

# Parallel Worlds

*Interview*

“The world needs values that create generosity.”

**Diarmuid Martin**, Archbishop of Dublin, has spoken often on business ethics. He served as the Holy See’s permanent observer to the United Nations and the World Trade Organisation in Geneva. In an interview with THE FOCUS, Archbishop Martin discusses the corporate scandals of the recent past and the responsibilities of the business world in this time of increasing globalisation, and gives his views on what makes a great leader.

PHOTOS: ERIKA KOCH



## RESUMÉ Diarmuid Martin



**Archbishop Diarmuid Martin was born in Dublin in 1945. He studied philosophy at University College Dublin and theology at the Dublin Diocesan Seminary. Martin was ordained a priest in 1969 and later pursued higher studies in moral theology at the Pontifical University of St Thomas Aquinas (Angelicum) in Rome. In 1976, Martin entered the service of the Holy See as a member of the Pontifical Council for the Family. He was appointed Under-Secretary of the Pontifical Council for Justice and Peace in 1986, and Secretary of that council in 1994. At the end of 1998 he was named Titular Bishop of Glendalough and received episcopal ordination at the hands of Pope John Paul II on 6 January 1999. In March 2001 Martin was elevated to the rank of Archbishop and undertook responsibilities in Geneva as the Holy See's permanent observer to the UN and the WTO. He was appointed Coadjutor Archbishop of Dublin in May 2003. Martin automatically succeeded Desmond Cardinal Connell as Archbishop of Dublin on 26 April 2004 following Connell's resignation.**

**The Focus:** Your Excellency, in the recent past there have been an increasing number of corporate scandals that have shattered people's trust in big business. How did you react to cases such as Enron or Worldcom? Are these events symptomatic of a larger problem?

**Archbishop Diarmuid Martin:** I think it is interesting that a large number of major scandals involving huge concerns have been disclosed or come to light in recent years. I suppose in many ways they were there before. One of the positive aspects is that we now have built-in mechanisms that can identify corruption – but unfortunately they kick in too late, after corruption has already crept into large businesses. The challenge would be to do something that is more preventive.

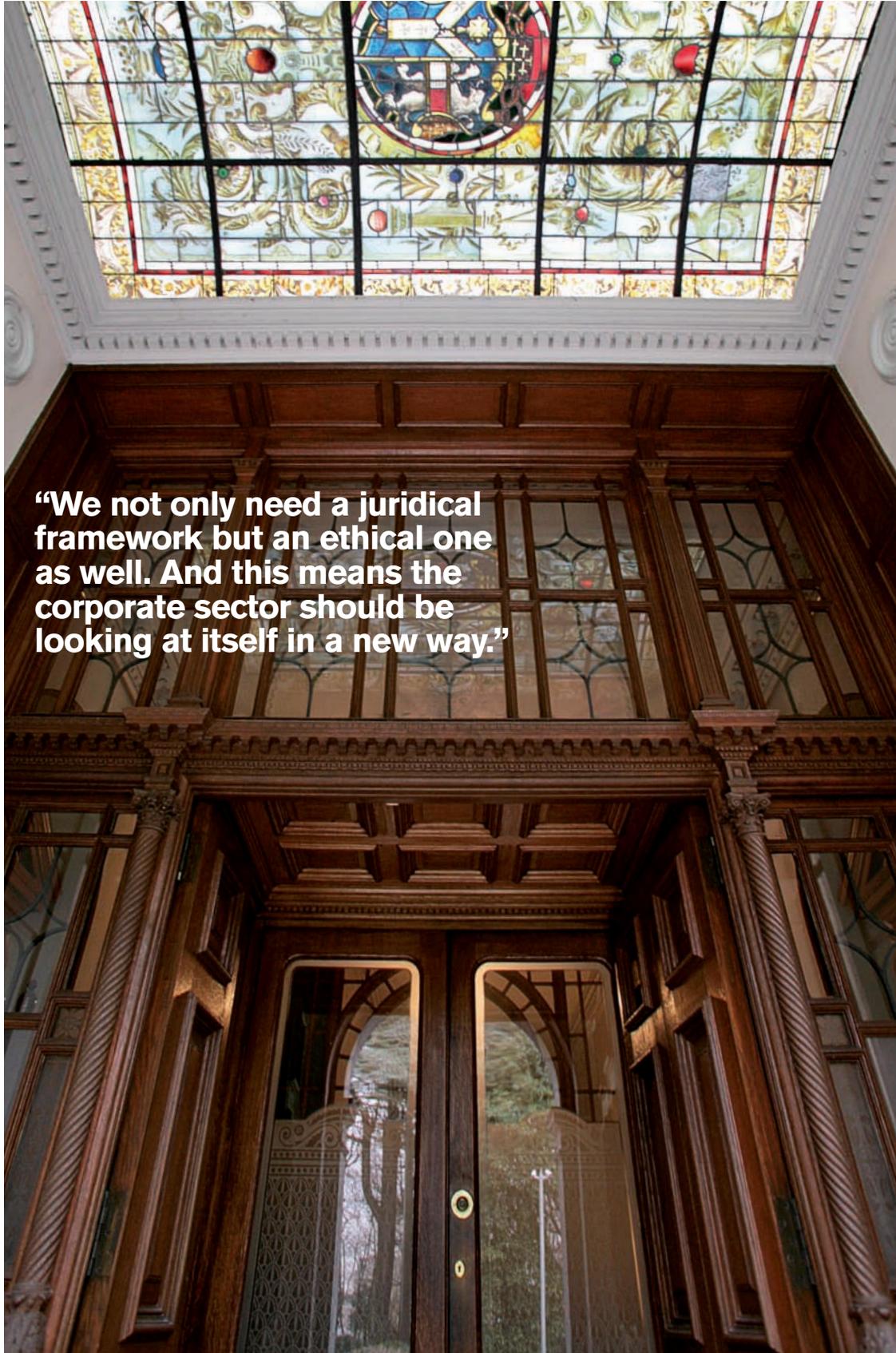
**The Focus:** How do you think this could be done?

**Archbishop Martin:** Obviously each sector in society has to establish its own norms of behaviour, its own rules of conduct – be it the economic sector, the press or the Church. Some of this can be accomplished by the appropriate legislation, although obviously in today's world, businesses do need freedom. They need to be uninhibited to a degree, and overly stringent norms would make it almost impossible for them to operate. But the market also needs an overall ethical and legal framework if it's going to work properly. So we have to develop this ethical and juridical framework and do it in a way which also complements and enhances the way the market actually works.

**The Focus:** But how can we ensure that people adhere to rules of conduct rather than paying them lip service?

**Archbishop Martin:** Obviously we also need law and we need law enforcement. The law is there to protect the weak and to curb the arrogance of those who have power. Every sector needs that. Power does generally result in a certain arrogance, and those who were at the centre of these scandals didn't seem to recognise the fact that they were abusing the power that they had.

It is interesting to note that organised crime was one of the first groups to recognise the advantages of globalisation. I don't just mean drug or weapons dealers, but also dishonest members of the business community. For this reason we not only need a juridical framework but an ethical one as well. And this means the corporate sector should be looking at itself in a new way; looking at an ethical framework not just as some pretty words on a piece of paper, but as something that is integral to the way they work and to their role in society.



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**The Focus:** Isn't it difficult to ensure uniform moral values and an effective ethical framework in a global corporation that spans many countries and cultures?

**Archbishop Martin:** Let's take a classic example, the relationship between an employer and his or her employees. Pope John Paul II talked about business as not being a commercial enterprise, but a community of people. This is the case in many family firms – employer and employees share the ups and downs of the enterprise together. But business leaders today often have no idea who their employees are because much of the work is done by other firms in different parts of the world...

**The Focus:** Does that make having a sense of community and responsibility impossible in global business?

**Archbishop Martin:** I don't think responsibility vanishes just because the workers are far away. The International Labour Office (ILO) has developed minimum standards of decency – and the interesting thing is that global public opinion can actually change the attitudes of businesses. No respectable, serious business today would allow child labour or other abusive forms of work. A few years ago, if you asked them a question about it, they wouldn't even answer. Businesses have now realised that global public opinion is not only interested in the t-shirts they produce, but in the conditions under which they are produced. And companies have had to respond to that in a businesslike way.

**The Focus:** In some countries, children are breadwinners for their families. So their income must be replaced if they are to go to school instead of working.

**Archbishop Martin:** Yes, and that brings me to an amazing experience in Brazil. The government paid parents to keep children in school, and it was done in a very structured way – if they failed, the money was taken away. As a result, rather than having children working in jobs which offered them no future, they received the education needed for skilled jobs. You increase the overall productive capacity of people by encouraging them to stay in school, which in turn enhances the overall capacity of the global market. The real challenge is to attract quality jobs, but for quality jobs you need a well-educated workforce. This is one reason for the success of the Irish economy.

**The Focus:** What characteristics do you think make a great leader? How can a leader build a trustworthy company?

**Archbishop Martin:** The primary responsibility of a business leader is to ensure that the company is run effectively, efficiently and honestly. I don't think those people who behaved incorrectly at Enron lived up to their responsibilities to their company and to their employees. Personal integrity is a leadership quality – great leaders are people that employees are proud of and look up to. They create a sense of community identity and common focus, which makes everyone feel part of the undertaking rather than dependent or irrelevant. Furthermore, a good leader is somebody who invests in the quality and the talents of those who are working in their business. So I consider these human characteristics extremely important.

**The Focus:** Does the new generation of leaders have the necessary sense of ethics? Or is this something that has to be developed?

**Archbishop Martin:** I think it still has to be developed. We've never had real social progress without sustained economic growth, but social progress and social integration are part of the overall framework that makes sustained economic growth possible. At present, we don't necessarily have the mechanisms to institutionalise and sustain concern about ethical issues or concern about one's employees. How do you generate a new vision? I believe that it is possible to have models of economic growth that include equity and stability, which of course are better than economic growth that brings crass inequality or that is unsustainable. Recent Nobel prizes in economics have gone to those who have seen the role of economics in society, not those who simply work out econometric models.

**The Focus:** You have attended the World Economic Forum many times. What impressions did you take away from this dialogue between the world's economic leaders?

**Archbishop Martin:** There has been enormous change over the years. The first time that I attended was also the first time there was a panel of religious leaders. The sorts of comments we heard were "it's good that the padre is here," or "give us your blessing..." What we have accomplished over the years is that people are starting to see that ethics and religious values belong in the real world – they are not something that just occasionally pops up as inspiration. The question is, how do we foster a dialogue about the reality of interdependence between an ethical vision of an enterprise, of a society, of a nation – and then of a global reality?

**The Focus:** And what is your answer?

**Archbishop Martin:** My first experience in this area was at the time of the financial crisis in Southeast Asia, and it was an extreme warning to all of us on just how interdependent we are. People talked about the world economic architecture, and it seemed like just naming the idea gave it more weight and seriousness. Nobody really wanted to generate a framework beyond that vague term, however; the problem was trying to find some type of norm without interfering with the workings of the market. Certainly on a global level it isn't easy, but on the other hand we can't ignore the reality of globalisation. We can't just say it's too complicated to manage, so we'll leave it alone. Living in an interdependent world, we have to enter into a pact of solidarity with one another.

**The Focus:** What role could Christian values play in fostering this kind of consciousness?

**Archbishop Martin:** The value of trust is a Christian value. Trust is based on a genuine respect for the other, on acknowledging the fact that the other is a person in the same way that I am. Every individual has their own dignity, and God created humanity as a family. We have to trust one another in order to sustain the human family. We also must recognise that this family belongs within the integrity of creation as a whole and therefore the solidarity and the sustainability of the human family depend on us respecting the world we live in.

**The Focus:** What does that mean in concrete terms?

**Archbishop Martin:** There must be respect for the environment, and the leaders of the world must promote equity and sharing. If you lose the overall sense that the goods of creation are there for everyone, you create imbalances – and that brings crass inequalities and insecurity. You know, I constantly think about the biblical story of the Tower of Babel, which for me symbolises uncontrolled growth. When people think that they can have uncontrolled growth, very often what happens is what happened at Babel – the tower collapses and the people become divided. But how can religious values influence economic and social stability? When you look at the question, trust is one of the obvious answers. Another one would be hope. A community which begins to have hope would be far more productive, far more creative.

**The Focus:** That sounds like the American dream...

**Archbishop Martin:** Yes, it is the American dream, but you can also see it even in a small village in Africa. If

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people begin to have hope and purpose, these values become their reality, and this actually can be linked to productivity and creativity. However, I wish to emphasise that a human being is never just an economic animal; economic freedom is only one part of human freedom, and if it becomes detached from the rest of the human being it becomes alienated.

**The Focus:** You became Archbishop of Dublin at a time when the Roman Catholic Church in Ireland was facing dark and difficult times. Some priests were found to have sexually abused children. Your task was to rebuild the lost trust in the Church. What was your experience?

**Archbishop Martin:** I would like to say here that the Church in Ireland and Dublin has faced serious scandals which have destroyed many people and that I am extraordinarily angry when I hear how lives have been ruined. It was inevitable that the revelations of abuse would damage trust in the Church. How do you rebuild trust? There is no short cut, no sound bite and no market mechanism to do that. You have to show people first and foremost that you are honestly trying to address mistakes. A huge thing is simply telling people that you believe them and being consistent in that. And then you have to build up a safer church where parents will feel happy to allow their children to participate. You have to take the measures that you promise seriously. In addition, I have consistently published the statistics. You have to say: look, this is what happened.

**The Focus:** You consider transparency very important?

**Archbishop Martin:** It's not just being transparent, it's being brutally honest. This is a nasty business, but we are prepared to nail it down and to admit to it. How do you rebuild trust with people who have been wounded through absolutely no fault of their own? It's a challenge. When I met with these victims and their families, I was humbled in many ways by how they have coped with what they were exposed to.

**The Focus:** With that in mind, what would you recommend to a company that needs to rebuild lost trust?

**Archbishop Martin:** As I said, there is no sound bite answer, no short cut. You have to examine the problem in detail and try and find out yourself what the truth is – and that isn't easy because everybody in the business had a part in it. But abuse is a cancer and unless you really identify the full extent of it and eradicate its roots, it will reappear. We all have to learn what the truth is. We

also have to realise that individual misbehaviour affects the stability of companies and of the society in which we live. These individuals don't just gamble with the future of a big multinational firm – they eventually affect the lives of people all over the world.

**The Focus:** One final question – what role can the Christian churches play in overcoming the current crisis of trust in the economy?

**Archbishop Martin:** The job of the Christian churches is to preach the message of the Gospel. This is a message that is addressed to every individual and that has social implications for the people who carry it out. The basic message of the Christian churches is about the love of God, and there are two characteristics of the love of God that I believe are particularly interesting in the modern world. One is gratuity. God loves people without any conditions. Take the story of the Prodigal Son, who comes back home to find his father is there waiting for him. The son has his little negotiating speech ready, but he doesn't have to use it. The son is just welcomed – that is gratuity, going beyond what is expected or necessary. The other is super-abundance. The love of God surprises you – it is so generous that it turns you head over heels. These two values stand in opposition to a market-driven consumer society in which everything is precisely measured out – if the label says 16 oz, you won't get an ounce more. If we truly lived in an environment like this, where you got only what you paid for and nothing beyond, none of us would be here today. The world needs these values that create generosity; that make you care about another person even if that person is weak; that motivate you to make a huge investment in a person. Good firms do that as well.



The interview with Archbishop Martin was conducted by Mark Byford, Egon Zehnder International, London, and Ulrike Mertens, THE FOCUS.