

ELY CATHEDRAL BUSINESS GROUP

Summaries of introductions and speeches given at ECBG events in 2012, 2013 and 2014

First event: May 2012

At the first Celebration of Business, Chairman Tom Green launched the new Ely Cathedral Business Group (ECBG) and its purpose: 'ECBG believes that there is a strong correlation between the health of the business sector, and the wellbeing of the communities in which those businesses operate. The purpose of the ECBG is to explore this relationship and to strengthen the correlation: to help businesses succeed and thereby make our communities stronger.'

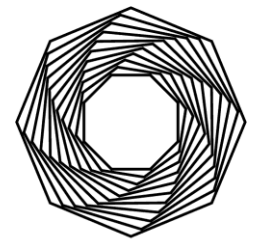
There are issues that constrain sustainable, desirable business success, and ECBG is committed to tackling these. Sustainability is the hallmark of good business and capitalism, and of a good society. Sustainability starts with viable economics, and its enemy is short-termism, whether in politics and government, in the corporate and financial markets, or in excessive remuneration. But a sound economic foundation is essential to enable us to address major ethical issues such as poverty, injustice, population growth and threats to the environment.

Expressing concern at the erosion of business sustainability by short-term drivers when long-term strategy should be an imperative, and his pleasure at welcoming such a large audience who shared this concern, Mr Green then introduced the keynote speakers: The Rt Revd Stephen Conway, Bishop of Ely and Charlie Mayfield, Chairman of the John Lewis Partnership.

The Bishop of Ely, declaring himself to be a keen Waitrose shopper, started by exploring some of the tensions between Church and Capitalism that had been highlighted by the recent Occupy movement. It is a relationship of paradoxes: with an established Church that has historically enjoyed wealthy benefactors while at the same time lecturing business on morality. Such tensions between the ideal and the real world can be traced back to the New Testament – for example, the Sermon on the Mount – but that does not mean that Christianity is opposed to business, markets and money, rather that it is opposed to the idolatry of all three as ends rather than means.

There is a new consensus that markets need morals. Firstly they need an environment of trust to operate at all, and secondly, they need a normative set of values embodied in community and culture. Economic models that ignore communities are doomed to fail, as businesses become unable to draw on the innovation and drive of the wider community. For this reason, business is proven to flourish in more equal societies, when it in return contributes to social as well as financial capital: for example, investing under-utilised cash in apprentice schemes.

The tensions referred to earlier are reflected in individuals as well as societies: People of faith who are also active in business fear conflict in their roles. But Christianity is literally 'down to earth' in a Saviour who is both the Son of Man and of God, and there is no reason why holiness should not sit comfortably with business sense. In fact, good business practice in management and marketing has a lot to teach other parts of society, including the Church.



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Businesses can be run as communities of common interest, where owners and employees share the cost of surviving difficult times without exploiting one another, in order to flourish in the future. Honour and dignity flow from generosity: there is no opprobrium attached to making a fortune, the question is, what you do with it.

The Bishop concluded by encouraging all present to be significant investors in people and ideas, so that communities in the county and around the world could flourish and thrive.

Charlie Mayfield, Chairman of the John Lewis Partnership, then considered the relationship of health, wealth and happiness to business, starting with the suggestion that while two of these are obviously desirable states, the introduction of 'wealth' raises questions of excess and inequality.

The recession is causing hardship and increased injustice, but to equate business directly with these ills would be a tragedy, as in fact it has the potential to address rather than exacerbate them, by creating opportunity and an environment where young people can be valued and realise their potential.

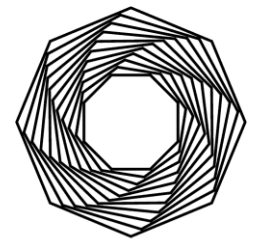
The history of the John Lewis Partnership exemplifies this. All 80,000 employees are partners, and the ultimate purpose of the business, in the words of its founder Speden Lewis in 1929 is 'the happiness of its members, through their worthwhile and satisfying employment in a successful business'.

To achieve this, the guiding principles of the Partnership are that ownership, knowledge, power and profit should be in the hands of the employees. In practice, this means keeping people properly informed, making the Chairman fully accountable to them through an elected council such that he serves the Partners, and sharing profit in a fair and transparent way. Partners earn these rights in exchange for accepting the responsibility of continually improving their performance.

Mr Mayfield concluded that it is because all these factors come together, rather than just the aspect of profit-share in isolation, that the community of the Partnership can be created, supported and sustained, and individuals can be recognised, valued and respected. He hoped that this analysis would resonate with the business community: one of the great challenges in today's society is that ownership has come to be seen as the right to sell, rather than the responsibility to nurture and build for the future, but without a long-term perspective, there cannot be a connection between health, wealth and happiness.

Second event: Autumn 2012

ECBG held an evening debate, which was introduced by Chairman Tom Green reflecting on one of the key messages emerging so far: that short-termism is the main enemy of sustainable businesses that contribute to the economy. He then introduced the speakers: Robert Hallam, Manager of John Lewis Partnership Cambridge, and Ali Parsa CEO of Circle Partnership, which was running Hinchingsbrooke Hospital.



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Robert Hallam said that three themes – leadership, choices and sharing knowledge – would be interwoven into his speech, and echoed the concerns of previous speakers that selling businesses was taking priority over nurturing them. However, nurturing must be balanced by dynamic leadership.

The John Lewis Partnership does not live in fear of being sold off, which gives it longevity, clarity of focus and the possibility of trading short for long-term gain. Decisions made now are tough ones, but they create the future.

The founder of the John Lewis Partnership warned of the dangers of copying the wrong type of leaders: people who were weak, or showy or self-centred. Leaders must inspire self-motivation, determination and willingness to strive for the common as well as individual good. In the Partnership, where the ethos is to work together for success, partners challenge leaders to act decisively to ensure these values are adhered to and check poor performance. Employees rank managers against key performance indicators, as well as vice versa, and results are available to all.

Openness is vital, underpinned by formal and informal communication. The John Lewis Partnership invests to retain and nurture partners, with long service and commitment giving an ample return on this investment. Partners share knowledge as a foundation for innovation, and positioning the business for future development represents real success.

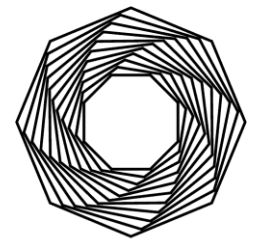
Ali Parsa noted that the world had changed and the environment for business success was no longer dictated by the traditional East/West, Capitalism/Communism divides, but by position within the world of global trade.

The UK was descending down the global prosperity index, but meanwhile had achieved dramatic success in the recent Olympics, after many bad years for British sport. What could we learn from this? To focus on strengths, and invest where we already have a competitive advantage.

In business terms, this means playing to our strengths and delivering to countries in the developing world and BRIC areas that see the UK as sharing their values and beliefs. Ninety per cent of the world's growth is happening in these countries, who are starting to think about values and trading with compatible partners. It is not just about products, it is about a vision for the human benefits those products will bring.

We must stand up for our values: customer service whereby their success is ours; recognising that everyone in an enterprise matters; and pursuing excellence rather than accepting mediocrity just to avoid risk.

'Good enough' is not good enough when there is the potential to be great – this is what we can learn from Team GB.



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Third event: April 2013

At the second annual Celebration of Business, Chairman Tom Green thanked all those who had made the previous year such a success for the concept of ECBG, supporting it with their time and enthusiasm, and helping the mentoring schemes get off to an excellent start. In particular, he thanked the ECBG Committee and the Ely Cathedral Chapter and staff for their very positive attitude, and the opportunity to celebrate the harvest of human endeavour in such a magnificent building which itself exemplified confidence and vision over many centuries.

He welcomed the two keynote speakers, the Rt Revd David Thomson, Bishop of Huntingdon and George Freeman MP, as well as a very large audience drawn from the smallest to largest businesses of the county.

The Bishop of Huntingdon argued that seeing a dichotomy between profitable business and the wellbeing of people is to set up a false opposition. The great philanthropists of the past, such as Titus Salt who used the profits of a successful manufacturing business to establish a model town, show us that this is a modern myth we need to challenge.

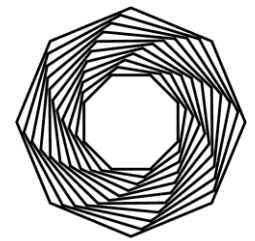
There is a moral imperative on us all to be robustly committed to the common good, and this means that those who have been blessed with business acumen and an entrepreneurial spirit should use their talents to create wealth and put it to good use. The key words in the process, if it is to be a healthy one, are Passion, Purpose, Plan, Profit and People. Some of the most powerful philanthropy is driven by a passion for a place and its people with which there is a personal connection.

Political aspirations to harness the enterprising approach and the benefits of the voluntary sector – the Big Society – have been undermined by the government's own actions in ceasing small but vital amounts of funding to the very sector they were turning to, which is now becoming disillusioned. We need to take some risks and use business expertise to set up social enterprises, and we need to keep talking to one another about how we can use all our talents for the common good.

The Cambridge Conversations initiative, a partnership between the Diocese, Emmanuel College and the East of England Faiths Council (the last shortly to close due to the cuts), is helping to bridge this credibility gap and get people talking about the sort of society we want to belong to, and the Bishop hoped those present would get involved.

He concluded by reminding everyone that if they are driven by good passions; if they strive for good purposes, moral profits and great people; if they are sustained by the virtues of faith, love and hope: then they are truly in business.

In his presentation 'The Crisis of Disconnection', George Freeman MP presented a challenge to the current conventions of economic and political theory, suggesting that the current crisis results from blindly embracing a flawed model, based on isolationism, short-termism and the loss of values that are essential for a community to stay connected: the values of enterprise and civic responsibility.



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Many of our national institutions have become like inverted pyramids. Instead of resting on a broad base with a clear and accountable leader at the top, they have become top-heavy with an overpaid elite and a tough, squeezed environment at the bottom. This is dysfunctional and unsustainable, leaving people disconnected and powerless. We are losing a sense of shared destiny, and current party politics exacerbate this crisis of disconnection.

Two key thinkers who provide a philosophy of hope in the current crisis are Rabbi Jonathan Sacks and Alastair McIntyre. Both stress the importance of rebuilding common foundations after fractures that stretch back to World War One and earlier. The roots of the solution – reconnection – lie at local level, where relationships and interdependence have a natural place.

For this reason, businesses embedded in their communities are fundamental to economic and social recovery. The problem is, that the drivers of institutional investment are short-term, and unable to take account of the benefits of sustainability or social capital. We need to find ways of investing in business that enable civic renewal: these include social bonds, mutualism, philanthropy, microfinance and social enterprise.

Mr Freeman commended to those present, the possibility of Ely leading the way as a hub of connected growth, encouraging local leadership, innovation and opportunity. It would thus reconnect wealth creation with social values, shared responsibility and a challenge to injustice.

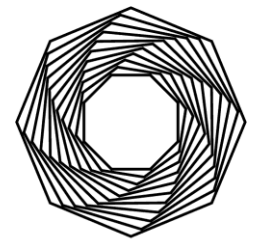
Fourth event: October 2013

Chairman Tom Green opened the event by noting that it was the fourth to be held by ECBG, and would follow the theme 'It's up to us!'. The foundations of Western society are being severely tested by greed and short-termism. We must ask what has changed, and what can we do about it? The Christian values of love and duty, shared by many others of different faiths and none, underpinned an older order, and without these, capitalism becomes self-serving and destructive

Mr Green expressed his pleasure at welcoming two speakers who would explore these issues further. James Featherby is an author, and Chairman of The Church of England Ethical Investment Advisory Group, who previously worked in the City for over 30 years. Phillip Blond is the Founder Director of the ResPublica think tank.

James Featherby, paying tribute to the venue and the thinking that had created it, started by asking the audience to consider the importance of different world views, and how they are shaped by the political and philosophical environment.

Individual and community beliefs about what constitutes happiness and well-being, and what people think are the goals of life, vary between societies: Mr Featherby pointed to examples from the modern Mexico/US border, through Africa and 1940s Russia, to the modern day City of London. We are in danger of allowing a focus on 'fact' and 'reason' to override the concept of human values, because the latter require principle-based decisions about the nature of goodness and decency, and that provides a real challenge.



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There is a fear that we have come to believe that all values are subjective. We therefore reject them as being unfounded on evidence, and having no basis for public policy, which instead concerns itself only with measurable economic growth.

Mr Featherby contrasted devotion to 'reason' with devotion to a God of love: 'if human reason begins to depart from the love of others, it not only ceases to be part of the divine, it also ceases to be reason'. The development of a society worth living in flows not from the so-called 'selfish gene' but from the 'altruistic gene' and, ironically, there are now scientific theories that the existence of the latter enabled human progress.

Whether we believe that good principles are revealed to us by God, or are innate senses, they militate against the rampant individualism that currently distinguishes Western society, which is 'an intellectual mistake', reducing morality down to 'only two maxims: the promotion of freedom and the prevention of harm'.

The practical effects can be seen on our doorstep, in the City of London and other financial centres, where companies are required by law to pursue self interest, and to divest themselves of any wider responsibility for the consequences, reducing relationships to 'an ever-increasing spiral of contractual claims against others, and away from notions of contribution and shared endeavour'.

Market breakdown of this type goes hand-in-hand with excessive personal debt that results in a plethora of ills: environmental damage, growing inequality, inflation, and reduced investment in innovation and the future.

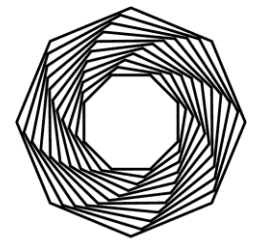
Turning to a less gloomy prognostication, Mr Featherby asked delegates to consider the beautiful city of Siena in Tuscany where, in the central square, the 14th Century frescos of Lorenzetti 'sum up a wonderfully Christian understanding of the way in which the needs of society are best met, including through the inter-relationship of business and society'.

Their message is 'that good values lead to a harmonious and prosperous society, whereas bad values lead to division and strife...poverty and despair'. But when the sacred and the secular are brought together, concord will flow from the Virtues, bringing about the Common Good.

This is a picture of a society that is self-determined, regenerated not through economic or political programmes but by virtue, and the allegory in the frescos indicates the power of ideas to change the reality of daily life.

Virtue is not about 'niceness', Mr Featherby concluded, but about actively creating societies and their financial and legal infrastructure that are based on public, shared good rather than individual goods. This will only happen when we decide what we value, and what our values are, and make them manifest. He warned: 'It would be unwise to wait for government to do this for you.'

Thanking Mr Featherby warmly, Mr Green introduced Phillip Blond who, as an academic, author and researcher, bridges the gap between policy and practice.



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Mr Blond started with a positive message: what ECBG is doing, is full of hope, but not unrealistic. The proper practice of economics can be highly moral, and a group like this has the power to make real change.

Contrary to popular belief, the world is becoming increasingly religious; the only places where atheism is growing are small parts of Northern Europe. Britain has been, and can be a leader of a new morality, and ECBG can have a transformative role. Economic orthodoxy is profoundly mistaken, based on 'false reason' as has been pointed out by many experts in the field, and we can see its failings all around us. The collapse of the dominant economic model, predicted for decades, has affected everyone.

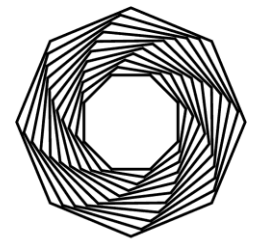
Mr Blond cited many authors who had rejected the idea of economics as a 'natural science', where only the measurable is of importance. Economics is actually about human values, and is 'intentional': the product of the human mind, and a means to a future state of affairs, not an end in itself. If viewed through this lens, it becomes obvious that if it deals with what people value and want, then it cannot be divorced from morality.

There can be no general rules that govern economics, as they do the physical or biological sciences, and Mr Blond gave examples of how economic transactions are based not on external, immutable rules but on models influenced by notions of fairness and reciprocity. Early trade and barter could only have worked on a basis of trust, so exchange of goods must have been founded on ethical considerations. Therefore, we cannot start from the belief that capitalism is inherently evil, but rather, acknowledge that it has the propensity to be, when it goes wrong. The modern 'economics', based on individual greed and desire, is a 'deep perversion' of what it was originally: a means to equity and public good.

So, can markets and businesses be moral? There are many examples, from the Roman anti-monopoly laws to the Victorian friendly societies, that they can be; but those who invest to gain, must also take their share of the risk.

This is why the company as an entity, formed as a cooperative endeavour to share risk, can be such a powerful actor. Small businesses are often highly ethical, more so than large corporations, as they are more likely to see their employees holistically. They provide an economic model that has the potential to change our society and make it more equitable, and the Church can and should do even more to support small businesses by encouraging Local Authorities to work with them, creating employment and taking people out of the 'serfdom' of benefits.

In conclusion, if morality is intrinsic to economics, then following a moral path will be a more successful way to practice business, enabling innovation and harnessing human creativity. It is heartening that the Social Values Act, relating to competitive tendering, recognises this.



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Fifth event: May 2014

Chairman Tom Green welcomed everyone to Ely Cathedral, 'the ship of the fens' for the Third Annual Celebration of Business, and thanked all the sponsors, especially C. Hoare and Co., G's Fresh and Spearhead International – for enabling Ely Cathedral Business Group's philosophy of ensuring these events were free and open to all.

There is a vital correlation between the health of the business sector and the wellbeing of its wider community, which it is important to recognise and nurture for the good of all. ECBG is working to strengthen both: through mentoring businesses and sixth formers, launching a schools programme to help provide resource for improvement, and planning to assist in the establishment of a credit union. The Group has hosted two events since the last Annual Celebration, and will shortly be publishing its programme for the coming year.

Mr Green trusted that the ripple effect of ideas and initiatives generated here would spread more widely within our region and nation. He concluded by asking all who could, to donate generously to Ely Foodbank, and by welcoming the evening's speakers:

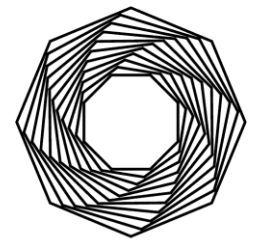
Lord Williams of Oystermouth, the former Archbishop of Canterbury, was ordained in this cathedral, and the region is blessed by his return. Lord Wolfson of Aspley Guise, CEO of Next, has taken the company on a remarkable journey of success in terms of growth and profitability.

Bishop Rowan Williams opened by reflecting on the idea of always 'wanting more', as Marlowe in the classic film *Key Largo* summarised the motivation of gangster Johnny Rocco. If growth is desirable, what do we want more of, and why? There is an overlap between wealth and wellbeing, but the former should be the servant of the latter. Wealth provides an important element of the security and reliability we need in our world, if we are going to have the confidence to take risks and bring about change. Wellbeing comes from a balance between risk taking and risk aversion; recently, our environment has not fostered the courage to push at boundaries.

Similarly, we need assurance of sound personal relationships in order to be able to have the trust to form new ones, in the same way that our 'unbreakable relationship with our creator' gives us the foundation from which to be creative.

If the function of wealth is to set us free, rather than to confine or enslave us, then the function of business is to build a stable foundation for the wider community such that it can achieve its potential as an interdependent group. Business activity is not about people becoming 'economic units', but is an integral and universal part of the overall state of mankind, and a form of cooperation that enables healthy relationships. Wealth, therefore, cannot be made for the self alone, but to underpin a mutually supportive environment.

Our 'current mess' can be ascribed to the breakdown of business values. The first of the business virtues is trust, without which commerce cannot function. Lord Williams called to mind a senior executive saying to him just after the financial crash: 'We have forgotten the priority of trust.'



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The second business virtue is the long-term perspective made possible by trust, which gives the freedom to look more broadly and take the time to understand context and consequences.

Capitalism is about 'weaving together these two themes' to create the stable environment that permits us to be adventurous. But as with trust, so the long-term view has been compromised by recent events. The feverish atmosphere of markets weakens the ability to plan for the longer term, by engendering anxiety and eroding our sense of humanity.

'What kind of life is good for human beings?' Lord Williams said that it was one capable of patience, trust in others, confidence in oneself and one's world. Looking around the exhibition of businesses in the Cathedral he saw the vision of a well functioning life. All the facets of human endeavour represented, collectively gave a picture of how people can work together at a practical level to create a supportive environment for their community.

'Wanting more' in isolation from values and business virtues is destructive, but seeking growth can be very constructive. Growth and change are part of the vision of a balanced and mature human life; a vision that has deep religious roots.

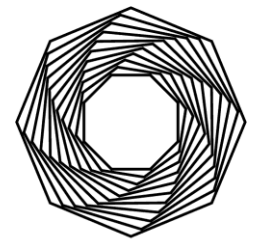
Lord Simon Wolfson opened by answering the question he was so often asked: he assured the audience that he was indeed wearing a Next suit, constructed in China from fabric woven in Italy, and shipped to the UK.

He spoke of the great tribute it was to the values and society of the UK that he, as a Jew, was not only speaking in a Cathedral, but that no-one felt it was remarkable that he was doing so. Offering examples of the 'deep seated decency' of this nation, he went on to express concern at the challenges it faces.

While the credit crunch has ended, and real earnings are rising, we have to recognise that it has taken six years to return to the life style to which we were accustomed, and future growth is not by any means assured. Indeed, there are signs that the old problems of inflated borrowing are again being encouraged, particularly by the government's mortgage policy.

We need to choose 'productive growth': this mean having 'more things', such as food, houses, clothes, and roads. Choosing 'more', in terms of manufactured goods, is courageous and necessary. However, many of our established institutions are unconsciously anti-growth, because they subscribe to the illusion that there is a 'limited pot' of wealth and resources, and that the only choices are therefore about how to share this out. This is a 'mean spirited' view, as resources are not limited, and there is no need to fight over them. The last six years has been about greed and envy: the 'moronic, destructive greed' of the bankers, and the envy of the poor, 'the feeling that if you are poor, someone has taken something away from you'.

'Economics is based on the terrible lie of the scarcity principle'. Lord Wilson attacked the 'scarcity principle', as being based on a profoundly incorrect assumption that all wealth and resources are in limited supply. He gave two examples to disprove this. Firstly, that of the iPhone phenomenon: 20 years ago, there were none, now there are \$100 billion -worth of iPhones and this wealth has been created without any balancing reduction of resource. Secondly, the instance of a new Next shop out of town near Camberley. This had sold £21m of



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goods in one year, yet the High Street Next in the same town had seen its takings reduce by only £0.5m; thus, over £20m of wealth had been created.

Dynamic economies need change, and we are too quick to take a negative approach to change. People understand that if all our arterial roads were closed, the UK would cease to function, yet they cannot accept that if more roads are built, our economy will grow. The same negativity is exacerbating the already divisive lack of housing. An increase in house prices does not add to the overall wealth of the nation, but transfers it unfairly to those who own their homes, whereas building new houses creates wealth, yet we are unwilling to release the land needed, in the name of protecting the environment.

Lord Wolfson decried the accumulation of control in the hands of public authorities, when we should put more trust in the collective endeavour of the 30m working people of the UK. With more faith in our economy, we could again build the type of homes enjoyed by the Georgians and Victorians, before the Planning Act of 1947, which set minimum standards for housing. He concluded: 'We can either risk success or guarantee failure'.

Sixth event: October 2014

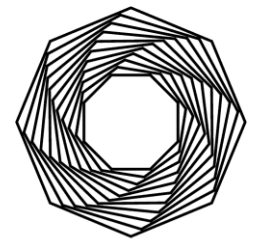
Chairman Tom Green welcomed everyone to Ely Cathedral, 'the ship of the fens' for the third annual Autumn Discussion, and thanked its main sponsors – C. Hoare and Co., G's Fresh and Spearhead International – for their support of these events, which remain free and open to all. He also reminded guests that ECBG's mentoring schemes for sixth form students and head teachers had been so successful that more volunteers would be very welcome.

ECBG would be celebrating its 4th anniversary with a the business fair and evening in the third week of next May, but before that it would also be holding an elections hustings in March, which would be in the format of the popular Question Time.

Mr Green then introduced Lord Charles Cecil, who had chosen to pose and answer the question, 'Can finance be moral?'. Lord Cecil has held a variety of senior roles in the financial sector, complemented by his major contribution to a range of voluntary bodies, including the Surtees Society; an organisation occupied with the history of Northumbria, which was for some time the home of St Etheldreda, the Queen who had founded the original Ely monasteries. Acknowledging that, in common with many of the questions explored by ECBG, Lord Cecil's choice was wide-ranging and fundamental, Mr Green felt that the speaker would more than meet the challenge.

Lord Cecil opened by applauding ECBG's initiative in bringing together business and religion; sectors between which there was often ambivalence and sometimes downright hostility. The latter was understandable in view of scandals and disgraces such as LIBOR rate fixing, and increasing inequalities; however, these were misuses rather than necessarily the essential nature of business, just as religion itself can fall prey to corruption.

The tension between morality and money, in particular lending for profit, is nothing new. Some ancient religions did not forbid usury; others such as Judaism only prohibited it amongst their



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own adherents but not to those of other faiths; some, notably Islam totally ban interest-based lending but find other arrangements. Insofar as Christianity is concerned, the picture has been less consistent, with usury not being forbidden, but generally seen as contrary to Christian charity, and hence a form of heresy.

Lending is one of the oldest forms of commercial interaction, but of course more modern life has generated many more manifestations associated with investment: savings, pensions, insurance, equity, and the more esoteric products such as derivatives.

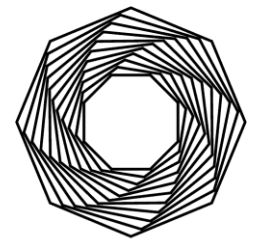
Financial crises inevitably make questions of morality and the commercial world more stark and pertinent to reality, the more so when the financial sector may be seen as both cause and beneficiary. Yet without the practice of finance, we would be without so much that we take for granted, such as mortgages, pensions, the availability of goods to trade on a global scale. Trade almost always involves finance, for example to facilitate borrowing for capital equipment. Moreover, the financial sector contributes enormously to the economy, for example, in the year to April 2013, it provided 11.7% of total tax receipts in the UK. So while I may talk about greed and self-interest, I must also talk about essential services and the proper treatment of clients.

In recent history, some governments have attempted to control the financial system of their country, resulting in corruption, stagnation and even collapse; however, some regulation is clearly always necessary. A more profound question is, whether such regulation can be seen as controlling an essentially evil practice, or mitigating the evil aspects of an otherwise acceptable practice, and keeping it to its original purpose of making efficient provision of reasonably-priced services?

We may take lending as an example, as this is the purpose for which banks were originally established. It is not unreasonable that loans should be priced to reflect risk, and not made to those unable to repay them, but it is immoral when loans are tailored for maximum profit regardless of client need, and when problems arise the banks then make a quick exit with any equity and securities they can grab. We have even seen this immorality compounded by a complete lack of guilt or refusal to change other than superficially.

Banks on both sides of the Atlantic provide very unsavoury examples of this, and people have looked to other forms of lending, which are not necessarily unethical but do need supervision, such as peer-to-peer and payday loans.

Investing, as well as lending practices can be attacked for immorality. Forms of investment have become increasingly sophisticated, and hence less transparent: for instance, private equity and hedge funds. Investment funds must insure that they understand and aim to meet their clients' needs rather than maximise their own returns. For example, there is nothing inherently wrong with investing in private companies, indeed it has resulted in wealth creators such as Wagamama, but it has also left some companies exploited or ruined, one of the worst examples being Southern Cross, whose demise left its vulnerable elderly residents in effect homeless. Similarly, hedge funds were originally designed to protect against the vagaries of the market, but have been exploited to give their managers high return at the cost of disproportionate loss to others.



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There is also the question of ethical investment. While it is relatively easy to define and avoid tobacco or alcohol, should this also include making judgements on management practices, defence technologies and deployment in 'just wars' or geographic areas of activity?

The point is, that the practices are not in themselves immoral, but the way in which they are provided may be. To an extent, investors should take some responsibility in protecting themselves against the greed of their fund managers and advisers, and not be led astray by their own greed.

There are two other areas of the financial sector that raise questions of morality. The first is money laundering: when banks accept funds from illegal activities e.g. crude oil theft, which happens in countries such as Nigeria and deprives an already very poor population of billions of dollars in lost revenues. The second is taking fees and commission to place a large but dubious company on the stock exchange, putting shareholders at risk and encouraging corrupt practices. Both these areas are basically immoral.

However, while the financial world in itself is not immoral, there is a genuine concern that people who inhabit this world are almost totally detached from reality, and either do not see, or do not care that on the road to personal wealth they leave a trail of destruction. So the question is, how do we curb the bad practice and favour the good?

The starting point to the answer could be the second commandment, to love one's neighbour as oneself. Financiers should prioritise their clients' interests, and this means selecting people of integrity, who are not driven by high pay and bonuses, and then encouraging the expression of integrity through an environment based on high ethical standards, with penalties for unethical behaviour. This does not mean that there should be no profits or that pay should be low, but neither should be excessive.

Lord Cecil concluded that finance is essential to global growth and prosperity; it is the job of parents, educators and religions to embed good behaviour, of employers to sustain it, and of investors to hold financial companies to account.

Transcripts and audio of every event, including question and answer sessions, can be found at www.elycathedralbusinessgroup.org

Key words and themes:

Accountability, common good, community, culture, enterprise, inequality, investment, leadership, long-term strategy, re-connection, short-termism, social justice, sustainability, values, vision

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ELY CATHEDRAL BUSINESS GROUP

Summaries of introduction and speeches
given at ECBG Celebration of Business on 21 May 2015
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Dean of the Cathedral Mark Bonney welcomed everyone to Ely Cathedral.

Chairman Tom Green also extended his welcome, reminding those present that the health of business and the community it serves are closely linked, and thanking the Cathedral for playing such an important role in enabling open debate and challenging questions on this vital topic. One of our greatest challenges at present was inequality, both at home and abroad, evidenced by the fact that in the last year alone over one million people in the UK have had to have recourse to a foodbank. There was much to be done, and Ely Cathedral Business Group (ECBG) was continuing to act as a catalyst for mentoring and networking, as well fulfilling its pledge to raise £5,000 per annum for the Ely Foodbank. He thanked ECBG's sponsors, and the committee members who gave their time so generously.

Mr Green then introduced the two keynote speakers: Dame Julia Cleverdon and Lord Stephen Green.

Dame Julia Cleverdon was above all a campaigner and a connector, with an impressive track record in business and the voluntary sector. She had brought her commercial knowledge to bear in the field of *pro bono* work, as Chief Executive of Business in the Community, which was a key player in ensuring the private sector could play a full role in society.

Lord Stephen Green was formerly Chairman of HSBC until 2010, had been Minister of State for Trade & Investment in the Treasury of the previous government, and was an ordained priest in the Church of England.

Dame Julia said that in the past, when she had been at Cambridge University, Ely Cathedral had nourished her spirit (as indeed the Fire Engine restaurant had nourished her in other ways) and it was a privilege to return and speak in Ely. She had always had a profound belief in the value of business, seeing it as a creative endeavour, the fruits of which were essential to support the benefits needed by a compassionate society.

Her career started as a graduate with British Leyland in Swindon, where 33,000 people were employed; she described the challenge of helping employees to find purpose and involvement in such a big organisation. Her next role was with AA Mining in South Africa, where she came to understand further the powerful influence of business for the good, as this company recognised the destructive nature of apartheid and attempted to address it by supporting trade unions for black workers.

As the Chief Executive of Business in the Community, Dame Julia found the ideal way to express her belief in business, growing the organisation to support 850 companies to play their part in the community; she compared their aspiration to seek prosperity and the common good to the same mood and thinking that drove the members of ECBG. And yet at the same time, instances of bad commercial behaviour, the 'stupid and infantile, with no moral compass', were evident in examples such as Thomas Cook's refusal to treat a bereaved family with dignity, or the excesses of international trading.

She cited one of her favourite sayings: 'Of those to whom much has been given, much is expected'. As Christians, wherever we are and whatever we do, we must reflect on what is important and valuable to us and remember that because Christ came to save sinners, repentance is a vital tenet in a complicated world. Businesses have to wrestle with enormous challenges including loss of trust from society, and the media spotlight. We need to see ECBG replicated elsewhere, facilitating communication and involving people in the debate as to how business can fulfil the noble purposes of providing work, the goods that people need, and the resources for social justice.

At the same time, business leaders themselves need to be encountering and understanding real life much more. As part of her work with Business in the Community, Dame Julia took a group to a primary school on the back streets of Newcastle to see for themselves that children were arriving there hungry – a visit that inspired the CEO of Greggs to set up breakfast clubs in schools.

Similarly, through the charity's project on tackling homelessness in London, leaders discovered that some people sleeping rough had amazing commercial backgrounds and experience that could be, and was, harnessed through an innovative employment scheme that saw 6,000 people return to stable work and lives.

We must celebrate and support businesses that respond in this way, and encourage leaders to set the tone for others with decent, honest behaviour that benefits their own enterprise as well as society. Big companies often fail to realise their impact on the community, whereas smaller ones are usually well aware of this, because they are more connected into their locality.

The best coffee is not made in cafetieres, with a push down to the bottom, but in percolators where there is a bubbling upwards, and so it is with good ideas, which must be encouraged to rise upwards through the enterprise. Marks & Spencer found that every percentage point improvement in employee engagement resulted in two points of higher sales.

There needs to be a re-connecting of young people into the world of work as well, through contact with people from their own locality who have succeeded in business from the same roots and with the same challenges.

'Corporate Social Responsibility' is worth nothing unless it is about everything that a business does, unless integrity and sincerity run through all parts of its operation: business is about service to others.

Lord Stephen Green opened his presentation by acknowledging the Cathedral's important and innovative approach to business and the spiritual life. There had been some adverse comments in the visitors' book about the two being inappropriate company for one another. He agreed that the example of St Paul's Cathedral in the 16th century, well documented in its day, was not an enviable one, with horse-trading and prostitution being conducted in the nave. But he would take strong issue with anyone who believed there was no connection between wealth creation and Christianity. For example, while it was true that banks had again been in the headlines for all the wrong reasons, and that the revelations about their foreign trading were disgraceful, nevertheless the practice of banking remained essential to society.

Lord Green wished to make five further points, that followed on from Dame Julia's excellent presentation.

Firstly, wealth does not equal money or profit, it is about 'whole health'. As human beings, we are all dependent on the physical world, so we need goods and services: food, shelter, health care, education. In the very poor country of Myanmar, he had recently observed that family businesses supported by ethical microfinance almost always ploughed the extra income back into their children's education, raising aspirations.

Secondly, good business involves hard work and the use of one's talents, it is not about the 'quick buck'. It is basic to human nature, and good physical and mental health, to have some sort of stimulus and employment. This provides ways to improvement and development, that lead to well-being. Business can provide these benefits, and the possibility of personal growth. It is true that not all business activity is of the best, and that some big business practices have led to inequality and injustice: Thomas Pickety's book on capital brought this into sharp focus. There is an issue here, a perennial tendency for the bad to come to the surface, but we must address this and make every effort to celebrate good business as essential to a whole and healthy society.

Thirdly, what does it mean to be a 'good' business? The New Testament speaks of a 'calling' to work, which has often been narrowly interpreted by the church as applying to the priesthood, and perhaps the caring professions, but in fact it applies to all walks of life, and we can equally be 'called' to create and run a business that is 'good' for the world.

Fourthly, because we are called to be servants of others, not masters, the profit objectives of an individual business cannot be paramount, or they become a false idol. They must be subservient to wider objectives pertaining to the common good. The purpose of business is not to make as much money as possible; too many large ones have behaved as though this were the case, and it has led to malpractice.

People have become more challenging about the conduct of corporatins, less willing to accept greed, as they have seen its consequences. The gospels tell of a young man who asked of Christ, 'What must I do to inherit eternal life?'

The answer was to divest himself of all his worldly goods, but he could not bring himself to do it, the shorter term pull of the material was too much. We need to recover long-term thinking, at which smaller businesses tend to be much better. This shifts the focus from immediate profit to caring for employees and society, and contributing to the common good.

Fifth and finally, you cannot separate your business and private lives, applying different ethics to the one and the other. If you live a divided life, you cannot be a whole person. However good your business, something will go wrong sooner or later. What then? Its mettle will be tested, and the well-run company will not deny or downplay, but will face up to what has happened, show true remorse, learn from the implications and renew itself. This is part of the Christian truth – think of Peter's betrayal of Christ, Zaccheus the tax collector, and the prodigal son, all of whom had to learn truths about themselves.

In conclusion, we have no alternative but to engage with the world and its imperfections, of which business is a key part, because so much is at stake for us, for Britain and globally.

Tom Green then thanked both speakers for their magnificent presentations, and took questions.