

MARTIJN CREMERS SPEECH FINAL

International Conference: The milestones of the Integral Ecology for a Human Economy

October 30, 2020, 9:45-10:00 a.m. EST: K.J. Martijn Cremers, the Martin J. Gillen Dean and the Bernard J. Hank Professor of Finance, Mendoza College of Business at the University of Notre Dame

“Structure and Content of Education for a Digital and Sustainable Society: the Role of Business Schools”

INTRODUCTION

Good afternoon. I am Martijn Cremers, the Dean and a Professor of Finance at the University of Notre Dame’s Mendoza College of Business. I am pleased to join you from the beautiful campus of Our Lady’s University in the United States — the University of Notre Dame.

I grew up in the Netherlands, which explains the strange extra ‘j’ in my first name, so you can think of me as the guy with a ‘j’ too many. I have lived in the U.S. for 23 years now.

I want to thank Eutimio Tiliacos, Secretary General for the Centesimus Annus - Pro Pontifice Foundation, for inviting me to participate in this important Conference.

I will address the role of business schools in shaping the future of the human economy by first presenting three closely related central themes from Laudato Si’ and Catholic Social Teaching, and then linking these to our vision of business, and more specifically to the role of business schools in contributing to a sustainable society. And lastly, I will give you a practical example of these principles in action at our business school.

ROLE OF BUSINESS SCHOOLS

I am convinced that business schools have a critical role to play in establishing a sustainable society, because the essential role of a business school is to develop future business leaders who will make decisions that have a powerful impact on society.

Therefore, business schools have a responsibility to educate our young people to be servant leaders who see business as a vocation from God, putting their talents toward the service of others.

As stated in Laudato Si’: “Business is a noble vocation, directed to producing wealth and improving our world. It can be a fruitful source of prosperity for the areas in which it operates, especially if it sees the creation of jobs as an essential part of its service to the common good.”

THE THREE Ps

Let's consider how business becomes a noble vocation. I will start with three main themes of Laudato Si', link those to the three pillars of Catholic Social Teaching more broadly, and then share our vision of business at Notre Dame.

These are the three main themes in Laudato Si' that I take away from the encyclical:

- 1) First, all of creation is a gift with a social or shared purpose,
- 2) Second, everything — and everyone— in the world is connected, where our personal flourishing depends on having flourishing relationships with God, with others, and with our natural environment, and where all of these relationships are interconnected, and
- 3) Third, the healing of our current crisis requires our personal response — our personal conversion — by the grace of God. To quote Laudato Si', "It is we human beings above all who need to change."

We can link these three themes in Laudato Si' to what I think of as the three pillars or key principles of Catholic Social Teaching:

- 1) Number one, the principle of every person's immutable and intrinsic human dignity, derived from being made in the image and likeness of God,
- 2) Number two, the principle of solidarity, and
- 3) Number three, the principle of subsidiarity, which comes from the latin word subsidium, which means "help," or a social environment where we help each other to develop integrally, without interfering with one another's freedom and creativity.

These three themes and three pillars give rise to our vision of business, which consists of another triad — of course — namely the "three shared Ps": the shared purpose, the shared priorities and the shared practice of business.

I'll illustrate the three shared Ps using this famous Japanese work of art called "The Great Wave." The great wave represents the competitive, dynamic and disciplining environment of business.

If the waves are that big, you need a compass — something outside yourself and outside business that you can chart your course by. In the print, that is represented by Mount Fuji rising in the background. For us, our compass is Our Lord who provides us with directions for life through the Gospel, the teachings of the Church, and the example of the Saints.

The three small boats are an analogy of a business corporation. They form a fleet, interdependent on one another with a shared purpose to arrive at their common destination together. They illustrate the three shared Ps of business in the following way:

- 1) The SHARED PURPOSE of business is to contribute to integral human development or human flourishing in a way that integrates material, social and spiritual flourishing using the social teachings of the Church as our compass.

- 2) The SHARE PRIORITY of business is to cooperate with all stakeholders in solidarity; where the sharing of priorities in solidarity means that you are willing to make someone else's priorities one's own. In the print, everyone in these boats is also responsible for everyone else in their boat as well as the other boats. Solidarity is necessary to be successful in the shared purpose of arriving at the common destination.
- 3) The SHARED PRACTICE of business is to compete with excellence, both externally in the marketplace to ensure economic sustainability, and internally through providing a social environment characterized by subsidiarity, in which each person can grow (or compete internally) toward the best version of themselves.

These three aspects are closely connected. For example, why would you be willing to make someone else's priorities your own, or to cooperate in solidarity? A good reason to do so is the recognition that you have a shared purpose, which can be as simple as seeing our shared human nature or one another's intrinsic dignity.

This is the vision of business that we present to our students, where we translate the three shared Ps into three Cs: Contribute, Cooperate and Compete. We want our students to contribute to a shared purpose, to cooperate by sharing priorities and to compete in shared practice.

All three are necessary, but we hope that they contribute, cooperate and compete in that order. The temptation in a market economy is to invert that order, and to focus mainly on successfully competing.

The danger then is that business contributes only in ways that are directly rewarded in the market rather than with solidarity and in sustainable ways. If everything is about competition, then the people who can compete the best may benefit at the expense or the exclusion of others. Competition and markets bring many advantages, but markets generally do not care much about solidarity, for example.

In the digital economy, this temptation to reinvert the order is even stronger, as digitization often makes it harder to see the person behind the data. Information technology can put other persons at a greater distance, making it more difficult to recognize our responsibilities to others.

Cooperation and solidarity require commitment, and technology often makes it easier to not commit to others, to exit in times of crisis. Going back to the image: those who can best use technology can most easily exit the boats in the picture when storms come, leaving the others behind.

Instead, the right ordering of contribute, cooperate and compete requires that business leaders have faith, love and hope: faith to see how to contribute to the common good, love to prioritize solidarity and one's social responsibility, hope to overcome obstacles, including self-centered fears.

THE THREE GOALS FOR A BUSINESS SCHOOL

We can then apply these principles and this vision to business education, centering my thoughts again around a triad, of course, namely: an integrated business curriculum, an emphasis on teamwork and a supportive social environment.

- 1) An integrated business curriculum means a curriculum where the business disciplines – marketing, finance, accountancy– are integrated with a Christian humanistic perspective on the one hand, and with technology or data science on the other.

Each of these three parts of this triad – business, the humanities and data science – has traditionally been taught in a siloed way, by different schools in the university. Without a Christian humanistic perspective, business can easily forget its social responsibility. And as we now live in a world of big data and technology, the new language of business is analytics and coding. This means that data science must also be integrated into the business curriculum.

- 2) An emphasis on teamwork and social responsibilities. Being a good teamplayer requires a willingness to consider the needs of others, which is a key part of solidarity, and in real-world settings, we emphasize the responsibilities of business towards the most vulnerable people and the environment.
- 3) A final goal is to be a strong community of holistic formation, where our students are supported and challenged, and discern their vocation in light of their faith. This involves helping them to see and develop all of the gifts they have received, and to see how to share their gifts with others.

FRONTLINES EXAMPLE

Now, I promised we would end up with a practical illustration of this vision of business, where we as a business school are at our best. I want to tell you about a remarkable program started at Mendoza 12 years ago by professor Viva Bartkus called the Meyer Business on the Frontlines Program, which is now a central part of our MBA program.

In the Frontlines program, our MBA students work in a team to consult with partner organizations serving vulnerable populations all over the world. They use their business skills in the context of societal issues such as post-conflict rehabilitation, poverty, and illicit economies.

Professor Bartkus's underlying philosophy is that we should never underestimate the human dignity associated with a good day's work, particularly for those who have come through conflict or deep poverty.

Frontlines teams have worked in over 20 countries on more than 50 projects ranging from women-led manufacturing in Palestine, to family farming in North Macedonia, to figuring out how to get a nine-foot-long prehistoric fish to market in the Amazonian rainforest.

By one estimate, as many as 10,000 people now earn livelihoods in jobs arising from the Frontlines program.

The central experience is when our students travel to spend two weeks in the field with their partner organization and, most importantly, with the people that the partner is serving.

I myself had the opportunity to travel to Colombia early in 2020, just before COVID, to spend time with our Frontlines team helping ex-FARC combatants integrate back into society. It was beautiful and inspiring to see how committed the ex-FARC combatants were to peace and reconciliation, their devotion to their families, and how open they were to meeting these strange visitors from afar.

The course requires a radical openness to the other, a humble willingness to learn from the other, and helps to form a servant heart.

We recently expanded the Frontlines program to include Frontlines in America, where teams work in communities such as the south side of Chicago that are dealing with violence, poverty, crime and despair.

Frontlines is a journey of discovery for our students. They travel to places and people that are foreign to them. They meet with people who are different, and eat at their tables. And they begin to understand what it is to be “other,” to have different values and different ways of life, and yet to share what Prof. Bartkus calls our “common ground” – our shared humanity and our shared hope for a better future through sustainable economies.

In Frontlines, we bring together Catholic Social Teaching and business in an applied way. This is the essence of the role of the business school – to teach our students to contribute, cooperate and compete for the good of others, especially the most vulnerable, with the help of God and others.

CLOSE

I’ll close with this. One hundred years ago, our founding dean, the Rev. John Cardinal O’Hara, explicitly charged the University of Notre Dame’s business school to be a force for good. Mendoza is far from alone in this mission.

We are increasingly seeing this charge made to business across the world, including the UN PRIME initiative and the Sustainability Development Goals.

Catholic social teaching – including the great social encyclicals like *Rerum Novarum*, *Centesimus Annos*, *Laudato Si’* and the most recent *Fratelli Tutti* – has much to teach business leaders on

how to contribute, cooperate and compete with respect for the human dignity of all, with solidarity and subsidiarity.

If any of you wish to engage with me further on the topic, please get in touch. As it is a passion of mine, I'm most grateful for this opportunity and your time today.