

BRIDGING THE GAP BETWEEN ENTREPRENEURSHIP PRINCIPLES AND CATHOLIC SOCIAL TEACHING

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ABSTRACT

For years the world of entrepreneur and catholic religion are often separated and even considered contradictory. Entrepreneurship is associated with profitable affair that is highly correlated with greed, deception, and selfishness. On the other hand, Catholic religion preaches about generosity, honesty, and common good which are very contrast with things that are associated with entrepreneurship. It is certainly a problem in the community because entrepreneurship has been proven to stimulate economic growth. Countries with a high number of entrepreneurs are able to become a developed country, while the rest remained behind in poverty. Due to this, many people opt to separate the religious life with the business world which actually caused new chaos. Seeing this phenomenon, we tried to examine the principles contained in entrepreneurship from the point of view of the Catholic religion, based on Catholic Social Teaching. This is expected to create a bridge between the concept of entrepreneurship with the Catholic religion that can be used as a reference for the life of Catholics and entrepreneurs.

Keywords : entrepreneurship, Catholic Social Teaching

INTRODUCTION

“The Bible teaches against accumulated wealth.”

“Scriptural teaching on economic matters is directed toward an agricultural no-growth environment and therefore is not very relevant today”

“Economy and business are not for the honest, pious, and righteous. They are filthy. Therefore, leave your morality at home if you want to become a successful businessman or entrepreneur. Keep your religion for Sunday, because on Monday-Saturday, religious doctrine does not apply.”

We often hear those words in everyday life. Many people believe that business and religion will not go hand in hand. This also applies to the Catholics. Entrepreneurship is associated with profitable affair that is highly correlated with greed, deception, and selfishness. On the other hand, Catholic religion preaches about generosity, honesty, and common good which are very contrast with things that are associated with entrepreneurship. A survey conducted by the Catholic Mental Models project reveals that about one-third of US Catholics have a more negative perception about entrepreneurship and business activity based on what they understand from the Church preaching. About 18% of US Catholics think that the sin of greed is often disguised as ‘entrepreneurship’ or ‘free enterprise’. Another 13% assume that business activity

should be limited for the sake of equality and justice. And a small 2.4% think the Church teaches that government action is better than private action and business activity. The remaining third of US Catholics say that they do not know what the Catholic Church says on these topics (Catholics Mental Models, 2014). This causes many people choose to separate spiritual life from his work life. Some of them choose to completely get rid of the business or entrepreneurial sphere of their lives. But more often than not, a lot of people are trying to divide their lives. They build the idea that the weekdays are days full of sin, where you are allowed to do immoral things. When the weekend, especially Sunday, is Sabbath, a “Holy Day” when you should leave your sinful lifestyle. After the “Holy Day” is over, you can come back to your days wallowing in sin.

Of course, both these ideas adversely affected the social life. The first thought to abolish entrepreneurs and businesses will undermine economic growth. As we know so that the economy can grow, the availability of employment is one of the key. But in fact, the rapid population growth led to a discrepancy between the number of people and job opportunities. This is where people need the entrepreneurs to maintain economic stability, moreover to encourage economic growth of the country. (Fauzziyah, 2015). A country with 2 percent of the population are entrepreneurs can become a developed country, and of course the welfare of its people are also more secure. It can be seen from the comparison of the countries in the world. America has 12% entrepreneurs, Singapore 7% entrepreneurs, Malaysia 5% entrepreneurs, Thailand 4% entrepreneurs, and Indonesia only has 1.65% entrepreneurs. The greater the number of its entrepreneurs, the more prosperous the people of the country (Kementerian Koperasi dan Usaha Kecil Menengah, 2015). That’s why when people want to abolish entrepreneurship in the name of religion, of course, there will be a conflict between the state and religious communities. Turning on the second idea, where a person's religion separate from the business world, in fact this thoughts is not possible to do. Morisson (2006), stated that there is significant relationship between entrepreneurship and cultural context in which people develop themselves. The cultural context, including religion, plays an influencing roles in shaping and making entrepreneurs and entrepreneurial behavior that they aspire. Therefore a person can not immediately trying to separate their religious life with their businesses. Trying to separate them is tantamount to abolish religion itself, or in the other words only use it as a cover instead of living it seriously.

Seeing this, we should think is the teachings of Catholic religion and the principles of entrepreneurship really contrary? One of the great philosophers, Marx Weber in his study of *The Religious Ethic and the Spirit of Capitalism*, introduced a link between socio-economic change and religious belief. He proposed that religion supports all the conditions that are needed for successful entrepreneurial activities. He intended that the skills needed for running a business are similar to the skills that one needs for practicing a religion : trust, royalty, and sober lifestyle (in Dana, 2010). Frank Hanna, a Catholic and CEO of Hanna Capital in Atlanta, also support the idea of collaboration between religion and entrepreneurship. He said that Catholic virtue and a deep feeling of solidarity with colleagues, customers and poor people around the world guide his decision-making to help humanity flourish. He also believe that moral values in business must be a priority for Catholic business owners and managers. Similar to Hanna, Lawrence Blanford of Naples, Fla., retired CEO of what in March became Keurig Green Mountain Inc., said people does not necessarily have to wear their religion on their sleeve, but in every decision making and in every interaction with individuals within the company or customers or with investors, people are drawing on their moral center of gravity. Sean Fieler, president of Equinox Partners, a New York hedge fund, also approved his colleagues thought. He expressed that it is important to encourage financial professionals to bring their faith to work, because there is no values-free, faith-free zone, which is kind of the presumption within the field of finance (Sadowski, 2014). With many experiences from the Catholic entrepreneurs, it is important for

us to review the various principles of entrepreneurship to find harmony with the values of the Catholic religion. This study is expected to create a bridge between the concept of entrepreneurship with the Catholic religion that can be used as a reference for the life of Catholics and entrepreneurs.

LITERATURE REVIEW

Catholic Social Teaching

Hippler (2003) in his book explain that Catholic Social Teaching is the doctrine of the Church designated for the common good, especially on the issue of justice among groups in society.

The source of the doctrine are :

1. Holy Bible, especially the ten commandments which became the moral teaching of the Catholic Church. Through the laws of Moses in the Old Testament, in fact we can know that God gave the law not only to regulate the worship of God, but also to set the correct life among families and communities. This law is then summarized into “Love the Lord your God with all your heart and with all your soul and with all your mind. This is the first and greatest commandment. And the second is like it: ‘Love your neighbor as yourself’” as it is written in Matthew 22 :37-39.
2. The teaching of the Fathers and the Doctors of the Church, especially St. Augustine (354-430) through his book *The City of God*, which regulates the teaching of man and society; and St. Thomas Aquinas (1225-1274), with his book, *Summa Theologiae*, where the biggest part of the *Summa* is Moral Theology.
3. The teaching of the Pope, that of the encyclical letters and oral teaching / in the homily / sermon / speech. The teaching of the Holy Father summarizes the teaching of Scripture and the Fathers and Doctors of the Church. The Pope taught this social doctrine to the world is a sign that Christ did not leave the people like orphans, but continued to participate by teaching that is intended for all people, for the common good.

Therefore, Catholic Social Teaching is one of the main reference for Catholics to examine their lives. In this case, the entrepreneurship principles can be understood better using this teaching.

EXAMINATION OF ENTREPRENEURSHIP PRINCIPLES

As described previously, in this section we will clarify how the principles of entrepreneurship in the light of Catholic Social Teaching. Ir. Ciputra, one of the great entrepreneur in Indonesia has formulated the principles of entrepreneurship which consists of seven things : entrepreneurship mindset, opportunity identification, creativity and innovation, calculated risk taking, ethical entrepreneurial leadership, attitude to failure, and determination (Universitas Ciputra Entrepreneurship Online, 2014). Now we will analyze each principle using Catholic Social Teaching.

Entrepreneurship Mindset

In this first principle, a person is expected to not give up easily. Despite falling ten times he should rose eleven times. In addition he is also expected to be able to process the resources available, so that garbage can be turned into gold. Actually, since the beginning of creation, God has chosen man as His co-workers. God entrusted the universe and everything in it to humans for humans to master and conquer. However, the power that carried humans on the universe is not a power to do something frivolous or arbitrary, but it must be "working on it and keep it" well and responsibly. The universe and everything in it was not created by man, but is given to man as a precious gift given by God the Creator under human responsibility.

Human labor cannot be separated from human creation. Work is a form of human participation in the work of God. God has worked to create the world and everything in it, and then handed over to the human to maintain it. God's work of creation does not stop after He created the

universe and everything in six days (Genesis 1: 1-2: 3), but it continues until today. God wills to develop and finalize His divine plan through the cooperation of man. Man is not merely custodians of creation, but also as a partner of God in a world that is constantly evolving. In this case the human is referred to as a co-worker of God the Creator. Whatever the form of human labor, all of them are participating in the work of God. It must be realized that no jobs are lower than the others. By working, people would experience great difficulty. However, through the work that humans take part in the work of God as the Creator of the universe. Noble values of human work is first not based on what he was doing, but these noble values based on human values themselves as a whole person. Therefore the basic values of human work can not be taken away by anyone.

Opportunity Creation

The second principle is to encourage a person to be able to see opportunity around him and utilize it. In Genesis we can understand that man is God's co-workers and it is derived from the notion that human beings as God's own image (Imago Dei). Humans are God's co-workers in maintaining the universe and all its contents. The relationship between man and the entire universe is a form of participation in a relationship with God. Man must realize that the power is given by Allah is not the power to manipulate and dominate what is in the world. Deeper discussed in LE Art 6 of the work in a subjective sense: men as the actors work in harmony with the principles of the second entrepreneur is opportunity identification. Humans are the subject of work and therefore they have ethical dimension. This ethical dimension leads to freewill that make them consciously can separate the good from the bad. With this freedom, every human being should be able to look at the opportunities in various situations. However, they must choose to utilize that opportunity in the right way. Not to satisfy their desires, not to accumulate wealth in life, but to create the common good.

Creativity and Innovation

Work activities are the fundamental expression of every person. Work emphasizes personal because it is people who work. All forms of materialism that makes human labor only as mere commodities ranging kept away from the tradition of the work. The human person is the measure of the dignity of work, the basic thing is that the work is part of the human being and not a human being that is part of the job. The times up to the development of technology has brought tremendous impact in the world of human labor, with all these developments helped man in his work. But it also makes the development of a human into a kind of machine tools if it is not there then the work process will be hampered or even stopped. It is very visible discussed in the encyclical *Laborem Excersens*, Art 5 of the Object Technology as Work. Human beings are subject to the actual work because as a person, acts in the workplace must realize the value of one's humanity. A person cannot become a slave to the machine. Therefore, it is in accordance with the principle of third entrepreneur is creativity and innovation requires that each person using creativity and innovation to cultivate opportunities. Not only in art 5, in Art 15 that discussed the argument "personalization of God" also reminded that personal labor or human is still more important than capital. That is, humans always have the responsibility and unlimited creativity to strengthen their position in order not to be defeated by the capital. True entrepreneurs cannot stop showing creativity and innovation to validate them as the "image of God".

Calculated Risk Taking

Work is the basis for building an intact life. A divine activity that show nobility of a man. It should not be underestimated and should always be accounted for. Levity or do not have a very clear calculation are contrary to the encyclical *Laborem excersens*. It is precisely in accordance

with the fourth principle of entrepreneurship, calculated risk taking. The fourth principle is important in maintaining the noble nature of the work. Calculations are intended not cold mathematical figures and rigid or more often called the profit and loss, but rather an attempt to assess everything related to the work.

More specifically in the art LE 7 which focuses on the values of truth. Human labor increasingly elevated and equipped with modern technology. However, modern technology is precisely what hinders creativity, job satisfaction, responsibility and employment. The church is opposed to all forms of industrial era materialistic and economic thought that treats the human person more as "merchandise" rather than as the subject of work. As entrepreneurs face the increasingly rapid development, they are reminded that they can choose to remain in the comfort zone alone or fully developed his own calculations to develop for the common good.

Ethical Entrepreneur Leadership

Human rights has become major issue for decades. The Church in its participation in the world also took part in the fighting for human rights, specifically the rights of marginalized people. Pope John Paul II emphasized the rights of the workers, especially in the working of the Encyclical *Laborem Exercens* section IV art. 12, 14 and 19. It is the job of the Church is considered important because it is the right of every human being and rights are worth fighting for. *Laborem exercens* Qualifies the teaching of private ownership in relation to the common use of goods that all men, as children of God, are Entitled to. The Church "has always understood this right within the broader context of the right common to all to use the goods of the whole creation: the right to private property is subordinated to the right to common use, to the fact that goods are meant for everyone . "

Aligned in the value of the fifth entrepreneurship also want to remind that there are ethics that need to be held in running a business. Specifically, in art 12 that talk about Priority Workers, containing the basic principles taught by the Church that it is the priority of labor over capital. Because capital includes all resources are natural or artificial, everyone should have it and not just a small group of the rich alone. It was a legacy of mankind through the work of our ancestors and should not be exploited. Capital and labor must be linked in a productive way. At Art 14 that discussed the Work and Property Rights reminded the entrepreneurs or owners of a company recognize the right to property, the church does not support the concept of Marxism (collective property rights) as well as the concept of Capitalism (absolute property rights). The right to property shall be subject to the principle of the general welfare and property must be acquired through work to serve human labor. The Church supports the form of co-ownership between the owners and the workers, (ie, profit-sharing scheme).

Ethical principles of entrepreneurial leadership did not forget affirmed Art 19 that discussed the wages and Social Advantage, which requires all workers are entitled to reply to a fair work. Reply fair work is a key issue of social ethics as a practical tool for people to gain access to the goods meant for sharing.

Attitude to Failure

The sixth principle is discussed in the encyclical LE, Art 27, with the theme of the Cross and Resurrection of Christ. In summary Pope John Paul II's work is seen by the Church related to the Cross and the Resurrection. By doing the hard work, the human are united with Christ in suffering. Work is vital, not only for worldly advancement, but also for the development of the Kingdom of God and the world. Every effort made by each person will not always run smoothly. This is where the human being as a whole person to indicate that power is exemplified by Jesus himself that dared to rise. In accordance with the principle of Attitude to failure which showed that an entrepreneur should be able to see failure as something valuable to learn instead of

giving up. As a human being similar to God who never gave up guiding His people, we must have a high fighting spirit.

Determination

Participation in the activity of the Creator's work is discussed in LE Art 25. Through the work of the human person participate in God's creative activity. This often relates that Genesis is "the Gospel of Work" first. Of the basic spirituality of work is what strengthens the recognition that work is a means of manifestation in the history of the divine plan. Each person is called through work to build God's world. This is an entrepreneur who affirm that a seriousness in achieving clear goals that work for justice, love, and peace.

Entrepreneurship seventh principle, determination, this can be represented also in art LE 26 is about Christ, Man Worker. Jesus himself was a worker and a man in the Gospel, Christ's life merges with the world of work. Many once in the Bible that shows the truth that through the activities of human labor to participate in the activity of God himself, the Creator. Specifically highlighted by Jesus Christ, Jesus agrees with the various forms of human labor that reflects the similarity of the human person with God. These similarities should certainly be demonstrated by the seriousness of the heart to achieve a lofty goal. The purpose of which is owned by the entrepreneur is a good idea to bring the general welfare in any work activities performed or executed. Scripture become the cornerstone of developing a new spirituality that good work to go hand in hand with the principles contained in entrepreneurship.

CONCLUSION

As can be seen in the above discussion, the principles of entrepreneurship with the catholic social teaching does not contradict. The seven principles of entrepreneurship are even addressed in the doctrine. Therefore Catholics should not hesitate or be afraid to live the teachings of his religion in the world of business and entrepreneurship. Just to note that although the Catholic doctrine is not contrary to the principles of entrepreneurship, but the option to carry it out properly depends on each individual. It is expected that after reading this article, Catholics also obtain an overview of how to implement entrepreneurial activities properly based on the Catholic Social Teachings.

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