and healthcare professionals have increasingly found themselves buffeted by social and economic pressures, narrowed in their expertise by increased specialization, and feeling at times dehumanized by conceptions of medicine that emphasize analytical detachment, there was a felt need for a more humanistic approach to medicine.

Medical humanities developed as an effort to cultivate insight into the human condition among both medical students and healthcare practitioners. Drawing from the habits of mind and heart that characterize the humanistic disciplines, medical humanities aims to increase awareness of human and social concerns, attentiveness to narrative and history, sensitivity toward suffering and the perspectives of those who might sometimes be forgotten, appreciation of creativity, alertness to distinct perspectives, reflection with others on questions of deep purpose, and a commitment to human well-being. As these concerns are widely recognized as essential for humane medical care, many medical schools now offer courses and programs in medical humanities. Students now pursue various degrees in the field of medical humanities, ranging from an undergraduate interdisciplinary minor to graduate studies culminating in the doctoral degree. Indeed, programs in
medical humanities have become widespread at colleges and universities educating undergraduate students in nursing, pre-medicine, and other healthcare fields.

The field of medical humanities is interdisciplinary in character. It includes professional associations in North America and Europe with multiple scholarly journals and a growing literature of book-length works. The field is characterized by an ongoing debate as to whether it is a new subdiscipline or a "novel interdisciplinary perspective" which sought to reunify the arts and sciences in medicine as a whole and so provide a more rounded and humanitarian approach that rejected the notion of a subdiscipline altogether (Evans and Greaves 2010, p. 66).

The concerns of literary critics, especially those who focus on narrative, have emerged as central in the developing conversation of medical humanities. By cultivating an attentiveness to the rich complexity of setting, character, and plot, a medical humanities approach encourages medical professionals to use humanistic and integrative approaches. In doing so, the hope is that medical professionals might bring together scientific and technical knowledge appropriate to the medical field with an increased awareness of each patient as a human person.

B Rethinking business: toward a business humanities approach

In contrast with the field of medicine, in the business sector, the notion of "business humanities" is comparatively underdeveloped. A number of recent books suggest that contemporary business education, especially as it is practiced in the United States, is seriously flawed. In Academically Adrift: Limited Learning on College Campuses, Richard Arum and Josipa Roksa offer a devastating assessment of higher education generally, and especially business education. They cite evidence that students concentrating in business coursework report lower levels of time spent reading and writing than students in the liberal arts (Arum and Roksa 2011, p. 81). Compared with business students, those majoring in liberal arts "demonstrated significantly higher gains in critical thinking, complex reasoning and writing skills over time than students in other fields of study. Students majoring in business, education, social work, and communications had the lowest measurable gains" (Arum and Roksa 2011, p. 121-122).

Of course, it is always in season to criticize higher education; jeremiads lamenting the sorry state of universities are nothing new. In the past, law schools, journalism schools, engineering schools, and the entire university system have all been subjected to severe criticisms, so it may be unsurprising that there is currently an appetite for authors criticizing business education. With that said, it is curious that two of the most prominent such recent works call for similar remedies.

In Rethinking the MBA, Srikant Datar and his co-authors situate their argument within the 100-year history of the MBA at Harvard Business School. On their telling, business schools such as Harvard were primarily vocational in character in the early years, with professors drawn from industry. In many cases, early B-school teachers were experienced practitioners. From the podium, seasoned veterans dispensed wisdom to the young primarily by telling stories of "what it's like out there." A watershed occurred in 1959 when, in the United States, Carnegie and the Ford Foundation issued reports with deep criticisms of business school research and theory. The proposed solution, which was significantly incentivized by grant money, was to gain academic respectability by conducting empirically-based scientific research supported with rigorous statistical analysis. In response to the Carnegie and Ford reports, business education "wisely and appropriately began to introduce greater rigor and disciplinary knowledge into their programs" (Datar et al. 2010, p. 322).

As business researchers began to focus their studies more narrowly while aiming for greater and greater precision, MBA faculty and the MBA degree increased in stature. However, Datar and his colleagues suggest that the pendulum has swung too far in the direction of the scientific research model. The risk is that business schools might institutionalize their own irrelevance, producing managers unable to see beyond narrow, quantitative studies. Rethinking the MBA proposes that it is time to rebalance the educational priorities of the business school. While emphasizing quantifiable analyses and methods, managers found themselves deficient in certain ways. In the MBA curriculum, less time was spent cultivating holistic thinkers capable of creatively reframing contexts nimbly across multiple frameworks, disciplines, and cultural perspectives. Executives found themselves highly proficient in technical analysis, but with few resources for engaging with others in dialogue and discourse about a sense of purpose or identity. Rethinking the MBA proposes "the center of gravity of MBA education shifted strongly toward 'knowing' and away from 'doing' and 'being'" (Datar 2010, p. 322). For that reason, the authors propose that it is time to "rebalance the scales" by "focusing more attention on issues of accountability, ethics, and social responsibility" (Datar 2010, p. 323). Without providing concrete specifics, Datar and his co-authors call for pedagogical and curricular innovations that teach managerial skills while instilling a sense of purpose and identity.
The call for reform is equally pronounced in a new Carnegie study. *Rethinking Undergraduate Business Education* notes many of the same problems. In the recent Carnegie study, the authors visited a range of business schools in the United States. “We were struck by the degree to which undergraduate business students take what they and others call an instrumental approach to their studies” (Colby 2011, p. 51). Many of the undergraduate business students interviewed in the recent Carnegie study consider required courses in the liberal arts as “requirements to get out of the way” rather than as exciting opportunities for intellectual exploration. In part, these attitudes have been institutionalized; they are “built into the curriculum and the advising system,” so that connections between the humanistic concerns of the liberal arts, the personal traits cultivated in such courses, and the importance of those traits as crucially needed to excel in business, are rarely drawn (Colby 2011, p. 51).

The authors of *Rethinking Undergraduate Business Education* propose a remedy that shares a great deal with the recommendations of *Rethinking the MBA*. In particular, the recent Carnegie study proposes an integrative vision of liberal learning for business education. As they put it, “The purpose of liberal learning is to enable students to make sense of the world and their place in it, preparing them to use knowledge and skills as a means to engage responsibly with the life of their times” (Colby 2011, p. 60). They articulate this goal in four parts. (1) Analytical thinking: the ability to abstract from particular contexts to produce formal knowledge that is general in nature and subject to methodical investigation. (2) Multiple framing: the awareness that any particular scheme of analytical thinking frames experience in particular ways, and is subject to challenge from different perspectives or points of view that frame the same experience in quite different, apparently incompatible ways. (3) The reflective exploration of meaning: As the traditional heart of liberal education and humanistic learning, it raises questions about “who I am, how I engage the world, and what is reasonable for me to imagine and hope” (Colby 2011, p. 60) 4. Practical reasoning: the ability to deliberate and decide on the best course of action in a particular situation. The authors of the recent Carnegie study propose that, “Such thinking is characteristic of professional judgment, including that of business leaders, as well as being a key capacity of citizens and statesmen” (Colby 2011, p. 60).

To summarize, the recent books both criticizing business education and calling for rethinking business education propose an approach that parallels, in certain ways, the development of medical humanities. For that reason, it might be appropriate to call this a “business humanities” approach, recognizing that the proposed habits of mind and heart are cultivated in the liberal arts generally, including not only the disciplines traditionally associated with the humanities, but all of those disciplines and practices that together make up an integrated, humanistic approach. When we read in *Caritas in Veritate* a call for “new efforts of holistic understanding and a new humanistic synthesis,” (CV 21) the encyclical is expressing something quite similar to that which we find expressed in contemporary calls to rethink business management.

5 Conclusion

*Caritas in Veritate* includes, as one of its motifs, a criticism of a managerial character-type, the short-term cosmopolitan capitalist, while endorsing a profile of the manager as far-sighted steward. By putting the far-sighted steward into conversation with the contemporary literature in three areas (practical wisdom literature in business ethics; leadership literature; and the literature pointing to the need to rethink business education by emphasizing more deeply the humanities and liberal arts), I have shown that Pope Benedict’s proposal shares a great deal with ongoing conversations.

At the same time, it should be noted that, in certain ways, Pope Benedict’s proposal goes beyond the points of contact with the contemporary literature that I have highlighted. In particular, the pope’s emphasis on charity in truth, the central theme of the encyclical, merits deeper reflection. The same is the case with regard to what Pope Benedict calls the “logic of gift” (CV 34, 36). The humanistic synthesis proposed in *Caritas in Veritate* is ultimately theological in character; the points of contact that I have indicated are not intended to mean that the encyclical’s proposal is reducible to the wisdom found in a humanistic approach to economics and business. The fullness of love is, in a sense, “already but not yet” fully present. “The human community that we build by ourselves can never, purely by its own strength, be a fully fraternal community, nor can it overcome every division and become a truly universal community” (CV 34). With realism, the encyclical invites “deeper reflection on the meaning of the economy and its goals, as well as a profound and far-sighted revision of the current model” (CV 32).

The far-sighted steward proposed in *Caritas in Veritate* offers a holistic, humanistic approach to management.
Executive summary

This chapter draws from *Caritas in Veritate* a profile of the sort of manager endorsed by Pope Benedict XVI and indicates several points of contact with ongoing discussions in the contemporary literature. Borrowing phrases from the encyclical, a distinction between two kinds of managers is identified: the *short-term cosmopolitan capitalist* and the *far-sighted steward*. As distinct character-types, these two models of management involve contrasting self-understandings of the role of the manager. I show that Pope Benedict XVI criticizes several qualities of the *short-term cosmopolitan capitalist* while praising the holistic, humanistic approach of the *far-sighted steward*. The proposed model sounds suggestive and attractive in certain ways, but it also raises a series of questions. What is the role of the manager? How should managers conceive their activities? What dispositions are required of this sort of manager? How might one acquire the outlook needed to excel as a *far-sighted steward*? In order to bring into focus the proposed conception of the manager found in *Caritas in Veritate*, I place themes from the encyclical in dialogue with several strands in the contemporary literature. I focus especially on (1) the recent increased interest among business ethicists in practical wisdom, (2) leadership literature that focuses on stewardship, servant leadership, and transformational leadership, and (3) recent efforts to rethink business education by emphasizing the integrative role of the liberal arts. I conclude by showing that the encyclical’s call to understand economic development in light of a “new humanistic synthesis” points to a need to develop a “business humanities” approach as a part of management education, analogous to the development over the last several decades of the field of “medical humanities.”

Notes

1. For a more detailed overview of *Caritas in Veritate*, see the introductory chapter. For a helpful account of the encyclical in relation to the economic crisis, see Breen (2010, pp. 987–993).
2. He refers to the encyclical letter *Populorum progression* (FP: 1967) by Pope Paul VI.
3. While these precise names are not used in *Caritas in Veritate*, I have drawn these phrases from the language of the encyclical. In naming the first type of manager the *short-term cosmopolitan capitalist*, I am drawing especially from these three sentences in the encyclical: “Moreover, the human consequences of current tendencies towards a short-term economy – sometimes very short-term – need to be carefully evaluated” (CV 32); “In recent years a new cosmopolitan class of managers has emerged” (CV 40); “The continuing hegemony of the binary model of market-plus-State has accustomed us to think only in terms of the private business leader of a capitalistic bent on the one hand, and the State director on the other” (CV 41). In naming the second type of manager the *far-sighted steward*, I am drawing especially from these two sentences in the encyclical: “By contrast, though, many far-sighted managers today are becoming increasingly aware of the profound links between their enterprise and the territory or territories in which it operates” (CV 40); “Human beings legitimately exercise a responsible stewardship over nature, in order to protect it, to enjoy its fruits and to cultivate it in new ways, with the assistance of advanced technologies, so that it can do the utmost to accommodate and feed the world’s population” (CV 50, italics in original).
4. This type of manager, the *short-term cosmopolitan capitalist*, seems most associated with certain forms of shareholder capitalism.
5. For example, Eschmann notes that Thomas Aquinas describes the virtue of prudence in these terms; see Eschmann (1997, p. 197).
6. The notion of subsidiarity is referenced in *Caritas in Veritate* in several places, including 47, 57–60, 68. The classic formulation of the principle of subsidiarity is found in the encyclical *Quae Pastores Gentes* Anno: “Just as it is gravely wrong to take from individuals what they can accomplish by their own initiative and industry and give it to the community, so also it is an injustice and at the same time a grave evil and disturbance of right order to assign to a greater and higher association what lesser and subordinate organizations can do. For every social activity ought of its very nature to furnish help to the members of the body social, and never destroy and absorb them” (QA 79). For a more detailed account, see Beabout (2008) and Beabout and Hodes (2007).
7. For discussion of ethical banking and socially responsible investing, see Harvey (1995), Pung (2010), and Beabout and Schmesing (2003).
8. For a list of people and programs in medical humanities, see http://med-hum.med.nyu.edu/directory.html.
9. As an example, see Charon and Montello (2002). For an example of a humanistic approach drawing from literature as applied to executive leadership, see Badaroco (2006).

References


