

Grassroots Coalition

A Parallel Business Model—12/10/2008

How can a Church Social Justice Group (CSJG) work effectively to create a society governed by Christian values and principles, focusing especially on economic and environmental justice?

Our Answer

Corporations are the most powerful element in society today, and play the major role in shaping the economy and the environment. In addition, to a large extent they shape the policies and programs of governments.

The CSJG therefore will do well to focus its efforts primarily on gaining economic power, relying on the power of the purse of the participants in their church.

The greater the number of participants, the greater will be their ability to effect change. The CSJG in each church, working with the participants in that church, will therefore reach out to and seek the involvement of as many churches as possible as well as to non-church people – friends, relatives, neighbors, business associates, colleges and high schools, civic associations, environmental organizations etc.

This they can do in the following ways:

- Catholic Social Teaching is often termed a ‘well-kept secret’. The CSJG will therefore impart to participants information about what Catholic Social Teaching says about how our society should operate.
- The major elements of the mainstream media are owned by a few large corporations and therefore are reluctant to provide valid information about current economic and environmental conditions whenever such information clashes, as is often the case, with the interests of those corporations. The CSJG will seek out accurate information about these conditions and use effective processes to supply that information to participants.
- They should then identify both local and national providers of products and services which operate in harmony with their Christian principles and values.
- In a nutshell, these providers should be companies which abide by Catholic Social Teaching with respect to the economy and the environment.
- The CSJG should contact those providers and inform them that they are going to promote their businesses as long as they, the providers, continue to operate in their present manner.
- They should obtain from the providers information regarding the manner and extent to which they operate in accordance with the participants’ values and principles. They should go to great lengths to verify this information, and periodically ascertain that it is accurate.
- To avoid legal problems, the CSJG should refrain from making negative statements about companies’ operations.
- They should use every means at their disposal to persuade participants to utilize the information they provide regarding these goods and services.

- This utilization of information will give the participants power to bring the companies to embrace the tenets of Catholic Social Teaching more completely.
- To some extent a model is *Consumer Reports* which test products and services and inform people about the results of their testing so that those people can choose reliable products and services.
- They should ask the participants who receive this information to pay a fee for it.
- The money collected in this manner should be used to start democratically-run worker-owned cooperatives, both manufacturing and service-providing. They should insist that these cooperatives operate in accordance with their Christian values and principles.
- Useful information regarding the startup and operation of worker-owned cooperatives can be obtained from the Ohio Employee Ownership Center at Kent State University and from the Website of the Mondragon Cooperative Corporation (MCC) in Spain.
- The MCC is a worker-owned cooperative started in 1956 by a Spanish priest. *Lessons of Mondragon's Employee-owned Network* by Karen Thomas: "Growing from one small employee-owned business in 1956 with five workers, today the complex includes firms engaged in automotive components, domestic appliances, machine tools, industrial components, engineering, construction and retail distribution, with a workforce of 42,000 worldwide and over 5 billion euros in annual sales. MCC members each hold one member share in the corporation they own, have direct authority for governance of their employing firm on a one-person, one-vote basis, and elect representatives to a Cooperative Congress that has final authority at the corporate level of the MCC on policies governing all the member firms and their associated organizations. Employment and wealth creation for the community as a whole is their primary corporate mission. They are not successful because of their business drive or their ideas about sharing ownership but because they link both ideas. The Mondragon experience demonstrates that democratically- governed businesses are high-performance businesses, that capitalism combined with community responsibility creates real prosperity for a region, and that successful economic development is all about grassroots efforts that involve interlinked, locally based research, education and financial partnerships." A good source of information about Mondragon is a book by Gregory MacLeod: *From Mondragon to America: Experiments in Community Economic Development*. Father Gregory MacLeod is Canada's leading authority in the field of sustainable community economic development.
- Some of these cooperatives will be started from scratch and others will be existing companies that are going out of business, where the workers want to stay in business by taking over the company as a worker-owned cooperative. Such job creation will be an integral part of this effort in view of the fact that over one-third of the American workforce is either unemployed or underemployed (insufficient income to obtain the basic necessities of life), and that number is steadily growing.

Grassroots Coalition for Environmental and Economic Justice
HCR 83 Box 881 Shade Gap PA 17255
814-259-3372 grassroots1@pa.net