

<h1>Initiatives</h1> <p>In Support of Christians in the World</p>	<p>National Center for the Laity PO Box 291102 Chicago, IL 60629 www.catholiclabor.org/NCL.htm</p>	<p>February 2008</p> <p>Number 170</p>
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Taking the Initiative

In Business

Is Mattel (333 Continental Blvd., El Segundo, CA 90245) a bad company? After all, didn't they allow subcontractors to endanger children with lead in imported toys?

By some measures, reports Jonathan Dee (*N.Y. Times Magazine*, 12/23/07), Mattel "has gone further than any other company to be a good corporate citizen" and its overseas "factories have operated under an unparalleled degree of oversight." Following a 1996 expose regarding Mattel and child labor in Indonesia, the company contracted with International Center for Corporate Accountability (Baruch College, 1 Baruch Way #J1034, New York, NY 10010; www.icca-corporateaccountability.org) to monitor its plants in China and elsewhere.

Purists might say that a so-called *outside consultant* would never be hard on Mattel, would never be taken seriously in the boardroom nor be effective in China. (See: "Secrets, Lies and Sweatshops," a feature story about monitoring in China in *Business Week*, 11/27/06.) Dee considers these factors. He concludes, however, that ICCA and its director Prakash Sethi are tough and effective.

So what went wrong? ICCA, it turns out, concentrates on worker justice and the exploitation of children, not product safety. Even so, there is an industry-wide product safety protocol through the International Council of Toy Industries (1115 Broadway #400, New York, NY 10010; www.toy-icti.org). Mattel's own standard, on paper at least, is stricter than ICTA's codes, but there's no provision for independent inspections. To learn Sethi's thoughts on product safety see *Ethical Corporation* (7 Fashion St., London E1 6PX, England; www.ethicalcorp.com).

Dee concludes his report with an interesting question. Mattel has "one of the highest corporate social responsibility profiles in the world." Yet the press never mentioned its efforts to improve working conditions in China once the lead paint story erupted. Over 90% of executives say social responsibility is crucial.

There isn't, however, a great deal of evidence that compliance to detailed codes of conduct actually improves shareholder value or—when things go wrong—does it offset negative publicity, Dee concludes. So why should executives bother with social responsibility?

Taking the Initiative

In Labor Relations

Strikes in our country are comparatively rare, which arguably gives higher profile to recent strikes by Hollywood and TV writers, by Broadway stagehands, by hotel workers and others. Who are these unions? Why are they shaking up the tourist and entertainment industries?

Some history: In 1932 Congress passed the Norris-LaGuardia Act that not only constituted the first major Federal inter-industry law applying to collective bargaining but also marked a significant shift from repression of unions to strong encouragement of their activity. The courts no longer had unlimited authority to issue injunctions in labor disputes. As a result, a union strike was a viable tactic.

In 1935 Senator Robert Wagner (1877-1953) of New York drafted the National Labor Relations Act. This Wagner Act banned unfair management practices and allowed secret balloting in employee elections. It also created an independent, quasi-judicial agency known as the National Labor Relations Board (NLRB), to investigate unfair practices and to conduct elections. The right to strike remained.

In 1947 the Taft-Hartley Act, although amending but not replacing the Wagner Act, signaled a shift. Unions were scrutinized for unfair practices; rights for employers and for individual employees who object to collective bargaining were asserted. Unions still had a strike tactic, but the balance tipped back to employers.

In 1959 the Landrum-Griffin Act, in an attempt to address corruption in unions, placed further regulations on union activity. Corporate officials, as recent events show, are susceptible to similar temptation of corruption, except their sins are more covert.

The biggest change over the years has been with the NLRB. No longer neutral, it is antagonistic toward unions, especially in the initial stages of organizing. While picketing stagehands and writers annoy some theatergoers and TV viewers, the public is unaware of union-busting consultants and the unreasonable delays in negotiations caused by the NLRB.

Which Side Are You On? by longtime National Center for the Laity friend Tom Geoghegan (Penguin Books [1992], 375 Hudson St., New York, NY 10014; \$11) is a lively meditation on this history.

Of course the Catholic doctrine on labor relations is older than this Congressional history. In fact, suggests Pope John Paul II (1920-2005), our doctrine goes back to the early paragraphs of *Genesis*. It is thus aggravating when Catholic institutions violate our doctrine.

Resurrection Health Care (7435 Talcott Ave., Chicago, IL 60631), sponsored by Sisters of the Holy Family of Nazareth and by Sisters of the Resurrection, is stonewalling its nurses and others who desire to join American Federation of State, County and Municipal Employees (5509 N. Cumberland Ave. #505, Chicago, IL 60656). St. Joseph Health System (1165 Montgomery Dr., Santa Rosa, CA 95405), sponsored by Sisters of St. Joseph of Orange, has retained a union-busting firm to thwart its employees. St. Mary's Hospital (707 S. Mills St., Madison, WI 53715), affiliated with Franciscan Sisters of Mary, is not cooperating with Unite Here (744 N. Fourth St., Milwaukee, WI 53203) in its effort to end sweatshop conditions at a laundry supply company.

For its part, our National Center for the Laity, in an attempt to help religious orders sort out their conflicting priorities in this area of labor relations, printed and distributed 30,000 copies of *Ethical Guidelines for a Religious Institution Confronted by a Union* by Ed Marciniak.

Taking the Initiative With Investments

Do good and avoid evil. That's excellent advice, but how do lay people apply the adage inside the voter's booth, in the automobile showroom, in a union hall or an executive meeting room? How, to explore another example, do Christians sort out complexities when it comes to managing investments?

- Does an investor steer away from immoral companies, rendering a symbolic protest against, for example, insensitivity to the environment, or exploitation of workers, deadly products or executive greed? Or does an investor deliberately buy *sin stocks* in order to challenge a company at its shareholders meeting?
- What criteria or *screens* does an investor use to judge a company? Some so-called *Catholic funds*, for example, rightly screen against companies involved with abortifacients. Yet those funds are oblivious to the Catholic doctrine on labor.
- If some ethical investors use one screen and others use its opposite, is the tactic worthless?
- How does an investor balance criteria or screens with his or her obligation to family or to fiduciary responsibility? For example, in an unusual illustration, a religious order once bought stock in two weapons manufacturers solely to protest at the shareholders meeting. The aggressive stocks split (fourfold in one case) with no slowdown in sight and, well, the order has many elderly nuns in need of healthcare.

Into this moral complexity competent laity must plunge. Mary Ellen Foley McGuire of Rivier College outlines ways to invest effectively while "promoting social change consistent with Christian values." (*America* [11/19/07], 106 W. 56th St., New York, NY 10019)

- The newest concept is *micro-credit* or community investment. Championed by Muhammad Yunus (Grameen Bank, 50 F St. NW #800, Washington, DC 20001; www.grameen-info.org), it allows poor people (overseas or in the U.S.) to borrow small amounts to start a business or buy a home. The investor agrees to a year or five year term, after which the investment is returned plus some interest. The Community Investing Center (1612 K St. NW #650, Washington, DC 20006; www.communityinvest.org) and Kiva (2180 Bryant St. #106, San Francisco, CA 94110; www.kiva.org) supply lists of micro-lending opportunities.

Shore Bank (7936 S. Cottage Grove, Chicago, IL 60619; www.shorebankcorp.com), now with operations in five states, is applying the

micro-credit strategy to areas hit by the sub-prime lending fiasco. (*Business Week*, 11/19/07)

St. Mary Immaculate Church (15629 S. Rt. 59, Plainfield, IL 60544) is experimenting with the micro-credit concept. An initial effort sets aside \$10,000 for a project in Malawi. (*Catholic Explorer*, 12/7/07)

- McGuire also recommends socially responsible mutual funds, of which there are hundreds. An investor must study the funds' criteria. The Social Investment Forum and Coop America (1612 K St. NW #600, Washington, DC 20006; www.coopamerica.org/socialinvesting) partner in maintaining a guide to mutual funds.
- Finally, says McGuire, investors should take seriously their opportunities in companies where they own shares. The expert on this strategy is the Interfaith Center on Corporate Responsibility (475 Riverside Dr. #550, New York, NY 10115; www.iccr.org). Sr. Patricia Daly, OP (TriState Coalition for Responsible Investing, 40 S. Fullerton Ave., Montclair, NJ 07042; www.tricri.org), another expert on shareholder activism, was profiled in *N.Y. Times Magazine* (8/12/07).

Taking the Initiative For Sabbath Time

“The first retreats in the U.S.,” writes Fr. Jonathan Foster, OFM, were organized by the laity. Priests gave the retreats, but it was lay leaders in the early 1900s who put up the buildings and recruited participants. “It was arguably the most successful spirituality movement” in U.S. Catholic history.

Lately, however, U.S. Catholics are not making retreats. In fact, Foster reports, Retreats International, an 80-year old hub for retreat houses in the U.S. and Canada, folded. (*Second Journey* [Winter/07], Mayslake Ministries, 760 Pasquinelli Dr. #304, Westmont, IL 60559; www.mayslakeministries.org)

Has the time of the retreat house passed, Foster asks? Have lay people found something else to fulfill their need for sacred place and sacred time?

Please offer feedback to INITIATIVES: When did you last make a retreat? What is your Sabbath time like?

Work Prayers

The following *Litany To the City* (here edited) was first used in a Protestant church. It drew compliments and thoughtful criticism when it appeared some years ago in *New City*, the predecessor publication to INITIATIVES. What is the reaction today?

Leader: O God, the City, for people to live and work and to know one another.

Response: Help us to love the City

Leader: O God who lives in tenements, who attends segregated schools, who is shot on the street, who is unemployed.

Response: Help us to know you.

Leader: O God who is pregnant without a husband, who is a child without a parent, who has no place to grow.

Response: Help us to know you.

Leader: O God who is unorganized and without power to change the world, the metropolis, the neighborhood.

Response: Help us to join you.

Leader: O God, who is overwhelmed by the indifference, the apathy and the status quo of many good Christians who are in church on Sunday.

Response: Help us to join you.

Leader: O God who is all people.

Response: Help us to love you.

Leader: O God, the City

Response: We need you.

Leader: O God, the City.

Response: We love you.

Amen.

110+ Years

Of Catholic Social Thought

INITIATIVES' mole in the Vatican says Pope Benedict XVI will publish a social encyclical this spring—on an odd-year anniversary of Pope Leo XIII's 1891 *Rerum Novarum*. Benedict XVI's first two encyclicals focus on love and hope, including social themes. The latter, *On Christian Hope* (USCCB Publishing [2007], 3211 Fourth St. NE,

Washington, DC 20017; \$6.95), challenges Christians to attend to worldly progress, mindful that science and reason alone are not fulfilling:

Every generation has the task of engaging anew in the arduous search for the right way to order human affairs... Every generation must make its own contribution to establishing convincing structures of freedom and of good... [Of course, people] can never be redeemed simply from outside. Francis Bacon [a founder of *natural philosophy*, 1561-1626] and those who followed in the intellectual current of modernity that he inspired were wrong to believe that [people] would be redeemed through science. Such an expectation asks too much of science; this kind of hope is deceptive. Science can [nonetheless] contribute greatly to making the world...more human. ...We must also acknowledge that modern Christianity, faced with the successes of science in progressively structuring the world, has to a large extent restricted its attention to the individual and his [or her] salvation. In so doing [the church] has limited the horizon of its hope and has failed to recognize sufficiently the greatness of its task.

News and Views

Wachovia (1 Wachovia Center, Charlotte, NC 28288) is the fourth largest bank in the U.S. It offers the full range of financial services.

In a TV commercial a college-aged person realizes on a holiday that to travel the next day he needs his passport, which is in a Wachovia safe deposit box. His parents somehow contact a Wachovia manager at home, who rushes to the bank and rescues the travel plans.

INITIATIVES derives a lesson from the commercial: Wachovia values the stupidity and selfishness of a consumer over the dignity of work and Sabbath time for its employees.

Can INITIATIVES' readers supply a storyboard that portrays Wachovia's commitment to service in a positive way? INITIATIVES will share the best scenarios with the bank.

Rest In Peace

Martin McLaughlin (1918-2007)

McLaughlin was a member of one of the very first specialized Catholic Action groups in the U.S. In 1939 he was a graduate student at

the University of Notre Dame. Fr. Louis Putz, CSC had just arrived at Notre Dame, having escaped Nazi horrors in Europe. Putz was eager to replicate a model of lay formation he encountered during his studies and pastoral work in Paris. The model originated in 1913 with Cardinal Joseph Cardijn of Belgium. Putz attracted McLaughlin along with Jim Cunningham, Burnie Bauer, Gene Giessler and Julian Pleasants to a Catholic Action cell. The formation technique was popularly called the Inquiry Method of *observe-judge-act*.

The idea caught on and McLaughlin became the founding president of the national Young Christian Students in the early 1940s. (Other movements derive from the Cardijn model, including Young Christian Workers and Christian Family Movement. Of note, Vaile Scott, current president of our National Center for the Laity, was the third president of the Young Christian Students.)

In 1947 McLaughlin was among the founders of National Student Association (PO Box 177, Malden on Hudson, NY 12453; www.americanstudentsorganize.org). Tesse Donnelly, who supports our NCL, was also involved in NSA and YCS at that time. Contrary to assumptions, activism among college students did not begin with the 1960s civil rights or anti-Vietnam War movements. Both YCS and NSA were involved in national and local issues in the immediate post-World War II years. A history of that activism is found in *American Students Organize* (Praeger Publishers [2006], PO Box 5007 Westport, CT 06881; \$135). McLaughlin is one of the editors of that book.

Keep in mind that during this 1940s decade McLaughlin also served in the Army Air Corps, stationed in North Africa and India. He also found time to help launch *Concord* magazine, featuring stories about Catholic students. Published from 1946-1949, *Concord* also included Bob Reynolds and Vince Giese, who later became a Chicago priest. In the same decade McLaughlin met and married Paddy Ollivier, who survives him, and he completed his doctorate at Notre Dame.

Next, McLaughlin became a teacher at DePaul University. While there he got involved in Chicago's issues along with Bob Faulhaber, Sally Cassidy, Paula Verde and Nick Von Hoffman, who became an organizer for the Industrial Areas Foundation and is now a contributor to *New York Observer*.

In the 1950s McLaughlin began a long career with the U.S. State Department and the

Agency for International Development, serving in Europe and Washington. Upon *retirement*, McLaughlin was associated with the Overseas Development Council and then with the U.S. Conference of Catholic Bishops. Finally, from 1993 until his death, McLaughlin was with the Center of Concern (1225 Otis St. NE, Washington, DC 20017; www.coc.org). The Center of Concern published and distributes McLaughlin's book, *World Food Security*; \$15. "The basic question," he writes, is why "a global food system that produces enough food every year to feed everyone on the planet [denies] access to an adequate human diet to one-seventh of the human race."

McLaughlin was an *insider*. He knew how to advance justice incrementally within government and international agencies. He also appreciated the role of the *outsider*: groups, like the Center of Concern, that agitate a sluggish system.

Rest in Peace

Gordon Zahn (1918-2007)

Franz Jagerstatter (1907-1943) was beatified on October 26, 2007—a step toward joining a small number of canonized lay saints. He was a husband and father in Austria who, in spite of advice given by his pastor and bishop, refused on Catholic principle to serve in the Nazi army. He was beheaded. Few people knew of Jagerstatter until the publication of Zahn's *In Solitary Witness* (Templegate [1964], 302 E. Adams St., Springfield, IL 62701; \$12.95).

Zahn, like Jagerstatter, was a conscientious objector during World War II. Zahn did alternative service as a forest ranger. After the war he taught at Loyola University in Chicago and then at the University of Massachusetts. While at Loyola he was involved with the Catholic Adult Education Center, a predecessor organization to our National Center for the Laity. Zahn was not a moralizer. He made his points in a non-abrasive, humble manner, giving due respect to alternative viewpoints. He was capable of criticizing people with whom he normally agreed, for example when they were anti-war but not opposed to abortion.

Zahn played a crucial role at Vatican II. A few participants, including the most prominent U.S. cardinal, wanted to eliminate the Catholic stricture against targeting civilians during a war. The change in moral theology would presumably absolve the U.S. for bombing Japan and clear the

way for indiscriminate bombing in years to come. Zahn brought his research on German Catholic complicity in the Nazi cause to the proceedings. He was well received by the chair of the bishops' committee on war and peace. Vatican II not only reaffirmed Catholic *just war teaching* but also, thanks to Zahn and others, made provision for pacifism among Catholics.

In the early 1970s, along with Eileen Egan (1922-2000), Zahn founded Pax Christi USA (532 W. Eighth St., Erie, PA 16502; www.paxchristiusa.org). St. Benedict the Moor Parish (1015 N. Ninth St., Milwaukee, WI 53233) has a Gordon Zahn Award that is given annually to a student from Zahn's high school alma mater, who advances peace. A Jagerstatter holy card can be obtained from Catholic Peace Fellowship (PO Box 4232, South Bend, IN 46634; www.catholicpeacefellowship.org).

