

Foreword

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Over the past 30 years, globalization, technological innovation and financial deregulation have increased the complexity, uncertainty and volatility in the global economy and the business world. Political and corporate leaders face new challenges, which have a direct impact on their decision-making processes. The search for short-term efficiency alone leaves business and society less dynamic: investment projects are reduced or scrapped, education is postponed, research is cut and there are fewer employment opportunities. In the end, successful long-term development fails to take hold and the social function of business is called into question.

Business leaders and companies need to rediscover their role in society. This requires a new vision of business and business leaders. As Pope Benedict XVI pointed out, “Today’s international economic scene, marked by grave deviations and failures, requires a *profoundly new way of understanding the business enterprise*. Old models are disappearing, but promising new ones are taking shape on the horizon.”²

1. Dean of IESE Business School (2001-2016).

2. BENEDICT XVI, *Encyclical Letter ‘Caritas in veritate’*, June 29, 2009, n. 40. Available at www.vatican.va. Hereafter, *Caritas in veritate*.

Pope Francis sees business as “a noble vocation, directed to producing wealth and improving our world.”³ This vision requires an anthropological and ethical approach that transcends pure economic reality. The economy and business are instrumental means that contribute to the common good and to the good of individuals and families. If this premise is forgotten, companies lose their essential meaning and face the prospect of squandering their social legitimacy.

Bishop Javier Echevarría, Prelate of Opus Dei and Chancellor of the University of Navarra (1994-2016)⁴, prepared the papers presented in this book. They were originally meant for IESE and its alumni on various special occasions. IESE is the University of Navarra’s graduate business school, founded by St. Josemaría Escrivá in 1958. IESE has always affirmed the need to understand a company as a community of people at the service of a common project that has both an economic and social impact. It also sees management as a profession aimed at the long-term development of businesses and the people that work in them.

This volume aims to help entrepreneurs and business leaders gain new insight into the role of business and business leaders in society. Bishop Echevarría does not offer specific or technical proposals on how to improve the management of organizations; however, his thoughts do get to the heart of questions that any business leader and business must ask: What is the purpose of business in society? What should the main concerns of an entrepreneur be? What is the role of business in promoting the common good? How can one combine concern for the common good with creating economic value? In demanding professional and so-

3. FRANCIS, *Encyclical Letter ‘Laudato si’*, May 2, 2015, no. 129. Available at www.vatican.va. Hereafter, *Laudato si’*.

4. Bishop Javier Echevarría passed away on December 12, 2016.

cial circumstances, what principles should guide an entrepreneur in society?

Bishop Javier Echevarría sheds light on these questions from a Christian perspective. As areas of knowledge, theology and philosophical anthropology do not provide specific answers to questions about how to behave in a given professional situation or how to undertake a particular business project. Yet, these academic disciplines offer a harmonious framework for action in accordance with our humanity, and help refine our reasoning as human beings. In this diverse tapestry of concepts and ideas, the importance of promoting human dignity above and beyond economic goals stands out. This perspective is needed today more than ever.

Some of Javier Echevarría's reflections are especially worth mentioning here. The first refers to the mission of companies in society. A firm is an economic institution and should carry out its functions accordingly – namely by efficiently using its resources and, in the process, generating economic value. And yet, a business core is found elsewhere. The firm, as Javier Echevarría explains, “is above all a community of free people responsible for working towards a common goal on which they collaborate, provide resources, develop their humanity and effectively contribute to the production of goods and services” (p. 61).

The second reflection refers to the virtues necessary to manage a company well – in particular those that help entrepreneurs and managers improve their service to others. A good entrepreneur should understand the needs of others and serve them well. “The firm,” Javier Echevarría says, “encompasses an impressive human activity that benefits everyone. It creates jobs, provides goods and services, improves efficiency, distributes wealth and contributes to our well being. A company is a great social institution. A business can and should also contribute to the good of other institutions such as citizens, families and other social groups. We need busi-

ness leaders and entrepreneurs who are aware of and sensitive to the realities of the world” (p. 43).

I thank Bishop Javier Echevarría for this collection that includes valuable reflections aimed at entrepreneurs and business leaders who need a reliable compass now more than ever. The crisis of trust that has emerged in numerous countries in recent years cannot be overcome with mere technical solutions, however necessary they may be. Only a positive perspective of human dignity and the renewal of ethical and moral criteria for the governance and management of public and private organizations will help us get past the narrow horizons that the current economic crisis has stamped into the social fabric. A Christian view of the person, of business, and of society provides the best foundation for building a dynamic, fair and prosperous society – one that aims to create opportunities for widespread self-development and progress. Javier Echevarría’s thoughts gathered here are an excellent contribution that addresses this renewal head on.

I want to thank Professor Domènec Melé for his work on editing this volume, as well as for his valuable Introduction. I am also grateful to Professor Antonio Argandoña for his insightful contribution to the final pages of this book.