

At least in this respect, Wellman and Lombardi have edited a book that lacks the hubris of “bringing religion to human security” but rather constructively acknowledges, in academic detail, the nexus at which this has long persisted, and only now has our attention. This book, for that reason, is also worth our attention and is an outstanding contribution to the field.

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**Verso il metaprofit. Gratuità e profitto nella
gestione d'impresa**
Giorgio Mion
Cristian Loza Aduai
Siena, Italy: Cantagalli, 2011 (178 pages)

Residents of the Anglophone world easily forget that much interesting work on topics of economics and ethics is published in other languages. Not surprisingly, the preferred language for many studies on Catholic social thought is Italian. The authors of this small book in a series published by the Cardinal Vãn Thuận International Observatory for the Social Doctrine of the Church are Giorgio Mion (a professor of business economics at the University of Verona), and Cristian Loza Aduai (a graduate of Universidad Católica San Pablo in Arequipa, Peru) of the Pontifical Lateran University and of Libera Università Maria SS Assunta (both in Rome) and the recent holder of a doctorate in business ethics from the Catholic University in Eichstätt-Ingolstadt. Both authors are collaborators of the Cardinal Vãn Thuận International Observatory and are engaged in a discussion of a proper Catholic view of business, especially following Benedict XVI's encyclical letter *Caritas in Veritate*.

The title of the book—*Toward Metaprofit: Gratuity and Profit in Business Management*—alone may intrigue: What is “metaprofit”? The Greek preposition *meta* has three basic meanings: (1) “after” in the temporal or spatial sense, (2) “(together) with,” and (3) in composites “change” (as in “metabolism” or “metaphor”). Metaprofit therefore means “going beyond profit,” but in a felicitous polysemy it can also connote “what comes with profit.” Metaprofit is thus a much richer concept than “nonprofit.” It goes beyond all restrictions to the “third sector” because it refers to the purpose of business that must not be reduced to that of making profit. Instead it has an anthropological and a theological meaning. John Paul II and Benedict XVI taught that profit is a means but not an end of business. Profit enables business people to do good in the world (12).

Mion is responsible for chapter 1, which focuses on the return of the enterprise in recent papal teaching. Where previous social teaching often emphasized topics at the macro level—a desirable form of society—the recent popes embraced social realism by dwelling on micro foundations, that is, on the dispositions of consumers and producers,

elected politicians, and public administrators, which can be directed toward common goods or common evils. The purpose of businesses is to create value, from which derives their social utility. In arguing for this point, Mion draws heavily on the Italian tradition of business economics (*economia aziendale*), which has distinguished itself by integrating accounting, corporate governance, organization, and financial analysis into a systemic model of business that compels entrepreneurs and managers to exercise social responsibility.

In chapter 2, Loza Adauí discusses some major themes of *Caritas in Veritate*, especially the purpose of business and the proper roles of profit, gratuitousness, and the “logic of gift.” He relates magisterial teaching on giving and the gift to its treatment in both theology and anthropology. In addition, he discusses the economic literature on relational goods and altruistic motives. He also contrasts gratuitousness with agency theory and shareholder theory as they have emerged as ingredients of the standard model of the firm. A version of stakeholder theory is advocated as being in greater harmony with Catholic social teaching.

Mion describes in chapter 3 conditions for the development of metaprofit, or of a thinking about business that does not reduce its purpose to profit-making. He does not deny the first-order instrumentality and legitimacy of profit but insists, with magisterial teaching, that it must not be seen as an ultimate purpose. It is rather, in St. Augustine’s words, an *aliquid stat pro aliquo*, or a result of human action that stands for something else and that must be understood at different levels (96). In Benedict XVI’s words, profit is “a means for achieving human and social ends” (*Caritas in Veritate*, 46). Like the pope, who argued against short-term speculative profit, Mion advocates “sustainable” enterprise as a “fundamental logical category” that provides a better anthropological foundation for corporate governance than do most extant models. His proposal for a “humanization of markets” focuses on five strategies: the category of gratuitousness, corporate culture based on metaprofit, consideration of intangible assets, systemic strategies, and a focus on communication (144). These elements are advocated by reference to the business literature.

This book inserts itself neatly into the “anthropological turn” in Catholic social teaching that was triggered by the work of John Paul II and especially of Benedict XVI. On the one hand, its argument rests on personalism, as, since Leo XIII, successive encyclicals have emphasized that firms are not entities founded on capital but on persons, making labor a factor of production that is coequal with capital. On the other hand, different from earlier papal teaching but much in line with *Caritas in Veritate*, the authors recognize the pluriformity and hybridity of modern business, which transcends the traditional divide between profit-seeking and nonprofit. All enterprise seeks reward through profit. However, the more important question is, what purpose does profit itself have? Creation of value need not be limited to financial categories—it can comprise true happiness, meaning, and human fulfillment. Benedict XVI hoped that this would happen very much “within economic activity” and “not only outside it or ‘after’ it” (*Caritas in Veritate*, 36). What is needed is not a bigger sector of philanthropy but profit-oriented business people who know that receiving commits to giving, and that giving goes beyond financial transfer payments. A metaprofit perspective is therefore much in the spirit of Catholic teaching

on business. This book is a welcome addition to the literature that presents business not as an *eo ipso* morally questionable activity but as an exciting and profoundly human enterprise that can contribute much to the common good if its purpose is understood and heeded in the day-to-day scramble for competitive advantage.

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The Quest for Prosperity: How Developing Countries Can Take Off

Justin Yifu Lin

Princeton, New Jersey: Princeton University Press, 2012 (344 pages)

Justin Yifu Lin's *The Quest for Prosperity: How Developing Countries can Take Off* is a stimulating read for students, professors, and those generally interested in development theory. The only possible downside to the book is the amount of repetition used to emphasize, but in stealth fashion, that the Heckscher-Ohlin-Samuelson (H-O-S) Theory of comparative advantage is the golden path of enlightenment for optimal development growth. To his credit, Dr. Lin's defense of the theorem as a strategy for achieving and optimizing growth for developing countries has never been better explained or defended. He accomplishes this task without a single equation, offer curve analysis, or Edgeworth Box contract curve derivation of production possibility frontier. The complexities of the theorem are made readily accessible to the lay reader.

Curiously, Lin never refers to or even mentions the H-O-S theorem, perhaps purposely. A reading of Lin's book is also enjoyable because of his manifest intellectual rigor, impeccable underlying research supported by numerous historical case studies and detailed references, and the revelation that Lin is an incredibly well-read and learned person. Lin holds a PhD from the University of Chicago, was the chief economist at the World Bank (2008–2012), and is presently a professor of economics at Peking University.

Supported by research (*The Growth Report: Strategies for Sustained Growth and Inclusive Development*) led by two Nobel Prize winners, Michael Spence and Robert Solow, Lin delivers a well-argued path for successful development conditioned by common economic choices made by countries that were able to dramatically improve their standard of living through sustainable growth over a period of decades. The most important of these economic choices hinged on the expansion of their manufacturing bases, well-timed movements to sophisticated industrial products, pursuit of export-promotion strategies instead of import-substitution strategies, and governments that were proactive in helping the private sector to enter new industries through special trade zones by way of the provision of soft and hard infrastructures. Their governments devoted substantial portions of public resources to improve both the health and the education of their populations. Most importantly, according to Lin, these economies focused on products aligned with their comparative advantage based on their relative input endowments (i.e., H-O-S theorem).