

# Initiatives

In Support of Christians in the World

National Center for the Laity  
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[www.catholiclabor.org/NCL.htm](http://www.catholiclabor.org/NCL.htm)

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## Taking the Initiative

### *In Business Education*

The Yale School of Management (135 Prospect St., New Haven, CT 06520; [www.mba.yale.edu](http://www.mba.yale.edu)) invites MBA students to a February 15-16, 2008 conference on integrating faith and corporate leadership.

The John A. Ryan Institute (University of St. Thomas, 2115 Summit Ave. #55S, St. Paul, MN 55105; [www.stthomas.edu/becu](http://www.stthomas.edu/becu)) hosts a June 11-13, 2008 conference, "Business Education at Catholic Universities," at the University of Notre Dame. The conference is co-sponsored by 16 Catholic colleges.

The topic of faith and business education is also the topic of *The Vocation of Business: Social Justice in the Marketplace* by John Medaille (Continuum [2007], PO Box 1321, Harrisburg, PA 17105; \$34.95).

Medaille, who acknowledges the Ryan Institute leaders, says the marketplace is increasingly complex yet undergrads and graduate students in business are "narrowly trained." They are taught the skills of bookkeeping, the theories of economics and the techniques of advertising, management and psychology—all under the assumptions of utilitarianism and individual preferences. But they are not exposed to an overriding philosophy that might examine institutions and give meaning to an enterprise.

Catholic social teaching, explains Medaille, is a source of meaning, relevant to the day-to-day concerns of a business leader and to the overall direction of the economy. Medaille outlines Catholic social principles, putting them in the context Adam Smith, David Ricardo, John Stuart Mill, John Maynard Keynes and more.

Sometime ago our National Center for the Laity convened a group of Catholic business leaders, known as Business Executives for Economic Justice. The group grappled with the issue of a just wage, only to be mired on what an individual executive (a direct employer) could or could not realistically do.

The *just wage*, which Medaille calls "the lynchpin of Catholic social thought," is not

entirely the responsibility of the direct employer. After all, the principle itself says that a company can have a different wage structure from its stronger or weaker competitor, in the same way a company has different wages for workers with varying skills and effort.

The Catholic notion of a just wage, to which Medaille returns in several chapters, says that an economy cannot consider wages as "the price of one particular commodity," that is *labor*. A worker is a human being, not a factor or commodity in the economy.

Everyone in a society (consumers, investors, managers, whomever), Medaille explains, is an *indirect employer* and thus we are all responsible for putting labor in a different category from raw materials or overhead. If, in general, workers receive a just wage, we are exercising that responsibility. "The just wage is the concrete means of verifying the justice of the whole socioeconomic system." It is "the only real way to measure an economy's success."

Employers must understand that wages are not a matter of "free consent or economic law." And workers (a maid in a hotel or a dedicated teacher at a Catholic grammar school) must understand that no one "has a right to work for less than a just wage." To acquiesce to exploitation ruins the economy—both practically and morally.

Medaille is not a utopian. Within a firm belief in capitalism, he describes many positive examples of businesses and organizations, both in the U.S. and overseas.

## Taking the Initiative

### *Against Predators*

Many years ago your INITIATIVES' editor heard that the poor bear some responsibility for their plight because, although people start off with varying circumstances, everyone has an opportunity to *make it* in a system that rewards hard work. Similarly, because the marketplace is generally fair debt problems are caused by bad choices. This all seemed plausible until as an undergrad your editor read *The Poor Pay More* by David

Caplovitz (Free Press [1963], 1230 Ave. of the Americas, New York, NY 10020; \$14.95).

The poor, Caplovitz details, are surrounded by a “special system of sales and credit” that impoverishes them. Many sales practices in poor neighborhoods are deviant and some are illegal. These practices are not confined to door-to-door salespeople. Stores mark up prices, charge high interest for credit and display items with no price tags so the cashier can charge more on occasion. Further, competitive stores engage in price fixing. Thus a poor person has to overcome two obstacles: Poverty and a market rigged to take advantage of poverty.

James Scurlock updates the story in a movie, *Maxed Out* (Magnolia Home Entertainment; [www.maxedoutmovie.com](http://www.maxedoutmovie.com)) and a book, *Maxed Out: Hard Times, Easy Credit and the Era of Predatory Lenders* (Scribner [2007], 1230 Ave. of the Americas, New York, NY 10020; \$24). He shows that exploitation of consumers is no longer confined to poor neighborhoods. It has become a lucrative business practiced by erstwhile reputable firms.

Scurlock, whose success as a businessman and a filmmaker comes after some significant financial mistakes, tells the story through the experience of several ordinary people. In a chapter on real estate he describes an insufficiently regulated industry that is a *debt delivery mechanism*--not, as is assumed, an opportunity for families to find shelter and accumulate equity. In fact, more than half of the new mortgages in California are of a type that will never yield any equity to the mortgagor.

Scurlock’s best chapter is about the history of the credit card. Its early proponents foresaw that it overcomes many negatives of consumer lending: a lender’s anxiety about an applicant’s ability to repay; the time required to process a loan; narrow restrictions on interest rates; and the geography (physical and maybe legal) between a lender and an applicant. Scurlock engagingly details how credit cards create a demand for more credit cards. Thus at the end of any month less than 30% in our country fully pay their credit card debt.

In a startling section Scurlock goes behind the scenes at a collection agency where success means convincing a debtor to put his or her balance on a credit card—which only sets the consumer up for more trouble within a few days.

The problem starts small: Perhaps in a nearby finance office located next to a hair salon or a pharmacy. The problem reverberates to a bank in Holland and another in France. All of a

sudden the Wall St. markets are in rapid decline and middle-aged investors are losing their retirement savings. (*N.Y. Times*, 8/10/07)

INITIATIVES suggests that the solution also starts small, beginning with education. For example, Robert Manning of Rochester Institute of Technology, through his website ([www.creditcardnation.com](http://www.creditcardnation.com)) and his book, *Credit Card Nation* (Basic Books [2002], 1094 Flex Dr., Jackson, TN 38301; \$18), is agitating for consumer savvy and specific reforms in the credit industry. *In Debt We Trust* (Disinformation Company [2007]; [www.disinfo.com](http://www.disinfo.com) \$19.98) is a film that draws upon Manning’s research. Likewise, Public Interest Research Group (407 S. Dearborn St. #701, Chicago, IL 60605; [www.studentpirgs.org](http://www.studentpirgs.org)) has campus chapters that buffer students from the credit card industry.

Another remedy is the court where lawyers, like those at Empire Justice Center (119 Washington Ave. #2, Albany, NY 12210; [www.empirejustice.org](http://www.empirejustice.org)), try for enforcement of the law.

The current laws are, however, inadequate. Some readers say a Catholic publication like INITIATIVES should not promote more government. Sorry, but this is not a case of a few bad brokers down the block ruining the apple barrel. Predatory lending is a global scam. For example, independent mortgage lenders are only lightly regulated in selling some variety of an “interest-only loan,” and in sending that loan to Fannie Mae or a Wall St. firm, where it is repackaged in a hedge fund that eventually frightens a European bank.

Americans for Fairness in Lending (77 Summer St. #1000, Boston, MA 02110; [www.affil.org](http://www.affil.org)) lobbies for stricter government regulation. AFFIL’s website has “resources within five miles of your zipcode” to help people with debt problems. Consumers Union (101 Truman Ave., Yonkers, NY 10703; [www.consumersuion.org](http://www.consumersuion.org)) is also a resource on lobbying and education.

Some groups specialize in a locale or on one aspect of the problem. The Center for Urban and Regional Affairs (301 19<sup>th</sup> Ave. S. #330 HHH Center, Minneapolis, MN 55455), for example, tracks legislation on predatory lending in Minnesota. The Ohio Coalition for Responsible Lending (175 S. Third St. #250, Columbus, OH 43215; [www.cohhio.org](http://www.cohhio.org)) is lobbying for a cap on interest rates at Ohio’s payday loan offices. The Center for Responsible Lending (302 W. Main St., Durham, NC 27701;

[www.responsiblelending.org](http://www.responsiblelending.org)) and New Yorkers for Responsible Lending (73 Spring St., New York, NY 10012; [www.nedap.org](http://www.nedap.org)) lobby their legislators.

Another remedy is to promote neighborhood banks and credit unions. The National Federation of Community Development Credit Unions (116 John St. #3300, New York, NY 10038; [www.natfed.org](http://www.natfed.org)) has 220 member credit unions that specifically help neighborhoods where people tend to acquire fraudulent mortgages and home loans. The National Association of Federal Credit Unions (3138 Tenth St., Durham, NC 27701; [www.nafcu.org](http://www.nafcu.org)) is “at the front lines in the battle to eradicate unscrupulous lending practices.” There are still some parish-based credit unions and other successful Catholic ones like Catholic Federal Credit Union (PO Box 6338, Saginaw, MI 48608; [www.cathfcu.com](http://www.cathfcu.com)). One credit union, GoodMoney (Prospera, 4830 N. Ballard Rd., Appleton, WI 54913; [www.goodmoneystore.com](http://www.goodmoneystore.com)), is countering payday loan scams by giving some interest-free loans to people who attend their money management course.

Why doesn't each parish have an account with the closest credit union? Why doesn't each diocese do substantial business with the nearest Catholic credit union?

INITIATIVES put the latter question to an observer of Chancery finances. Because of the bishops' scandalous mismanagement of personnel, he replies, the Church cannot at this time afford safe investments through a credit union. Ugh.

*(Business Week, 5/21/07 & Newsweek, 5/7/07 & Time, 8/27/07 & Catholic Courier, 6/07 & Our Sunday Visitor [8/19/07], 200 Noll Plaza, Huntington, IN 46750 & In These Times [8/07], 2040 N. Milwaukee Ave., Chicago, IL 60647 & From Poverty, Opportunity: Putting the Market To Work for Lower Income Families by Matt Fellows, Brookings Institution [2007], 1775 Massachusetts Ave. NW, Washington, DC 20036; [www.brookings.org](http://www.brookings.org))*

## **Taking the Initiative** *In Health Care*

No matter what happens on November 4, 2008 and no matter what happens in Congress, our society needs many experiments in health care delivery.

The Ithaca Health Alliance (PO Box 362, Ithaca, NY 14851; [www.ithacahealth.org](http://www.ithacahealth.org)) invites membership at \$100 per year. Over 150 Cayuga Lake region healthcare providers offer a 5% or 10% discount to IHA members. IHA also, upon review, gives a member a grant up to \$3,000 for a medical emergency or some diagnostic exams. In addition, IHA gives grants to organizations that conduct health education or deliver some medical assistance in the community. IHA recently opened its own clinic with volunteer help from nearby college students. (*Grassroots Economic Organizing [Summer/07]*, PO Box 115, Riverdale, MD 20738; [www.geo.coop](http://www.geo.coop))

IHA was founded by Paul Glover who studies the Amish approach to the common good. Many years ago Glover also launched an alternative currency, called Ithaca Hours (PO Box 6731, Ithaca, NY 14851; [www.ithacahours.org](http://www.ithacahours.org)). The venture has since parted ways with Glover but most cash registers in town accept Ithaca Bucks alongside the Andrew Jacksons and similar legal tender endorsed by the treasurer of the U.S.

The theory, as far as INITIATIVES' can comprehend, is that the more money in circulation, the greater the wealth in the community. The Ithaca Bucks are backed by the good faith that the purchaser will give one hour of labor for approximately every \$10—if anyone ever calls the question.

Ithaca Hours has operated for so long that it is in a position to make business loans “with an amazing rate of 0% interest.”

## **Taking the Initiative** *In the Cab*

INITIATIVES recently spent time with National Center for the Laity advisor Bill McGarvey ([www.bustedhalo.com](http://www.bustedhalo.com)) in Manhattan's Lincoln Center. A popular TV game show was filming an outdoor episode. Another film crew was capturing street scenes for an upcoming movie. Both directors necessarily included shots of taxi cabs. In fact, the movie company actually leased and repainted about eight cabs for a sharper image.

“No film or TV show about the streets of New York is complete without the presence of taxis and their drivers,” writes Graham Russell Gao Hodges in *Taxi: A Social History of the New York City Cabdriver* (John Hopkins University Press [2007], 2715 N. Charles St., Baltimore,

MD 21218; \$25). In seven chapters, each devoted to a decade, Hodges describes the artistic portrayal of taxis and the reality of the job itself.

Very few drivers own their cab because taxis must have a medallion, of which a limited number are issued. Most medallion owners make their money by leasing or renting a cab to a driver and by eventually trading the medallion. (Two sold for \$600,000 each in May 2007. The medallions have consistently appreciated at 14% per year.)

The medallion arrangement plus the stressful working conditions leave taxi drivers “as the most enduring oppressed minority in New York City,” says Pete Hamill in a review of Hodges’ book. (*N.Y. Times*, 6/17/07)

It is difficult to organize cabbies, Hodges details, because they have multiple employers, they are contingent employees, they are never all in one place, they generally don’t stay with it too long, and they come from many backgrounds. Hamill says over 90% in NYC are foreign born.

Hodges, who drove a cab in the mid-1970s, devotes several pages to the Taxi Workers Alliance (37 E. 28<sup>th</sup> St. #302, New York, NY 10016; [www.nytwaa.org](http://www.nytwaa.org)), begun in the early 1990s by college student Bhairavi Desai. TWA is not a union but a *worker center* because, as INITIATIVES’ readers know, current labor laws mitigate against start-up unions. Thus Desai, who didn’t have a drivers license when INITIATIVES last talked to her, must forego classical collective bargaining in favor of dramatics to win concessions from the medallion owners and the city. Hodges concludes his book with praise for Desai’s courage and honesty. Yet Hodges is clear that solidarity is very difficult in a most lonely occupation.

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## Work Prayers

### *For Public Servants*

Forgive us Lord when we find it easier to criticize those in government than to recognize the complexities with which they grapple; when we reserve our praise for actions and policies that suit our ends rather than acknowledging the conflicting needs they are seeking to serve. Be with all who hold responsibility for governance and leadership in wider society, and may the will of Him who is King of kings and Lord of lords be realized through their decisions and actions. Amen. (*Ministers at Work* [1/07], 36 Norman

Rd., Stalybridge, Cheshire SK15 1LY England; [www.chrism.org.uk](http://www.chrism.org.uk))

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## North American Spirituality

Rev G. Scott Cady and Rev. Christopher Webber can name over 360 North American saints (mostly from the U.S.) and they have listed them by feast day in *A Year With American Saints* (Church Publishing [2006], 3101 N. Seventh St., Harrisburg, PA 17110; \$30). Each saint is given a one-page biography and often another page and a half from his or her writing.

The collection is about 18% Catholic, including several who have appeared in this regular INITIATIVES’ column, including Pierre Toussaint (1766-1853) from lower Manhattan, Fr. Isaac Hecker, CSP (1819-1888) from the Upper West Side and Dorothy Day (1897-1980) from the Lower East Side. There are many interesting Protestant selections, including Mahalia Jackson (1912-1972), Rev. Walter Rauschenbusch (1861-1918) and Harriet Beecher Stowe (1811-1896).

Although many of the personalities in *A Year With American Saints* are priests, ministers or religious, many others are lay people involved in the arts, social work, education, family life and more.

This column in INITIATIVES began many years ago when your editor heard a prominent Catholic tell an audience that it is impossible to find holiness in the U.S. and therefore she was moving to England. Cady and Webber, like your INITIATIVES’ editor, respond that many Christians in the U.S. have juggled their responsibilities expertly and are worthy of saintly imitation.

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## Rest in Peace

### *Cardinal Jean Marie Lustiger (1926-2007)*

Lustiger was known as Adam until his *conversion* from Judaism to Catholicism at age 14. But his conversion has to be properly understood. Lustiger was a leader in France and elsewhere precisely because he never renounced his Judaism. How could he? His mother was killed at Auschwitz. Lustiger visited Nazi death camps, beginning in 1983 in the company of Pope John Paul II. “I have never ceased being a Jew,” he said. “My profound hope is that Christians do not forget that they are grafted onto

the unique root that is Israel. And that root abides.”

In 1986 our National Center for the Laity met with Lustiger. He was disenchanted with Catholic Action (a type of lay apostolate dating from the 1930s). Overtime Catholic Action, in its effort to dialogue with French culture, “hid from proclaiming the gospel.” Further, Lustiger told NCL, the lay leaders in France are invariably left leaning on every issue.

France also has Church employees and others who consider themselves *official spokespeople for the laity*, he continued. Yet they confine themselves to clerical arenas and in-house topics.

Lustiger named a third, smaller group of laity emerging in France: Religious renewal movements enthralled with the political right. He was most wary of them.

Lustiger was clearly interested in a fresh approach for France, the post-industrial country with the lowest rate of religious participation. He was intrigued by how NCL avoids being drawn into predictable in-house ecclesial disputes. He admired how NCL reaches

out to Catholics wherever they fall along the political spectrum. He liked how INITIATIVES distributes criticism even-handedly, in a blunt but friendly style.

An independent group like NCL, Lustiger implied, would not gain traction in France. A bishop who supported an NCL-like group would be suspect.

Lustiger’s first trip to the U.S. was in 1969. From his reading, he assumed the U.S. was a secular society. But that’s not what he saw. In his 1986 conversation with the NCL and in remarks in Boston that spring, Lustiger opined that the U.S. “is the most religious country of all.” People in the U.S. “cannot understand *secularism*.” Of course, he said, the positive religious values here must take into account the image of the U.S. “as the most powerful nation in the world” and the dominance of the U.S. business economy.

Books by Lustiger include *The Promise* (Eerdman’s [2007], 2140 Oak Industrial Dr. NE, Grand Rapids, MI; \$18) and *Dare To Rejoice* (Our Sunday Visitor [1990], 200 Noll Plaza, Huntington, IN 46750; \$6.95).

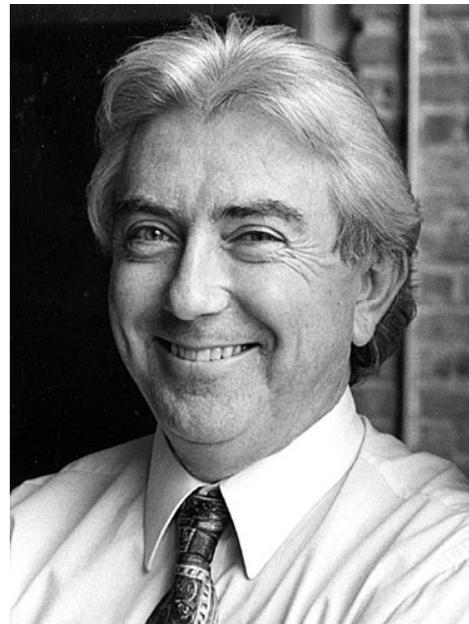
### ***The Mass Is Never Ended***

by Greg Pierce, former president of the National Center for the Laity.

*Ite, missa est!* Go, we are sent forth! This book examines the Christian life through the lens of the dismissal rite at Mass. It urges Christians not to lose the power of the liturgy as they return to their family, civic and workplace responsibilities. Rather, the liturgy can inform a weeklong spirituality of work and can fortify Christians as agents of justice on the job and in the neighborhood.

Order this new book from National Center for the Laity

(PO Box 291102, Chicago, IL 60629; \$10.25 includes postage).



## Happenings

Christians in Commerce (2853 Meadow View Rd., Falls Church, VA 22042; [www.christiansincommerce.org](http://www.christiansincommerce.org)) holds its annual conference in San Diego, October 26-27, 2007. CIC regularly hosts renewal weekends in various locales. Members subsequently participate in a regional support network.

St. Olaf Church (215 S. Eighth St., Minneapolis, MN 55402; [www.saintolaf.org](http://www.saintolaf.org)) regularly hosts a “Faith and Work Breakfast Series.” The current theme is servant leadership, as developed at the Greenleaf Center (770 Pawtucket Dr., Westfield, IN 46074; [www.greenleaf.org](http://www.greenleaf.org)). Sessions will occur on October 18, 2007 & February 21, 2008 & April 10, 2008.

By the way, St. Olaf, located about six blocks from the Mississippi River, is involved in recovery efforts following the collapse of Interstate 35W bridge.

The American Society of Civil Engineers (1801 Alexander Bell Dr., Reston, VA 20191; [www.asce.org](http://www.asce.org)) will use the Interstate 35W bridge collapse to frame its November 1-3, 2007 meeting in Orlando. ASCE has a detailed “Report Card for America’s Infrastructure” and suggestions for maintenance and safety.

The Siena Center (Dominican University, 7200 W. Division St. #Priory 115, River Forest, IL 60305; [www.siena.dom.edu](http://www.siena.dom.edu)) has four talks scheduled on the principle of *the common good*: Fr. Albino Barrera, OP on February 20, 2008; former National Center for the Laity advisor Vincent Rougeau on March 12, 2008; Kristin Heyer on April 3, 2008 and E.J. Dionne Jr. on April 15, 2008.

The Siena Center also plans a talk on ethical eating, October 24, 2007 and another on science and religion, November 15, 2007.

The Coalition for Ministry in Daily Life (2015 NE Loop 410, San Antonio, TX 78217; [www.dailylifeministry.org](http://www.dailylifeministry.org)) holds its annual conference May 29-June 1, 2008 in Chicago. Our National Center for the Laity, a CMDL partner and a co-sponsor of the conference, wants a good showing of Catholics at this gathering on the NCL’s home turf.

The Catholic Social Worker National Association (PO Box 40124, Indianapolis, IN 46240; [www.cswana.org](http://www.cswana.org)) holds its inaugural conference June 8-9, 2008 in Grand Rapids.

## Websites

Bill McGarvey, an advisor to our National Center for the Laity, edits a website for young adult Catholics ([www.bustedhalo.com](http://www.bustedhalo.com)) with an advice column, movie reviews, street interviews and more. McGarvey is also a musician. Two of his CDs, *Beautiful Mess* and *Tell Your Mother*, available at [www.billmcgarvey.com](http://www.billmcgarvey.com), are played incessantly at Dominican University and at SUNY Geneseo.

Bob Senser, longtime friend of our National Center for the Laity, edits an informative cyber-newsletter *Human Rights for Workers* ([www.senser.com](http://www.senser.com)). Senser reports on trade treaties, sweatshops and many other global issues in *Human Rights*.

Greg Pierce, former president of our National Center for the Laity, hosts a cyberspace “Dialogue on the Spirituality of Work.” Send your e-mail address to his secure site: [gpierce@actapublications.com](mailto:gpierce@actapublications.com).

Fr. Sinclair Oubre (Catholic Labor Network, 1500 Jefferson Dr., Port Arthur, TX 77642; [www.catholiclabor.org](http://www.catholiclabor.org)) hosts our National Center for the Laity website ([www.catholiclabor.org/NCL.htm](http://www.catholiclabor.org/NCL.htm)).

**National Center for the Laity's  
Financial Accounting, July 1, 2006 to June 30, 2007**

Income

Individual Donations	28,346.75
Resale of Books	2,532.90
Interest	<u>410.78</u>
Total	31,290.43

Expenses

Printing, Postage, Supplies,	26,812.68
Telephone & Meetings	
Editorial and Secretarial	4,537.00
Purchase of Books for	1,961.41
Resale	
Govt. and Accounting Fees	<u>1,820.00</u>
Total	35,131.09

As of June 30, 2007, there is a balance of \$9,249.24. This will tide the NCL over until the next appeal letter in Advent 2007. Individual donations this year were on par with fiscal 2005-2006. Expenses were up by 9% over fiscal year 2005-2006. Thanks to Rita Burns for maintaining the record of NCL donations.

**INITIATIVES**

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The NCL is an independent (501 C 3) organization, chartered in the State of Illinois since April 1978. The NCL is not a bookstore. As a service to INITIATIVES' readers, NCL distributes select titles in limited quantities, usually at a discount.

How can I forgive people who use false scales and weights? Your rich people exploit the poor. *Micah* 6:11

Provide for the poor as you would for one of your employees. Do not make the poor pay interest on the money you lend them, and do not make a profit on the food you sell them. This is the command of the Lord, your God. *Leviticus* 25: 35-36