

Church & Society Commission  
of the Conference of European Churches

# European churches living their faith in the context of globalisation



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Edited by the  
Church & Society Commission of CEC  
rue Joseph II, 174  
BE - 1000 Brussels  
Belgium  
tel. +32 2 230 17 32  
fax +32 2 231 14 13  
e-mail [csc@cec-kek.be](mailto:csc@cec-kek.be)  
Internet: [www.cec-kek.org](http://www.cec-kek.org)

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## Preface

The ecumenical movement owes its name to the Greek word *oikoumene*, meaning the whole inhabited earth. From its very beginning the ecumenical movement has striven to bring not only churches but also people closer together. The ecumenical movement has had to address root causes of division – between confessions and religions, between races, between rich and poor and between the regions of the world. From its earliest days the ecumenical movement developed a global consciousness. “Think globally, act locally” is a well known ecumenical motto.

The world is currently witnessing a process of globalisation unprecedented in speed and intensity, with corresponding consequences for people and nature. This process, however, is mostly driven not by the aims and underlying principles of the *oikoumene*. It is largely, though not exclusively, driven by economic factors, used for the benefit of a few global players and facilitated by modern means of communication. These trends in the process of globalisation do not bring people closer together. Globalisation for the economic profit of a few widens the gap between rich and poor. It splits communities and deprives more and more people from a life

in dignity and a life in abundance (Jn 10:10). “For half of the world’s population the present reality is this: you’d be better off as a cow. The average European cow receives \$ 2.20 a day from the taxpayer in subsidies and other aid. Meanwhile, 2.8 billion people in developing countries around the world live on less than \$ 2 a day” (Charlotte Denny in *The Guardian*, 22 August 2002).

Addressing these present trends of globalisation is a matter of urgency for the Christian faith and the churches. In 1997, the 23<sup>rd</sup> General Council of the World Alliance of Reformed Churches (WARC) in Debrecen called its member churches to join in a process of “recognition, education, and confession” regarding economic injustice and ecological destruction, asking them “to work towards the formulation of a confession of their beliefs about economic life which would express justice in the whole household of God and reflect priority for the poor, and support an ecologically sustainable future”.

This process resulted in the Accra Confession, adopted by the 24<sup>th</sup> General Council in 2004. Equally the World Council of Churches (WCC) launched the Agape process searching for an “Alternative Globalisation Addressing Peoples and Earth”



(AGAPE), which will be one of the main topics of the forthcoming Assembly of the World Council of Churches in Porto Alegre (February 2006).

It is not only recently that the Conference of European Churches became involved in addressing issues related to economics and globalisation. Already in 1989, at the First European Ecumenical Assembly in the framework of the “conciliar process (of mutual commitment) for justice, peace and the integrity of creation”, European churches together affirmed: “as churches in Europe, we are part of the worldwide body of Christ. Our orientation, therefore, is essentially not towards the future of Europe alone, but of the world, of God’s creation”.

Based on this commitment, the Conference of European Churches as well as many European churches gratefully accepted the invitation to join the global ecumenical process on globalisation. In 2001, WCC, WARC, the Lutheran World Federation (LWF) and the Conference of European Churches (CEC) jointly organised the first European conference on globalisation in Budapest for churches from Central and Eastern Europe.

This was followed by a conference in 2002 for churches in Western Europe, which took place in Soesterberg (The Netherlands). The results of these conferences fed into the national processes of churches, the global ecumenical process towards Accra and Porto Alegre as well as into a first discussion paper, which the Church and Society Commission published in 2002 under the title: “European Social Market Economy – An Alternative Model for Globalisation?”

The present publication is to be under-

stood as a contribution of the Church and Society Commission of the Conference of European Churches (CSC/CEC) and European churches in this global ecumenical process. It consists of two main parts:

- a Memorandum of European delegates to the WCC Assembly in Porto Alegre meeting for a preconsultation in Brussels on 8/9 December 2005, and
- a Position Paper on globalisation, adopted by the Executive Committee of the Church and Society Commission of the Conference of European Churches.

The “Position Paper” was drafted by a Task force made up of representatives from European churches, who are involved in the ecumenical and/or their national debates. Interim findings of the Task force were discussed at various fora. The text was adopted by the Executive Committee of the Church and Society Commission in October 2005. It is based on contributions from European churches, many of which are listed in the bibliography and can be found on the respective websites of member churches.

The Position Paper should not be seen as a “final position”. It is, as the Memorandum says, “a step in the process”. It tries to present in a differentiated way the approaches and reflections of churches in various parts of Europe. Its aim is to facilitate the debate between the churches in different regions of the world. As the Memorandum says, “We come to Porto Alegre with the aim of listening to one another in humility and of joining a spiritual process of searching for a joint understanding, commitment and action”.

Nor should the document be understood as covering all aspects of globalisa-

tion. It draws largely on European experiences with the model of a “social market economy”.

A key question in the ecumenical debate is whether the current dominant economic model can be transformed or whether it can or should be rejected. The document itself tries to provide an ethical orientation and explores underlying values and principles. It reviews the European experiences and lists challenges for the churches in Europe as well as for the Conference of European Churches in a global context.

Within Europe, as within other continents, experiences can be quite diverse in nature. Until 1989 Europe was a divided continent and the experiences on both sides of the Iron Curtain have their repercussions to the present day.

Another point the document seeks to expound is, that the understanding of the process of globalisation should not be reduced to economics. There are other aspects, which might have rather positive effects. To mark this distinction, the French language differentiates between “globalisation” and “mondialisation”.

The delegates to the Porto Alegre Assembly, which came together in Brussels on 8/9 December 2005 used the Position Paper, together with the WCC Agape Background Document and the Agape Call as starting points of their discussions.

These discussions led to the Memorandum, which now precedes the Position Paper. It confirms that the various documents offer “a high degree of joint aims, joint and complementary strategies and possible actions”. It also contains several commitments of the European delegates attending the Porto Alegre Assembly.

The Conference of European Churches, facilitating this debate in Europe, is one of the regional ecumenical organisations. Through its Church and Society Commission it is one of the interlocutors between the churches and the European Institutions, themselves major players in the process of globalisation. Listening to sisters and brothers in the southern hemisphere as part of the global ecumenical process as well as listening to its European constituency, the Church and Society Commission – together with its partner organisations, such as APRODEV, CCME and EURODIACONIA – tries to bring a coherent voice of the churches to the European Institutions.

In order to present a coherent voice vis-à-vis the European and global political and economic institutions, we need to develop mechanisms for the churches in the different regions of the world which make our mutual accountability visible and effective.

The meeting of the European delegates therefore welcomed the commitment of the World Council of Churches to facilitate such a process. The Conference of European Churches remains committed to listen to the voices from churches of other regions of the world and to continue the search for responsible and effective responses of churches in Europe. To this effect, this publication awaits responses from our sister churches of the whole *oikoumene*.


### Rüdiger Noll

Director of the Church and Society Commission  
of the Conference of European Churches



# Memorandum

to the CSC/CEC position paper "European churches living their faith in the context of globalisation"  
from the preparatory meeting of European delegates  
to the WCC Assembly in Porto Alegre



*On 8-9 December 2005 forty representatives from European churches, the majority delegates of their churches to the WCC Assembly in Porto Alegre, met in Brussels. The focus of their attention was the issue of globalisation in view of the upcoming WCC Assembly and the related preparatory process. Particular consideration was given to the CSC/CEC document "European churches living their faith in the context of globalisation", which was presented at the preparatory meeting, as well as to the WCC Agape call. The participants critically reviewed both documents.*

*The CSC/CEC document was accepted as a step towards helping to understand the internal European situation in the context of globalisation. Seeing the paper as the final, fixed word of the European churches on globalisation has to be, however, avoided. It is a step in the process. The delegates of the European churches to the WCC Assembly wish to underline their readiness to listen to the experiences of our brothers and sisters from other continents and to work together in mutual openness and trust on the joint perspectives concerning the relationship of economy to faith and economic justice.*

*With this in view, the participants of the meeting agreed on the following memorandum:*

**W**e come to Porto Alegre with the aim of listening to one another in humility and of joining a spiritual process of searching for joint understanding, commitment and action. We are ready to listen to the victims of the current global processes and to recognise the responsibility of European countries, as well as the personal responsibility of all of us. We see our present situation and the level of knowledge and experience we possess as one part of the global ecumenical discussion process.

Poverty is an issue of serious concern. The long standing inequality in the distribution of the globe's wealth cannot be ignored. We commit ourselves to work for the eradication of poverty and economic inequality through prayer, the sharing of the Gospel, spiritual support and practical work. We believe in God's promise of prosperity and fullness of life for all.

Religion is a public matter. We affirm that all areas of life belong to Jesus Christ and that we are stewards of God's household. Therefore, we commit ourselves to address unjust economic and political structures through mission, the promotion of biblical values and the Christian way of life, dialogue and, if necessary, protest. An active search for alternatives



and the practice of sharing must be pursued.

In awareness of the biblical commandments calling all to stewardship, we affirm the importance of mutual responsibility, trust and accountability. We affirm that the economy has to be in the service of life for all. The economy must not bring benefits only for a small group of elite. We commit ourselves to address the issue of consumerism and profligate lifestyles.

The relationship between politics and the economy has to be clarified. The validity of ethical judgment in this process has to be restored on both the national and international levels. Further work needs to be done to ensure democratic control over administrative and economic players.

Ethical behaviour at the personal and organisational levels is essential to ensure positive improvement. The church has a critical role in defining, training, positioning and implementing ethical behaviours at all levels.

We commit ourselves, in openness to experiences of others, to contribute the richness and diversity of European experiences to the search for responses addressing the challenges of economic globalisation. European churches have experienced the ideology and praxis of the unfettered market as well as the ideology and praxis of communism. Our experiences show that both systems can create suffering and injustice.

Churches in Western Europe have experienced various models of social market economy that have aimed to combine solidarity with subsidiarity and freedom with social responsibility. These models are not perfect. Globalisation and liberalisation put increasing pressure on

the balance they have created between economic efficiency and social coherence. Nevertheless, churches in Europe would like to bring their experiences as a contribution to our joint strives for a solution. The implementation of Christian values on this way is our common goal. The WCC Agape call, with its eight fields of action, is a proposal inviting us to act together for the transformation of economic injustice. It offers a high degree of joint aims, joint and complementary strategies as well as possible actions.

Globalisation is a complex social, economic, spiritual and cultural process, offering both opportunities and increased vulnerabilities. We believe that further work is needed on studying aspects of globalisation, its impacts and the search for viable alternatives. The process of global ecumenical discussion needs to go on. We are ready to be approached and to be critically questioned by our brothers and sisters from other continents to clarify specific features of the European experience with globalisation. We commit ourselves to stay with others and work together in a spirit of openness and trust on our continuing common ecumenical journey.

*Brussels, December 2005*



# European churches living their faith in the context of globalisation

*A position paper of the Church and Society Commission  
of the Conference of European Churches  
and a European contribution  
to the preparatory process for the WCC Assembly  
in Porto Alegre  
“God in your Grace, Transform the World”*

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# 1. Summary

**D**rawing on their particular experiences, the churches in Europe seek to offer a contribution to the ecumenical discussion on globalisation.

This document builds on the historical context of the previous century during which Europe was for many years divided by the Iron Curtain. Experience of life in two different political and economic systems as well as strong involvement and good cooperation of churches from the different church traditions within the continent are significant elements of it.

Churches in Europe recognise globalisation as a process containing not only threats, but also challenges and, under certain circumstances, opportunities. In this process they believe it is possible, in mutual cooperation, to look for the means to expand human well-being, dignity and development of local communities.

The document recognises that there is a great deal of a common ground in the presented analysis and the WCC AGAPE document:

- Globalisation puts at stake the basic principals of Christian faith;
- Both documents recognise unjust and ecologically unsustainable impacts linked with economic globalisation.

The document focuses on the specific European experience, by which churches on the European continent hope to enrich the ecumenical discussion on globalisation. This is in particular:

- an experience of the liberal market model, as well as a historical experience of a social and economic model based principally on a rejection of market economics;
- an experience of various models correcting an unfettered market by introducing a social component;
- a recognition that globalisation cannot be reduced to its economic dimension; other dimensions as the cultural, social and political are intrinsically interwoven with the economic elements and cannot be separated.

Against this background the document underlines openness for dialogue with brothers and sisters from other continents and experiences which may differ from the situation in Europe. The content of the CSC/CEC position can be summarised in the following affirmations:

### **Need for an ethical orientation**

- Economic policies cannot create values on their own; solidarity cannot be created by market alone.
- Values cannot operate without a context; social justice, as well as solidarity, cannot be analysed without taking into concern their intrinsic interdependence and mutual influence on each other.
- Churches' responsibility is to ask and work for the renewal of a global value system.
- Churches have a task to develop strategies enabling them to challenge political decision makers at both the national and the international level.

### **Global governance**

- A global economy needs effective global governance.
- Globalisation needs transparency and people's participation.

### **Renewal of the social market**

- In Western Europe, the 'social market model' has had, over the years, a success in balancing economic growth and social welfare.
- Economic improvement goes along with social balance; the existence of a strong link between them is vital.
- This model is now challenged through economic globalisation; it needs strong political guidance and will need to be implemented fairly.

### **Strong regulation of the capital market**

- Financial markets should serve to increase wealth for all.
- The financial markets need a strong reorientation and political regulation.
- As a global actor the European Union has an immense responsibility in the whole process.

### **Social costs of globalisation**

- Economic globalisation impacts strongly also on European economies and societies.
- Europe is a continent where poverty has not been eliminated; globalisation adds new challenges to the fight against poverty within the continent.
- The overall standard of well-being in Europe calls upon the churches to reflect on prosperity and consumerism as well as to strengthen their pastoral work at the grassroots level for all those who belong to the Church.

### **Sustainable development**

- Long term views must prevail before short term profits.
- Human and social benefits are long term added values to wealth production processes.
- The attention to social and human needs in the production of wealth should be a key success factor.



### **European global responsibility**

- Self critical assessment of European history (colonialism, slavery, lifestyle...) is needed.
- Consumerism has to be addressed, especially through churches.
- Coherence of EU policies has to be strengthened (e.g. development policy vs. security policy).

### **Building a community of peoples and nations**

- A welfare state cannot work without a welfare society.
- Immigration is a specific aspect of economic globalisation and challenges churches in Europe to enhance respect for different cultures.

The document offers an argumentation at three different levels, which can be used as autonomous units.

The first part is a formulation of the position.

The second part outlines the reasoning, both theological and practical, based on experience from the development in Europe during the past 50 years, for arguments used in the first section.

The third part offers a summary of practical examples of the activities of the churches in Europe in facing challenges of globalisation.

The document is the result of a broad consultative process among the member churches of the Conference of European Churches.



## 2. Position

### 2.1. Introduction

The Conference of European Churches (CEC) aims to contribute a view of European churches to the ongoing ecumenical discussion on globalisation. CEC appreciates and joins the ecumenical effort to live our faith in the context of globalisation. Preparing for the forthcoming WCC Assembly in Porto Alegre we carefully studied the WCC AGAPE background document and results of the ecumenical conferences addressing the issue of globalisation. In this statement we would like to point out our common positions with the AGAPE text and the Accra Declaration, but also to put forward some remarks which may be specific to the European context.

**Historical experience.** The history of Europe is full of positive experiences in living together. Peoples, nations and churches of the continent have often created divisions among themselves. However, they have been able to go beyond them.

In spite of internal diversity, disclosed on many occasions in the form of open and hurting conflicts, the history of Europe has demonstrated, alongside the existence of deep divisions, a possibility of overcoming them, and a possibility to go

together through many difficult obstacles. The spiritual heritage of Christianity is a significant component of this development on the continent. Over the centuries, Europe has also contributed to thinking about economic systems and life of society with philosophers as diverse as Marx and Hayek. European history illuminates how the advantages claimed for particular approaches may not always succeed in practice. The underlying social objectives of the philosophers may nonetheless embody key challenges for any society.

In the last century, churches and peoples in Europe lived for decades in two political systems hostile to each other. Churches and Christians in Europe were also deeply affected by two fundamentally different economic and ideological systems. Churches in Western Europe experienced, in the period following the last world war, an era of material prosperity accompanied by secularisation, which brought the cultural devaluation of faith in societies. But social market systems in Western Europe brought freedom and solidarity into balance. They brought economic growth and social security to a majority of citizens in the region for decades.

Churches in Central and Eastern





Europe, separated before '89 from the global community by the iron curtain, threatened by the oppression of totalitarian regimes and robbed of religious freedom, had to go through a period of trial.

Centrally-controlled state economies in this part of the continent were not able to create a true system of justice and equality because of distorted personal motivations and their implementation in reality. Finally all these economies led to scarcity and corruption, clientelism and poverty as well as were marked by restricted freedom and crippled democracy.

In recent years after the fall of the iron curtain churches in some of these countries have experienced a largely successful social and economic transformation. Churches in some other Eastern European countries are deeply disturbed by some effects of this rapid change. They witness that a free market system, which operates without effective and democratic mechanisms for ensuring social and environmental objectives, gives rise to immense injustices and insecurity.

**Challenge.** As all parts of the world, the European continent faces the challenge of globalisation. We can experience in a major part of Europe rising prosperity and increasing power of the European Union, which is becoming a significant global economic power due to a successful integration process on the continent. At the same time Christians in Europe, together with other churches in the world, are facing the intolerable: the continuation or even growth of abject poverty of over a billion people in all parts of the world, including in many European countries, while a few have amassed unprecedented

wealth and exacerbate inequality both between countries and within them.

This is accompanied in many European countries by the rise of uncertainty about sustainability of the current system of social security, as well as increases of unemployment to an unacceptable level. The new reality of continuing and intensifying globalisation poses equally a number of questions related not exclusively to its economic dimension.

It also impacts on peoples' identity. For churches in Europe economic elements of the process are inseparably linked to social, political, spiritual and cultural aspects, which are of equal importance.

**Vision.** Churches in Europe cooperating through the Conference of European Churches are united in the search to proclaim the Gospel and serve the people in the face of these challenges.

After the fall of the Berlin wall and the collapse of the totalitarian communist system, churches in Europe continue to be in favour of European unity. On the basis of our Christian faith, we work towards a humane, socially-conscious Europe, in which human rights and the basic values of peace, justice, freedom, tolerance, participation and solidarity prevail.

We likewise insist on the reverence for life, the preferential option for the poor, the readiness to forgive, and in all things compassion. Thus European Churches have committed themselves to:

- promote the unity of Europe in all its cultural, ethnic and religious diversity;
- represent, in as united a way as possible, the concerns and visions of the churches to the secular European institutions;

- protect basic values against infringements of every kind;
- recognise and reinforce our responsibility in Europe towards all of humanity, especially for the poor in the world;
- promote a climate of peace, which gives preference to non-violent means of conflict resolution.<sup>1</sup>

Churches in Europe recognise globalisation as a process containing both opportunities and challenges. In this process we can, in mutual co-operation, look for the means to expand human well-being, dignity, and development of local communities where people live. Our aim is to build a consensus for common action to realise this vision, and to foster a process of sustained engagement to this end by the actors themselves, including states, international organisations, business, labour and civil society.

## 2.2. Common ground and differences

How do we live our faith in the context of globalisation? This has been the guiding question for the ecumenical debate about globalisation since the last WCC assembly in 1998 in Harare, Zimbabwe. Many consultations and studies have been undertaken during the last seven years to find answers to these questions. A clear consensus among the churches has evolved out of these conferences and studies which are now described in the AGAPE background document:

- the current dominating economic system is neither just nor sustainable;
- an unmitigated market creates injustice and social inequality,

<sup>1</sup> Charta Oecumenica: Guidelines for Growing Cooperation among the Churches in Europe, Chapter III, CEC- CCEE, 2001

ecological destruction, exclusion and marginalisation of the weak and poor, a culture of domination and competition not only in economics but in all areas of life;

- churches have to speak and to act for changes and for transformation because their credibility is at stake in
  - the pastoral practice
  - their theological and ethical teaching
  - their spiritual life
  - the worldwide ecumenical cooperation
  - their diaconal service.

There are, however, also differences in our analyses and judgement of the current process of globalisation. Different backgrounds and experiences with different political and economic systems, as well as different roles and weights of churches in their societies and, hence, different cultures of dealing with political and economic actors and questions have sometimes hampered the ecumenical discussion.

Nevertheless, we are deeply convinced that these differences can enrich our common effort to live our faith in the context of globalisation. We acknowledge our diversity as enrichment and not as a source of disunity. While some fundamentally reject the current economic system and are looking for completely different alternatives, others – like most churches in Europe – advocate transforming reforms of the current system on the basis of Christian principles and ethics. Both lines of argumentation and action can be considered valid, since the quest for alternatives and reform are not mutual-



ly exclusive. There is a common commitment to address global economic and political problems in the light of the gospel and to live our faith in the context of globalisation.

We are convinced that the experience of churches in Europe in living their faith in different political and economic systems, which divided Europe for a long time, might be valuable to the ecumenical discussion about globalisation. In our common search for alternatives to a neo-liberal shape of globalisation, churches in Europe offer to the global ecumenical community through the CEC their experience with the social market economy and their experience gained in the process of European integration.

European social market systems, with all their weaknesses, as well as the European integration process, contain elements, which could help to transform the global economic system with responsibility and show possible alternatives to a neo-liberal globalisation:

- On the basis of Western European experiences with social market systems, European churches accept a market system as such. We have seen that social market systems have been able to overcome poverty and social injustice and inequality in Europe on a large scale by balancing market economics with social solidarity and justice through rules and regulations.
- On the basis of the experience of Central and Eastern European nations, European churches are sceptical about radical alternatives to market economy idealising collective ownership and state-run economies. We have seen that state controlled economies have not

only created economic scarcity, inefficiency and environmental destruction. In their intrinsic tendency to totalitarianism they have also undermined Human Rights, political freedom, human dignity and democracy.

- Thankfully we acknowledge that the European integration process and the existence of the European Community have been able to overcome political and economic tensions and conflicts in Europe and have thus contributed decisively to 60 years of peace and prosperity in much of the continent, after centuries of wars and poverty in many of its regions. In the countries which decided to enter the way leading to the membership in the European Union, especially in the case of later accessions, the accession criteria and help from the Union have generated significant positive changes in the economy as well as in other spheres of the life of society in respective countries.
- Churches in Europe are moreover convinced that globalisation cannot be seen only from an economic point of view. A detailed analysis should also be given to its political, social and cultural consequences that affect the everyday life of many people. Globalisation reinforces the problem of living next to one another for different cultures, religions, world-views and civilisations without eliminating their particularities. Churches are firmly convinced that it would be a mistake to perceive globalisation narrowly; only as an economic phenomenon, without equally taking into consideration its political, social and cultural dimensions.

This background and experience contributes to our opinion that it is not the market system as such and its underlying emphasis on individual freedom that has to be rejected and replaced by a radically different economic system. Our experience leads us to underlining the value of freedom, which has to be accompanied by social justice, protection of creation and balanced by solidarity.

### **2.3. Affirmations in view of the WCC Assembly in Porto Alegre and beyond**

For churches in Europe, globalisation contains within itself both risks and opportunities.

They want to take opportunities seriously and limit the impact of risks. While recognising the fact that globalisation in many ways facilitates people's communication, dissemination of information and more effective production and enterprise, the churches point at the same time to the internal contradictions of these processes and to their threats.<sup>2</sup>

Globalisation puts forward a number of open and unresolved questions linked with the basic understanding of the role and mandate of the Church in society of the 21<sup>st</sup> century for the churches in Europe in the same way as for other churches in the world and the global community. Churches in Europe are committed to continue to address these challenges.

<sup>2</sup> As it is stated in the texts adopted by a number of churches in Europe, see e.g. 'Forming the globalisation,' Synod of the EKD 2001 and 'Basis of the social concept' of the Russian Orthodox Church XVI.3 and ecumenical gatherings, see e.g. The Final message of the 2nd European Ecumenical Assembly, Graz 1997, II.7 and III.8-11.

#### **2.3.1. Ethical orientation**

The challenges raised by globalisation have to be met on the basis of ethical principles. The suggestions we make here are not meant as a Christian-ethical blueprint for action. They will have to be tried and tested in discussion. However, they are intended to encourage the consideration of the ethical dimensions of practical issues, and to influence the proposed solutions.

The policies, which should regulate economics, need a common value base, which cannot be created by these policies themselves. Therefore, we agree that the Churches have to stand up united and challenge an ideology, which promotes economic liberalisation without balancing it with solidarity and care for human dignity. Economic activities, market and its growth as well as globalisation are not ends in themselves. They have to be measured by the extent to which they allow and guarantee all people a decent living.

We consider it as the task of religions, and especially for the Christian churches, to demand and work for a new global value system as the basis for reformed and strengthened global governance. Churches are furthermore called to challenge their political constituencies on the national and European levels to participate in developing more globally responsible policies as well as their efficient implementation.

#### **2.3.2. A need of an effective global governance**

The economy by itself cannot create solidarity. No economic system can. This can only be done through politics, laws and regulations. What is at stake is that a



global economy needs global regulations. Solidarity and social coherence can only be secured by a democratic balance of different interests, by institutions and laws, by multilateral agreements and regulations on a global level.

Nation states are no longer able to regulate their economies autonomously since they are interlinked with an unregulated global economy, which by itself is not able to create solidarity and social coherence. Therefore, what we face is not so much the failure of economic globalisation as such but the failure of political globalisation. A global political framework is needed to ensure that all can profit from the wealth created by the market economy and that the poor and disadvantaged are protected. The existing international regulations are simply too weak.

### **2.3.3. Transparency and peoples' participation**

Globalisation as a process should not be controlled solely or primarily by corporate headquarters or by one political superpower. What is at stake is not only fair shares and the participation of the states and governments.

The role of the nation state is also declining undermining the main conduit through which democratic participation is presently taking shape without replacing it with other mechanisms. The present form of globalisation has a major democratic deficit. It requires the participation of all stakeholders and its benefits must thus be constantly checked in the context of a global civil society. Churches in Europe acknowledge the wish expressed by some of the international institutions and organisations (e.g. EU, WB, IMF and

others), as well as some transnational corporations to go into a dialogue with various public and religious organisations. This needs to be enhanced and made effective though properly developed structures for such a dialogue.

In the context of globalisation a serious challenge to democracy and personal freedom comes from the development of means of individual control. Modern technologies have contributed significantly to accumulating a vast body of information on various aspects of personal activity on the national and international level in order to manage migration, economic activities or to prevent terrorism and crime. There is reason to believe that confidential information may be misused in order to force a person to act against his or her will.

A person should have the right to know what information is collected by whom and for what purpose and how it is stored and who has access to it. Each of these stages should be transparent. A decision concerning the need to collect information of a new type should be widely discussed in society.

### **2.3.4. Preservation and renewal of the social market system**

It is our conviction that a lasting improvement of the economic and social situation can only be based on the recollection of the human image and the fundamental values underlying the social market economy. In drawing public attention to them, the churches render a genuine service.

The Christian view of humankind is one of the basic spiritual forces of our common European culture and the eco-

conomic and social order deriving from it. In many European countries, different pillars of social security have been established as a flexible welfare system based on solidarity. The underlying idea and basic elements of this system deserve to be preserved and defended.

Social balance and social justice are integral parts of the concept of the social market economy. They can be achieved not only *ex-post*, through the system of redistribution. Efforts to create *ex-ante* justice (as e.g. access to the means of production, equality of opportunities for everyone, etc.) are at least as important and probably more effective. Anyone who questions these principles calls the welfare state into question. Only a financially sound state can function as a welfare state.

That implies acquiring the means to bring about social justice. Despite necessary steps to streamline the state it must not be starved of resources and finally become so lean that it cannot adequately fulfil its task as a welfare state. We believe that the rich heritage and experience of the various social market systems in European countries can be a significant contribution to a global political framework for economic globalisation.

### 2.3.5. Reorientation and regulation of the capital market

The globalisation of the financial markets under the leadership of the stock markets is one of the most powerful and most controversial aspects of globalisation. It is a condition for global trade in goods and services, but it is also a source of volatility, global political instability, criminal activities and of the growing gap

<sup>3</sup> In this process suggestions like e.g. Currency Transaction Tax, instruments against capital flight and tax evasion and for ethical investments, as well as a reform of the IMF need to be taken seriously into consideration.

between poor and rich. Financial markets have to serve – according to the above-mentioned values – to increase wealth for all, to promote freedom to act responsibly and peace through economic stability and to strengthen international communities.

To reach these goals the financial markets as an important sector of globalisation have to be reoriented and regulated in order to be able to live up to this responsibility.<sup>3</sup>

In order to prevent a collapse of the global economy, the setting up of a new “political architecture” for the world has become the prime political challenge. The unrestrained capital market constitutes a particular risk. It has to be confined within boundaries that enable the market to operate efficiently but reduce the risk of regional or global financial crises. Here it is not just a question of finding new patterns of co-operation and regulation, but also new ways to legitimise them. The European Union is one of the driving forces of global economic liberalisation. In order to be able to distribute the burdens and advantages of globalisation more fairly, regions like the EU need a suitable regulatory framework. This would correspond with some of the core principles on which the EU is built and which go beyond the limited sphere of economics.<sup>4</sup>

### 2.3.6. Taking care of social costs of globalisation

With this view, churches in Europe face globalisation with a number of

<sup>4</sup> Cf. the fundamental documents of the EU as e.g. the Nice Treaty or the Draft of the EU Constitutional Treaty: The Union shall work for sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and with a high level of protection and improvement of the quality of the environment... It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child. It shall promote economic, social and territorial cohesion, and solidarity among Member States (1-3). In this regard it is necessary to look very carefully at several documents of the European Commission e.g. ” Responses to the Challenge of Globalisation.” SEC(2002) 185 final



open questions focused on the European continent itself. Though the EU is a major component shaping to a large extent most of the significant policies on the continent, Europe must not be reduced only to the European Union. Equally it has to be pointed out that Europe is not only a rich continent, as is obvious from available statistical data. Neither is the EU just a community of the rich.

Globalisation in Europe means, among other things, the relocation of an increasing number of companies from their locations in Western Europe, where they have for years provided job opportunities, to other countries, which offer significantly lower production costs. Rising unemployment and loss of social security are then very often consequences. Economic transformation, influenced by the pressure of globalisation, creates new opportunities and vulnerabilities, causing even deep poverty in some parts of the continent.

The principal challenge for most of the countries in Central and Eastern Europe is to accomplish a transition from a planned to a market economy. In addition, the transition presupposes the establishment of the new parameters for a social system. In this situation, economies of those countries are especially vulnerable. In order to avoid unbearable social impacts disrupting the balance of society and to create necessary time and space needed for ensuring development of those countries into equal partners, purposeful governmental regulation is often necessary. International financial institutions

<sup>5</sup> See e.g. Prosperity with a purpose, Exploring of ethics of affluence, Churches together in Britain and Ireland, 2005

<sup>6</sup> Like for example: a better coordination of European monetary policy and national financial and collective bargaining policies; an European environmental tax reform; minimum standards in the field of social and ecological affairs and in labour law; greater powers for the European Parliament and a politically informed European public; the strengthening of European civil society vis-à-vis the EU administration; strengthening of the EU value framework by the adoption of the EU Constitutional Treaty

elaborating development programs and developed Western countries should take into account this factor in working out their economic policies towards these countries.

At the same time, Europe is undoubtedly a prosperous continent. Prosperity, however, is not automatically the same as quality of life. For churches it means, next to addressing the issue of poverty, also the presence of a number of legitimate questions related to the reality of affluence, both the positive

and negative side of it. There can be no real prosperity without the development of virtue.<sup>5</sup>

The CEC and its member churches monitor this development in a number of European countries and in the EU itself and address many issues of concern.<sup>6</sup>

They take seriously their task to work at the socio-ethical level and to be in dialogue with the appropriate state and community institutions. At the same time, churches fulfil their pastoral tasks and work with numerous consequences of globalisation in their daily work at the grassroots level.

### 2.3.7. Commitment to sustainable development

The idea that companies exist only for the benefit of their shareholders is not only a perversion of commerce, but counter-productive in practice.

This “heresy” removes management, workers, clients and customers from the issue as agents of change, as if they had no moral status. It fails to appreciate their



worth as human beings and the long-term added value to companies who appreciate that their human investments produce not only dividends for themselves, but for society as a whole.

This is an area which merits further exploration and dialogue with the institutions. The European experiences show clearly that economic growth has to be balanced with social justice and environmental stability in order to achieve sustainable development.

### 2.3.8. Strengthening of European global responsibility

In all their decisions governments have to do justice to their global responsibility. The principle of solidarity must be upheld. At the same time Europe's global responsibility has to be seen in the light of the previous involvement (at least by some European countries) in colonialism, slavery and unjust trade, which benefited European wealth.

Coherence will become increasingly important here: between words and deeds, and between the different policy areas. It should not be acceptable to provide development aid while, at the same time, undermining the position of poor people through trade, agricultural and other policies.

Development and humanitarian aid policies should avoid becoming a mere 'tool' of EU foreign, trade and security policies, aimed at protecting only the interests of the Union. We expect the EU institutions and the EU Member States to be driven by development criteria rather than by the interests of donors.

<sup>7</sup> The industrialised countries need to review their immigration policies. The present practice of welcoming computer specialists or football players and discouraging other job seekers must be replaced by an immigration policy that does justice to the people in both the North and the South. If the most competent women and men immigrate from the developing countries to the industrialised countries this will, in the long term, slow down the development in the poorer parts of the world.

### 2.3.9. Addressing developments in society – building a community of peoples and nations

Globalisation begins to change, along with the conventional ways of organising production, also the conventional ways of organising society and the way in which power in society is exercised. Alongside its preference for economy as the shaping power of human existence, globalisation also produces a threat of cultural domination and a tendency towards total unification, a trend that poses a deep challenge to the dignity of the person and his/her identity.

Alongside the welfare state, the churches in Europe recognise that greater attention has to be paid also to the welfare society. This includes, in addition to the government and communities, numerous voluntary organisations, congregations, private service agencies and individual citizens. A large proportion of social services come from near at hand, through the communities.

At this level, peoples and nations in Europe have to find a way in which to manage the challenge of immigration of a rapidly increasing number of people coming to Europe and their integration with the mainstream society.<sup>7</sup> One of the most fundamental aspects of globalisation is the challenge of living next to one another with mutual recognition and respect for people of different nationalities, ethnic backgrounds, religions and worldviews.

The churches in Europe support the unity of the European continent based on respect for





human rights and basic values of peace, justice, freedom, tolerance, participation and solidarity.

We believe that the rich heritage and experience of the various social market systems in European countries can be an important contribution for a global political framework for economic globalisation. This is an expression of a Christian *communio* principle. We underline its significance and increasing need in everyday use. This is in line with the basic intention of the biblical Golden Rule, which is that we have to place ourselves in the situation of the other.<sup>8</sup>

<sup>8</sup> Towards the Common Good, Statement on the Future of the Welfare Society by the Bishops of the Evangelical Lutheran Church of Finland, March 1999

<sup>9</sup> Many of these issues have been addressed by the work of a number of churches in Europe, the work of CEC: Church and Society Commission and women and gender desk, as well as by the work of a number of CEC partner organisations as Churches' Commission for Migrants (CCME), Aprovev, Work and Employment Network and many others.

- if the opening up of markets, privatisation of state monopolies and the development of science and technology reduces poverty and oppression.

Globalisation has a negative face:

- if it involves an attempt to reduce the world's multiplicity to one standardised economic, cultural and political model, which is created by only a few agents, which increases poverty and conflicts, which exacerbates the destruction of the environment and in which the economy has priority over any other sphere of life;
- if market liberalisation, privatisation of public goods, abuse of science, technology and political power are reasons for creating unjust structures;
- if economic competition takes place among partners who are not equal or who do not have equal rights, and does not protect the poor sufficiently, causing suffering, tension and strife.

We want to support positive aspects of globalisation. On the other hand, we are aware that globalisation also highlights vulnerabilities, particularly for distinct groups in society, e.g. trafficked women, migrants, minorities, socially excluded and others.<sup>9</sup>

We oppose those aspects of globalisation which do not take these vulnerabilities sufficiently into consideration, those aspects, which demonstrate overstepping the limits given to us, and those aspects, which confront us with idolatry in the form of ideology (as e.g. are totalitarian

## 2.4. Conclusion

The universal calling of the Church to a global fellowship with our sisters and brothers means that we cannot content ourselves with finding solutions which work for a part of Europe. Churches have an obligation to take the effects of globalisation seriously. Although elements have been identified which could lead to the rejection of economic globalisation, the European experience witnesses that neither total rejection nor uncritical endorsement is entirely appropriate. Based on the given perspective, globalisation is a double-edged sword. Globalisation has a positive face:

- if it involves an attempt to understand the world as One Humankind and One Ecosystem and their interdependence, and to make it fertile for a dignified life for everyone with reduction of poverty, increase of peace, more sustainability and a fair share for everyone;



ideologies of various types), market or anything else.

In the current form of globalisation the churches need to oppose the idolatry of the market and increasingly present tendency towards the creation of a market society with far reaching and harmful consequences on human relationships, culture as well as personal and collective identity.

Our knowledge and experience give us, however, reasons to support the market economy with adequately elaborated social components. For the foreseeable future, all imaginable economics worldwide will be marketoriented. To claim that the church should be utterly free from the market economy would be tantamount to claiming that the church should not even be in the world when in fact the gospel claims that the church, fully present in the world, should not be of the world.

The church has to manifest participation in the transforming of the existing

framework, has to address violation of the basic principles of humanity, as well as to provide a vision of another society.

Europe's social market model can thus be offered as a possible basis in looking for a response. If, however, a social market system on the global level should be developed, there is a need to develop a system of global governance as a prerequisite, which ensures that the social and environmental dimensions are brought fully into consideration globally. This is a task which entails further reflection and dialogue with the political institutions at national, European Union and UN levels.


The churches are called to challenge their constituencies in their own context and strengthen the networking between themselves for mutual support, education and reflection. Churches should promote the underlying values of a global social market system to balance freedom with solidarity.



## 3. Rationale

### 3.1. Theological rationale: values and principles

#### 3.1.1. Can economy be a subject of faith?



It is the central tenet of our faith that we are accountable to God for what we do in all spheres of life, both public (business, politics and environment) and private. This vision of humanity has also ethical implications.

Christian teaching gives us, however, a good reason to go further, beyond ethics, to faith. It means to ethics, not separated from faith, but deeply linked with faith, built on faith and nurtured by faith. There is no doubt that economy has an ethical component. The question is, however: in what sense can economy be linked to the Christian faith? Is the existing link between economy and faith of the first or of the second order?

Our deliberations are based on the recognition of the broad understanding of the content linked with the identification of God as Creator. God's creating activity is inseparably related to the recognition of creation as a continuing act. Alongside his role as Creator, God is at the same time also Saviour and Benedictor of the world. All these are roles, which underline the

reality of God's permanent presence in the world. Biblical teaching expresses it in the concept of God as the Holy Trinity.

Since its inception, the Trinitarian theology used the terminology of 'economic' and 'immanent' Trinity for a description of God's reality and His permanent presence in the world. Immanent aspects of God are describing him as the reality of communion of three hypostases: the Father, the Son and the Holy Spirit. God's economy reveals how God deals with and acts in the created world. God's economy is related to God's plan of salvation for the world in which the central element is incarnation of the Son.

The conceptual meaning of this terminology has been to give clarity to the complex description of God's presence in the reality of the world. Economic and immanent Trinity are two inseparable and complementary attitudes describing how God reveals himself. The Trinitarian theology puts the principal emphasis on the content of the term 'economy' linked with the reality of God's existence.

The expression 'economy' – *oikonomia* – is in its meaning closely linked with a wide understanding of the household and based on an understanding of the Greek term *oikos*: the world as the com-

mon house, the House of God. Its original meaning has gradually unfolded in three directions, the content of which is today quite separate, but were originally included in the content of *oikonomia*:

- Economy as the responsible husbandry in production and the fair distribution of material goods;
- Ecology as the responsible use, maintenance and renewal of the natural foundations of life;
- Oecumene as the responsible community of people and peoples with different religions and cultures. This expresses the basically positive attitude of the Christian faith towards the overall view of this planet as 'One World'.

The Christian understanding of economics is closely linked with the original meaning of *oikos*, which linked these streams, although they were later separated. *Oikonomia* originally meant all that is today described by economy, ecology and oecumene; their mutual interdependence is the ultimate important thing, which needs to be underlined. In addition to this, the basic insight of Christian Trinitarian theology says that this *oikonomia* is closely and inseparably linked with theologia – our knowledge of God.

*Oikonomia* and theologia, according to New Testament theology, cannot be separated. God is not a god, who wants to exist remote from human beings, he is not *extra nos*. The oscillation and deep link between the knowledge of God and knowledge of human being is the substance of the Trinitarian theology. *Oikonomia* is thus a theological expression, an inseparable part of the Christian teaching. It conveys:

- awareness of Christian responsibility for the world;
- experience of participation of God and human beings;
- a conviction about the inseparable relation of *oikonomia* to theologia and their complementary relationship. This links the concept of *oikonomia*, not only to managerial techniques, but equally to a vision of a just, sinless and mutually supportive community.

This leads to the broad understanding of *oikonomia* opening up to dimensions, which go beyond the narrowminded notion of economy so often propagated in the modern world. Christians link their understanding of *oikonomia* with the Biblical texts as e.g. Eph 1:10, where *oikonomia* is used as an expression of God's generosity with the world. *Oikonomia*, as outlined here, is an instrument of God for overcoming that understanding of economy, which is based on money-driven calculation; *Oikonomia*, which is at the same time a closely linked recognition of God's presence among us; *Oikonomia* as a part of Christian faith.

### 3.1.2. Christian concept of justice: Justice can never be seen in absolute terms

The concept of justice is a key concept in biblical tradition and social ethics. In the Bible it is connected with peace, freedom, redemption, grace and salvation. In older philosophical and theological discussion, the idea of justice has been interpreted as a fundamental principle of social order.

It states that everyone has his or her own right to be recognised as a person



and to lead a life worth living. This right of each individual is to be respected by all others and by the whole of society; conversely, everyone has to respect the rights of others and of the whole of society. Only such justice can safeguard peace in society and in the world.

A fundamental aspect of justice is that justice and freedom do not act separately, they are complementary: **freedom cannot be real without justice and justice cannot exist without freedom.**<sup>10</sup>

<sup>10</sup>The biblical concept of freedom may differ considerably from common secular understanding in Europe

At the same time both of them are related to the reality of sin, which is transformed by the presence of faith and by the presence of God's activity described as grace (Rom. 6:20-22). The aim of human life is to be free from the power of sin, which means to live in freedom and justice. The need for metanoia – which overcomes the power of sin, is in the core of the biblical understanding of justice and its link to freedom.

This leads to the recognition of God's intervention in the world. Freedom and justice are mutually interrelated with the concept of grace and, in this respect, deeply linked with the concept of faith (e.g. Rom. 3:24 – be just freely by his grace; Gal. 2:16 – we seek to be just by Christ; Titus 3:7 – being just by grace). Justice is in biblical use a complex and multifaceted concept. It is a task of

<sup>11</sup> Basic values as: justice, freedom, peace, responsibility, sustainability, solidarity and subsidiarity cannot be seen in isolation and without their mutual links. Only in such a way they may serve as a substance for a value based orientation: Justice has to include not only humankind but all non-human beings. The whole creation expresses the grace of God. Justice therefore is the value base for sustainability. Sustainable development must not be reduced to environmental objectives. Intergenerational justice and solidarity are imperative.

In the Christian faith freedom is not the right of the strongest but the freedom of all to participate in shaping their own life, community and society. Peace: The ability to solve conflicts without violence and to create international communities on this basis.

Responsibility: The world cannot be divided into powerful and powerless people. Sharing power among people, regions and nations and using power in a responsible way is a condition for globalisation to bear good fruit.

Solidarity: Recognising that all are part of the same body – society - and share the same human dignity, it is necessary to balance the resources of creation and wealth derived from using them for the sake of healthy, peaceful coexistence.

Subsidiarity: Calls for society to facilitate and foster the ability of individuals and small communities to have the freedom and self-reliance to develop in their own way. Cf. "The European social market – an alternative model to globalisation?" Discussion paper of the North-South working group of the CEC Church and Society Commission, Brussels 2002.

Christian teaching not to be misled by oversimplified interpretation, as well as to be aware that true justice can be achieved only through God's intervention. Achievement of true justice is not a result only of human effort and human virtue. The reality of full justice is a subject of God's grace.

Applicability of Christian theology in the real world is based on the recognition of the relationship of justice to other basic values introduced in the Bible. Promotion of basic values, respect for them and efforts to apply them in everyday life are at the heart of Christian teaching and lifestyle. Simultaneously there is a deep awareness of their mutual interdependence and complex interrelation.<sup>11</sup>

This interdependence provides a vision for the human being in its fullness. It is a vision which is able to avoid extremes when some of these values lose their relationship to others.

A particular experience of Central and Eastern Europe with globalisation has, in this respect, to be taken into consideration and serves as a valuable example.

Countries of this region have had to go through a very difficult and painful process in their endeavour to overcome an attempt at globalisation of another kind – globalisation based on the totality of an ideology, which claimed its absolute value. It is the



experience of these countries with communist ideology and life in real socialism, which gives a lesson as to what it means to live in a society of 'justice,' but justice reduced to its distributive function, justice without freedom; a society of equality, but equality without responsibility.

It is this experience of Europe, which calls for serious consideration to be taken, not only of the reality of the present days but also of the experience of the past, particularly that which is relevant to the study of prospects for globalisation. It is to be noted that people living for many years in countries behind the iron curtain experienced also the positive side of globalisation after the borders of their countries were opened.

A Christian vision based on awareness of the interdependency and relationship of values is, in the context of European experience, based on the possibility of overcoming indifference and selfishness, as well as individualism and consumerism which are so widespread in the European West. But it also includes the possibility of overcoming the widely extended consequences of a 'homo sovieticus' so much rooted in the European East.

### 3.1.3. Transformative justice and the progress in grace

The notion of transformative justice is deeply related to understanding the presence of God in the world and linked to the dialectical idea that we are simultaneously sinners and saved. In Christian terminology it means that the real transformation of humanity in the world can happen only through an act of God's power,

<sup>12</sup> See e.g. the broad biblical understanding of justice by Martin Luther, WA 57H, 187, 16-18

<sup>13</sup> Cf. e.g. Church Father Lactanus: 'Justice cannot be found in things external, nor does it lie in the body, but in the heart of man.' CSEL 19.248

through His grace. This will happen only when grace is present through faith in the heart of human beings (Rom. 1:17). Only when God is present in the essence of humanity, does He take on Himself human sin and open a way for Truth and Justice.

Christian teaching on justification is an expression of the constant presence of God's justice in the world and, in this sense, the overall presence of God in the world.<sup>12</sup> The life of every person is in permanent movement; Christians recognise a call to a life of permanent spiritual progress. It is, first of all, the recognition that God and humankind can work in this effort together. At the same time, there is the recognition of the possibility of progress, which is understood as the mortifying of the old and the emerging/becoming of the new.

In this sense we can speak about God's justice not as an alternative to the world order.<sup>13</sup> It is rather a vision, a plan which can be established, but only by the presence of God's intervention. Christians believe that this justice will be fully realised. However, this will happen only in Parousia, anticipated every time churches celebrate Eucharist.

The New Testament reminds us that justice is a gift (Rom. 5.17), as well as the fact that to be free, to be just, means to renounce life in the body and to live a life in the Spirit (Rom. 8:1-11). How do we then understand 'the life in the Spirit'? Does it mean to renounce a real life? Does it mean the spiritualising of everyday reality? For the Bible, 'to be in the Spirit' means to live with hope, as demonstrated in many examples.<sup>14</sup>



At the same time it means 'to communicate with one another, give to the others what we have overmuch and receive what we lack. Thus we increase our love for our brethren.'<sup>15</sup> Churches should also in the present world be those who remind society of its ultimate goals. The Church should be an icon of hope in the present world.

<sup>14</sup> The strongest being perhaps the life of Abraham, Rom. 9,6-13.

<sup>15</sup> St. John of Chrysostom, Homily on perfect charity, PG 56.279

<sup>16</sup> The concept of Jubilee is based on the structure of time created by God with the Sabbath, which is among others also a recognition of the limits which are set for the use of time.

the poor depend for life. Nothing that is necessary for life may be taken as collateral. In Christian understanding, the household amassing of wealth cannot be justified in the face of the poor who are excluded from what gives them life and future. One can neither take nor withhold from others what they need to contribute to the life of God's economy for God's

people.

In this light, we have to look at the immense growth of the wealth of a large proportion of people in Western economies and confront it with the suffering of the poor, the hungry and the excluded. It is our conviction that, in this light, a regular check of the social consequences of operating economic rules has to be done and economic imbalance in society has to be re-adjusted.

### 3.1.4. Where are our limits?

#### Biblical idea of Jubilee

One of the practical expressions of awareness of God's mercy articulated in the Bible is the awareness of the role of limits in human life and society. This is important also from the perspective of contemporary thought related to the prospects for globalisation. Globalisation in its current shape differs from any other previous form of globalisation known to us. Its spiritual dimension is demonstrated by the general rejection of limits.

This is one of the most substantial features of the present form of globalisation. It is demonstrated not only by the overcoming of limits in the form of trade barriers and the creation of global markets, not only in the form of rapidly increasing mobility and travel opportunities, but equally in the availability of modern forms of communication. The bottom line of all of this is a driving conviction of the rejection of limits of whatever kind and even of any notion which might find the existence of limits beneficial.

In the biblical understanding of oikonomia, the awareness of limits plays a substantial role. For example, the concept of the Jubilee<sup>16</sup> restricts the right of creditors to seize the property on which

### 3.1.5. Idolatry of the market

Oikonomia is a subject of faith. Christian theology underlines in this understanding the substantial link which exists between oikonomia and theologia.

On the basis of our experience as well as on the basis of our theological judgment, **the existence of the market is in itself a potential good.** It is one of the most successful human social devices ever conceived. No one can deny its exceptional effects on modernity. The market, with its strongest value of competitiveness initiates activity, upholds the meaning of individual responsibility and undercuts false reliance on others. The market is the greatest mechanism humanity has ever devised for producing and distributing commodities.

While recognising many positive elements of the market, we have, at the same time, to radically criticise many of the assumptions of the modern market.

We are deeply convinced that, if something is not a commodity, it should not be distributed according to market logic. For the distribution of those things, it is necessary to use another logic. According to the Gospel and the depth of human wisdom, *what is necessary for life* cannot be a commodity or exclusively a commodity. Thus goods such as food, housing, but as well as jobs, education and health care should not be exclusively distributed according to market logic and social goods such as justice, security, belonging, respect, affection, and grace should not be distributed in any sense according to the logic of exchanging commodities.

According to the biblical tradition, healing should not be distributed according to the logic of exchange. The logic of the market has to be questioned if applied to providing basic social services and the distribution of common goods, such as water and air. We recognise that **there are certain social goods that should be distributed according to a different logic, because these social goods are themselves not commodities.**

The current form of globalisation tends to idolise the market. The market should not be the principal mechanism forming the human individual and society. The difficulty of relating theology and economics in modern society is that the prevailing logic of our society is the *market logic*. **It is thus not the market *per se* but rather what can be called ‘market society’ that we are opposing. Economy based on the belief in the ‘invisible and**

**universally present almighty hand of the market’ is a form of idolatry and violates** the basic principle of Trinitarian theology: an indivisible link between theologia and oikonomia.

### 3.2. Practical rationale: European experiment

#### 3.2.1. Globalisation beyond the sphere of economy

Globalisation does not only have an economic aspect. Linked with the original meaning of oikonomia, in the study of globalisation we have to avoid focusing only on its economic aspects in a narrow sense.

The consequences of economic globalisation go beyond the horizon of economy. Economic, personal, societal and cultural dimensions of globalisation are deeply interlinked. The true face of globalisation cannot be seen without taking all of them into consideration. Concentration on the economy, leaving aside personal, societal, cultural and environmental aspects, provides a distorted picture of globalisation precisely for the reason that economy cannot be separated from other aspects of life.

Speaking about various aspects of globalisation, we have to differentiate between globalisation *per se* – which is a process of the global raising of mutual awareness, interconnectedness, solidarity and respect for other cultures that we have been part of for centuries – and a neo-liberal project setting a framework not only for the global economy, but doing it with the conviction that the ‘invisible hand of the market’ will govern and determine all other aspects of life.<sup>17</sup>

<sup>17</sup> See e.g. ‘You cannot serve God and mammon’, Message from the joint consultation on globalisation in Central and Eastern Europe, Budapest, 2001





Much can be written about various aspects of globalisation. These factors have been rapidly increasing for several years:

- Ability to travel and cross borders of countries;
- Better communication;
- Meeting people of other cultures, languages, ethnic groups and religions.

Most of them have to be valued positively. At the same time, though, we have to bear in mind that they contain within themselves also a range of challenges and an open question: how they can be mastered. All of them are, to a certain extent, linked with the economy. The economy cannot be separated from any of the other aspects of globalisation. However, this needs to be stated also the other way around: none of the other aspects of globalisation can be separated from the economy. That is to say that even while concentrating on the economy, these aspects cannot be left out of consideration.

The experience of globalisation in the European countries is a mix of its positive and negative features. It is a reminder of how important freedom is for the fullness of human life. It is, however, also a reminder of the tragic social consequences of the brutal power of an unrestrained market. The experience of Europe reminds us, however, also of the other challenges of globalisation.

First of all, there is an experience of the social market economy in Western Europe. No economic system has so far been a perfect economy in the service of life. All economic systems have serious failures and shortcomings.

Every historical or contemporary soci-

ety is disfigured by poverty, excessive inequality and injustice. But successful market economies in Western Europe have steadily created wealth over such long periods that they offer a possibility which was formerly only dreamed of – the extensive amelioration of these evils. The social market economy, which in various forms is the predominant economic system in Western European countries, is founded on anthropological and ethical preconceptions.

It starts from a human image involving freedom and personal responsibility, solidarity and social commitment. This form of economy is based on the recognition that the economy is not autonomous. The public and social responsibility of economic actors is recognised and respected.

A significant precondition for a successful social market economy is a system of democracy with the involvement of the wider public in all spheres of life. Noteworthy for a successful social public economy is a specific role for the state, which is not directly involved in the market, but is a guarantor of the agreed rules, social justice and value framework. It is, in our view, also the experience of these social market economies, that the social market economic system is based on the preconditions that the market cannot create or guarantee itself, but without which it will not be viable in the long run.

The second important and intensive experience in this regard is that of the countries of Central and Eastern Europe. The great majority of people in former communist countries welcomed enthusiastically the collapse of the political system, which had lasted for many decades.

Among the reasons for this joy were also those which are directly or indirectly related to the process of globalisation:

- Joy at re-entering the world community from which they were forcibly detached by barbed wire;
- Re-gaining of freedom and the end of political oppression;
- The collapse of the totalitarian system, which aimed to permeate all spheres of private and public life;
- The collapse of the state-planned economic system, which was marked by Inefficiency, bureaucracy, corruption and environmental devastation, and which proved to be unable to demonstrate its sustainability in the long run.

The second part of the experience of some countries from Central and Eastern Europe is that, in spite of getting freedom and democracy, the new political framework in these countries was not always accompanied by an economic system which could manage the social dimension of the transformation. In some countries of Central and Eastern Europe, the old economically inefficient system was replaced by the radical view that it was the economy, which should determine the entire life of a society, including its spirituality, morality and policy.

As a result, we can see a society of a small circle of enormously rich and the vast majority struggling with everyday poverty. The contradiction of rapidly-gained excessive affluence and colossal poverty, which can be observed in these countries, cannot be bigger. It is the experience of these countries that shows that an exclusive reliance on the market as “putting everything in order” leads to a

disastrous crisis of public morality both in politics and in economics.

A third experience: Globalisation, in the experience of Central and Eastern Europe, is a challenge in managing the meeting of people from other cultures, languages and, often, other religions suddenly coming into this region. It is very often linked with the challenge of building a national identity in countries, which in some cases only recently gained their independence.

The building of a multicultural society and the integration of immigrants from inside or outside of Europe, with their culture, religion, language and social habits into the mainstream society is one of the greatest challenges linked with globalisation. In this experience, Central and Eastern Europe join a number of countries of Western Europe, in which there is more than sufficient evidence to confirm the presence of the same challenge. **The experience of Europe teaches us awareness of the complex character of globalisation and the interconnectedness of its various features.**

Current trends in “marketisation” of society generate an increasing number of other challenges, which need to be taken into consideration by the churches:

- The human being is being increasingly valued only as a part of market machinery – his/her value as revealed only in market relations;
- Feelings of economic redundancy demonstrated by the increasing number of unemployed people in our countries;
- Increasing inequalities and a deepening gap between wealth and poverty in society;



- Protection of the environment, in particular trends towards global climate change with its consequences;
- Challenges for culture, in particular in progressing multiculturalism and tendencies to uniformity in society;
- Freedom of religion and belief;
- Threats to human identity.

### 3.2.2. European experience and European vision

For many decades, Europe has seen a conscious attempt to balance freedom and equality, even if there was never perfect freedom, nor equality. It has been a place of attempted balancing of democratic-political measures based on the respect of law and the recognition of human rights with market-based economic activity. The aim has been to achieve a market system coupled with a series of social and political mechanisms, which would prevent the market from arriving at extreme results. The experience gained on this road is what Europe can offer to the global community as its contribution in facing the challenges of globalisation.

The contemporary economic and political set-up in Europe is the result of a successful competitive market economy combined with democratically set market regulations and public redistributive policies and social security. Despite the faults, the principles incorporated into this framework could be those which churches look to for the kind of balance that is implicit in the value system intrinsically espoused by the churches. A pure-

<sup>18</sup> 'Prosperity with a Purpose,' Churches together in Britain and Ireland, 2005

<sup>19</sup> Countries that were miserably poor only a few decades ago, like Ireland, Greece, Portugal and Spain now enjoy widespread well-being in their societies. All of these have benefited from the EU redistributive policies, from the EU structural and cohesion funds. It is the hope that this success will be emulated by those countries of Central and Eastern Europe which recently became new Member States of the Union, as well as by other European countries, a number of which are aiming at membership in the Union in the short and mid range perspective.

ly negative appraisal of economic activity is unacceptable and an injustice to those engaged in it.<sup>18</sup>

The second element which comes out of the European experience is that of the European integration process. What has been built up in the last 50 years is unique in the world. Other regional economic and trade organisations exist, for example the North American Free Trade Area, Mercosur in South America and some others.

In none of them, however, is economic integration accompanied by political integration with the same vigour as it is in Europe, nor by the same emphasis on human rights as well as on social and environmental aspects. In other words, the social market model is the special feature of Europe. The political expression of this process is the construction of the European Union.<sup>19</sup>

It is for this reason that most of the churches in Europe actively contributed to and later welcomed the formulation of the statement in the Preamble of the Draft EU Constitutional Treaty, which describes the future economic policy of the EU: "The Union shall offer its citizens an area of freedom, security and justice without internal frontiers, and a single market where competition is free and undistorted... the Union shall work for the sustainable development of Europe based on balanced economic growth, a highly competitive social market economy, aiming at full employment and social progress, and with a high level of protection and

improvement of the quality of the environment.”<sup>20</sup>

The structure of the EU is a model not only for economic cooperation, creation of a common market and common currency. It is a structure based on values which reach beyond economy, such as: respect of law, dignity of person, tolerance and solidarity. Respect for the environment, promotion of sustainable development and practical support for poorer regions in the community have an essential place in the ethos of the Union.

The Union started more than 50 years ago as a peace project. Economic cooperation was identified, not as an aim, but as an instrument to achieve objectives beyond the sphere of the economy. For churches in Europe, this is still a valuable component of the European construction as recognition of those principles and basic values, which are appreciated with the same respect by all members of the community.

It is, however, also a valuable reminder of the fact that there were, in the course of history, several attempts to dominate the world originating from Europe. After the era of colonialism, particularly tragic were those attempts of the last century, which ended in wars – either on battlefields or during the Cold War with different, more sophisticated means. This experience leads us to recognise that no ideology and no policy can have an absolute value.

The ideology of totalitarianism, be it ideological, political or economic totali-

<sup>20</sup> Draft of the EU Constitutional Treaty, Art. 1-3

<sup>21</sup> The EU Laeken Declaration can be taken as an example and reads: “Now that the Cold War is over and we are living in a globalised, yet also highly fragmented world, Europe needs to shoulder its responsibilities in the governance of globalisation. The role it has to play is that of a power resolutely doing battle against all violence, all terror and all fanaticism, but which also does not turn a blind eye to the world’s heartrending injustices. In short, a power wanting to change the course of world affairs in such a way as to benefit not just the rich countries but also the poorest. A power seeking to set globalisation within a moral framework, in other words to anchor it in solidarity and sustainable development.” (Laeken Declaration – The future of the European Union, EU Council meeting, December 2001). A number of others could be added.

tarianism, has to be rejected. At the same time, it leads us to the recognition of the power of sin. In the sinful nature of the world, any claim promising the establishment of God’s kingdom in the world cannot be accomplished.

It leads us to the recognition of the necessity of the biblical concept of metanoia – transformation of hearts – with the recognition of failures and ill attempts in the past to take up the challenge of responsibility for shaping the world, in spite of its sinfulness, in line with our Christian conviction. In this effort, we are willing to listen to the cries of those who suffer, in the present and in the past. We are open to dialogue with all those who are

ready to address the imperfections of this world.

### 3.2.3. Recognition of responsibility for other parts of the world

The European Union is one of the key actors on the global scene and among the world’s most important donors of humanitarian and development aid. During the past years, there has been no lack of fine statements addressing this EU role.<sup>21</sup> The Draft EU Constitutional Treaty also defines strong principles for external action, recognising the need for sustainable development and the importance of the eradication of poverty. Yet, there are various issues, on which these formulations should be challenged.

Churches and church-related agencies aim to play an active role in shaping this part of the EU policies. They support the



role of the EU as a global actor, particularly its contribution to development in other parts of the globe. In their contribution to this area of EU policy, the churches and their agencies put emphasis on human rights, freedom of religion, good governance, education and participation of civil society. **Free trade does not automatically lead to poverty reduction and sustainable development.**<sup>22</sup>

### 3.2.4. Migration<sup>23</sup>

Globalisation and migration, both having their own driving dynamic, are highly interrelated. Globalisation has an ambivalent and somehow contradictory influence on the current migratory flows. Migration as one of the accompanying factors of globalisation raises a number of challenges:

- Fast and flexible movement of labour (a small percentage of highly skilled workers as well as a big number of cheap and often undocumented workers) becomes an important key element of successful economic development. Labour migrants could thus be key players in the process towards a globalising economy – both as those largely profiting from and setting the agenda of globalisation as well as potential objects and victims of globalisation processes.
- It seems that restrictive policies of the EU aiming to control migration streams into the area prove ineffective from the moment that there is a demand for cheap and flexible labour. It has led, among other

consequences, to the growth in informal migration.

- It is noteworthy that a whole global industry has developed around migration. This industry includes those activities related to the trafficking of human beings (creating alarming new structures of slavery through forced labour and debt enslavement) as well as the provision of “services” to those seeking to migrate.<sup>24</sup> Revenues in this area are extremely high and exploitation of those concerned fierce. Given the initiative of most governments in immigration countries to further limit the possibilities for legal entry into their countries, it is foreseeable that the migration industry will continue to boom and the levels of exploitation connected with it become fiercer.
- The money sent home by migrants is an important economic contribution to the national economy of many countries of the South. For such countries, this is one of the most important sources of foreign currency earnings. In many cases, these transfers help to create an unofficial social security system: The World Bank estimates that remittances by migrant workers amount to 65 billion USD per year. The national economy of Turkey, for example, annually receives around 3 billion USD from remittances of migrant workers, compared to 1.5 billion USD in official development assistance.
- For many people, especially younger people who are second- and third-generation descendants of immigrants, the host

<sup>22</sup> Therefore, churches and their agencies request the EU institutions to ensure that trade negotiations, and indeed all their policies, will be aimed at achieving the UN Millennium Development Goals – notably reducing the number of people living in absolute poverty by 50% by 2015. Working effectively towards these Goals, and implementing long-term poverty focused development policies present a key challenge for the EU institutions during the next period of time.

<sup>23</sup> For the detailed argument on this particular subject field see work of Churches’ Commission for Migrants in Europe (CCME)

country is an ambivalent place. It provides a new home, but at the same time this country is seen as a source of tension between the majority and immigrant population. Integration of these communities into the mainstream society is one of the deepest and most unresolved problems of Europe linked with globalisation. It is a source of xenophobia, intolerance, frustration and hate, leading to further tragic consequences in the long run.

### 3.2.5. Between vision and reality

It would be an illusion to suggest that the present operation of the European Union fulfils the principles, which have been set out earlier. Some of the examples given in other sections of this paper point to areas where there are problems in the policies of the Union and its Member States. Perceived pressure of global competition leads to the weakening of social and environmental considerations.

There are also others. Much needs to be said concerning the EU Common Agricultural Policy (CAP), which is a subject of vigorous attention and concern when the EU global role is discussed. In spite of an aim to reform this policy in previous years, it is still a highly controversial subject matter and further reform will be needed.<sup>25</sup> It is, however, a fact, which has to be admitted today that, while helping farmers in Europe, the CAP in its current form undermines solidarity with farmers in other parts of the world.

<sup>24</sup> The issue of trafficking in human beings has been a substantial element of work of the Conference of European Churches. See e.g. 'Trafficking in women in Europe', papers from an international consultation held in Driebergen (NL), 1999

<sup>25</sup> In spite of seeing many negative aspects of this policy, it has to be stated that the CAP played a significant role in the formation of the European Community. Since the beginning it has served, not only as an instrument guaranteeing food security, but also, very significantly, as an instrument of solidarity within the European Community.

One of the greatest challenges for the policy of the Union, European countries, Member States of the Union and all others is the continuing high level of unemployment, which leads to the social exclusion of a growing part of the population.

The EU has to be reminded that economic growth is not a guarantee against poverty and social exclusion. Although often described as the key objective for the European Union, economic growth does not automatically lead to a higher quality of life. Everyone must have the right to live in dignity. The quality of social services must be protected from the pressures of free competition.

**The coherence of EU policies, particularly between trade and development policies, as well as between economic, social and environmental policies, has to be the focus of attention.** This is the role of the politicians, but also the role of the broader public, including the churches. The key issue in dealing with all matters concerning policy and politicians is the constantly present gap between declarations and their implementation.

Churches in Europe understand that their role, alongside raising critical issues with the political leaders, is also to remind them of good promises that have been made, many of them with good will and without thought for the reality of their implementation.

Recent progress on the agreement of a real time scale for the achievement of the target of 0.7% of GDP as Official Development Aid (ODA) in the EU is an example



of successful pressure from the public, including the churches.

**In spite of its insufficiencies and failures, churches in Europe believe that maintaining the social market model, with acknowledgment of Europe's global responsibility, is a model worth to consider.**

We believe that it is a model not only satisfying basic needs within the European Union and most of the countries in Europe, but at the same time, hopefully,

being beneficial in facing the challenges of globalisation. It is our conviction that a lasting improvement of the economic and social situation can only be based on a revival of human and fundamental values underlying the social market economy. In drawing public attention to them, the churches render a genuine service. The Christian view of humankind is one of the basic spiritual forces of our common European culture and the economic and social order deriving from it.



## 4. Challenges for the CEC and its member churches

Globalisation has become a significant point of concern for many churches in Europe, church-related agencies and ecumenical organisations. In recent years they have expressed their respective positions in a number of official documents, occasionally in statements of Church Synods, through the organisation of meetings and other activities from parish to pan-European level. The Conference of European Churches co-organised with other ecumenical partners conferences in Budapest (2001) and Soesterberg (2002), which became focal points of an exchange on the issue of globalisation among the churches in Europe.

The messages from these meetings to the churches in Europe caused a lively debate at various levels in a number of churches on the continent. This discussion revealed that the position of churches to globalisation varies. Simultaneously, all these discussions revealed that, in spite of differing in certain aspects, most of the churches in Europe share a common theological and ethical ground in evaluating globalisation, as well as a sincere effort in looking for possibilities on how to face up to it. The following lines

provide a summary of the main areas of concern addressed by the churches in Europe relevant to the context of globalisation. They also offer examples of the churches' work. Globalisation is the theme of substantial active involvement of a number of churches on the continent, which is continually growing and developing. Therefore, the list of examples in the following paragraphs can be neither fully exhaustive nor complete.

### 4.1. Churches addressing the world of politics

Religion is not only a private, but also a public matter.<sup>26</sup> This is why churches engage themselves in their societies and this is why they gave the Church and Society Commission of the CEC the mandate to support their own efforts as well as to

engage in the matters of society and politics.<sup>27</sup> In a similar way, many churches in Europe exercise this mandate by contacting their respective governments and public authorities.

They do it in the shared conviction that **the welfare state is a moral concept, not only an economic or sociological entity.** The state has to fulfil its

<sup>26</sup> As the Barmen Declaration from 1934 states: "As Jesus Christ is God's comforting pronouncement of the forgiveness of all our sins, so, with equal seriousness, he is also God's vigorous announcement of his claim upon our whole life... We reject the false doctrine that there could be areas of our life in which we would not belong to Jesus Christ..."

<sup>27</sup> Church and Society Commission of the CEC, Annual report 2004





obligations to protect human life, provide security and be a collective expression of love for one's neighbour.<sup>28</sup> A commitment to this foundation (as well as to the rule of law) is important also because no other sustainable order has been developed.<sup>29</sup>

The increasing power of significant economic actors (e.g. Transnational Corporations) over the possibilities of individual states, particularly the small ones, is one of the symptoms of economic globalisation.

Strengthening of the relationship between politics and economics at a time when relationships are less and less transparent, as well as newly forming power structures, which are increasingly dependent on economic actors, are other significant symptoms.

#### 4.2. Unemployment

Relocation of production from many countries in Western Europe to other parts of the globe in order to reduce the production costs has become a reality. One of the consequences of globalisation and the removal of barriers to the free movement of capital is very apparent, particularly in this part of the world.

A consequence is an increase in productivity as well as in unemployment. Employment policies become one of the key elements of the EU agenda and European countries.

Social responsibility of economic actors and their relationship to the community in which they are active is an issue

<sup>28</sup> To underline in this respect the role of the values for the healthy development of society and the concept value balance is an important role of the churches. See e.g. 'Globalance,' Christian Perspectives of Globalisation with the Human Face, Federation of Swiss Protestant Churches, 2005

<sup>29</sup> E.g. 'Towards the common good,' Statement on the Future of the Welfare Society by the Bishops of the Evangelical Lutheran Church of Finland, March 1999

<sup>30</sup> E.g. conclusions of the Synod of the Waldensian and Methodist churches in Italy 2002

<sup>31</sup> E.g. Letter of the CSC/CEC and Eurodiaconia to the EU Presidency at the occasion of the mid-term review of the Lisbon strategy, May 2005

<sup>32</sup> E.g. Response to the 'Soesterberg Letter to the churches,' Landessynode der Evangelischen Kirche in Pfalz, May 2005

that needs to be repeatedly addressed.<sup>30</sup>

**Economic prosperity must rely on the absence of poverty and social exclusion.**

Unemployment linked with broader social policy, as one of the aspects of globalisation, needs to be a constantly present point on the agenda of the churches in Europe. Coherence between economic, social and environmental values needs to be protected.<sup>31</sup> Churches in Europe are increasingly concerned that the rapid rise of unemployment in many European countries is a fundamental challenge to the functioning of the social systems and provides a fruitful ground for extremism and intolerance in society.<sup>32</sup>

#### 4.3. Development aid

The EU, together with its Member States, is one of the major actors in international co-operation and development assistance, providing some 55% of the total Official Development Assistance (ODA) and more than two thirds of grant aid. To deal responsibly with this amount of money is a task which is not self-evidently fulfilled. The complexity of the interrelation between objectives, instruments used and sometimes particularly contradictory motives needs to be noted.

**Inconsistencies between stated intentions and reality** with regard to the geographical distribution of EU aid, together with the incoherence between stated development co-operation policies on the one hand, and EU policies with

regard to trade, agriculture, fisheries, foreign policy, and conflict prevention on the other hand **have to be constantly kept in mind** and subjected to permanent public pressure, including churches and church-related institutions.<sup>33</sup>

#### 4.4. Trade justice

The EU promotes the reduction of internal tariffs and trade barriers between member states, believing that this stimulates economic growth and prosperity. For churches, however, **the assumption that complete free trade will inevitably lead to an advance for the poor is false** and therefore we have to be discriminating about which barriers should be removed.

The churches have on many occasions called on the governments and institutions of the EU to have the courage to accelerate the reform of its system of subsidies and tariffs in the interests of the people of the South, and to avoid waiting a decade for their full implementation.

The EU promotes economic liberalisation as a benefit to the world's poor. This is based on two assumptions, namely that what is good for European business is automatically good for developing countries, and that free trade is good for everyone. Economic liberalisation is also good at turning a blind eye to the many negative impacts of this economic philosophy, like the impact on local income, on local employment, on poor people's access to essential services and on the long-term development of national economies.

Where economic liberalisation has been beneficial has been in robust devel-

<sup>33</sup> E.g. work of Aprovev: 'Between intentions and reality: the problem of incoherence', 2001, and other Aprovev texts. Of particular importance is the issue of gender mainstreaming of development aid. Cf. the document: 'Everywhere and Nowhere: Assessing Gender Mainstreaming in European Community Development Cooperation', 2002

<sup>34</sup> E.g. Church of Scotland, General Assembly, 2002

<sup>35</sup> E.g. 'Trade for people, not people for trade', Aprovev, 2003.

oped economies. Weaker economies need help and protection to grow and thrive.<sup>34</sup> In this respect, it has to be constantly remembered that trade needs to serve people and not people trade.<sup>35</sup>

The Trade Justice Movement, of which many churches and their individual members are a part, calls for world leaders to rewrite the international rules and practices that govern trade, and to make poverty reduction and environmental protection their highest priorities. It recognises that the present trade rules are biased in favour of the richest nations and companies.

#### 4.5. Global market players

Some players in the global market are beyond the control of any government. Churches cannot but be concerned at the failure of certain multinational companies to behave with sufficient regard for the needs of wider society and the global environment.

While many transnational companies bring economic benefits to both rich and poor countries, there is a need to establish better control over them. This control must take account of the impact of their activities on all stakeholders and not just the interests of the company.

European experience demonstrates that particular issues arise in attempts to regulate operators in the global financial markets. To an unusual degree, these markets provide opportunities for moving the location of business at minimal cost and thus evading regulation.



#### 4.6. International financial institutions

The World Bank and the IMF have become dominant players in developing and middle-income countries, especially with regard to development finance and debt cancellation measures.

The churches must therefore critically analyse and debate the policies of these institutions and assess their impact on poverty reduction, environmental protection and the capacity for economic growth. Churches in Europe broadly support the dialogue established by the WCC with the IMF and World Bank.<sup>36</sup>

#### 4.7. World governance

Globalisation is a complex phenomenon and therefore it cannot be shaped by economic forces alone. Churches in Europe raise the question of the necessity of forming global political institutions, which would be able to achieve a comprehensive control over the global economy, as well as other areas such as, for example, the environment, human rights and security linked to it. There is a need to advocate steps towards a viable and effective system of global governance.

**The global community has to face global challenges with adequate global institutions.** It is for this reason that churches in Europe support the reform process of the UN.<sup>37</sup>

Churches in Europe are increasingly aware of the positive role that international and global institutions, such as WTO, ILO, IMF, WB, UNDP, UNEP and others play and should play in the future.

<sup>36</sup> E.g. 'Globalisation', conclusion of the Synod of the Evangelical Church in Westphalia (Germany) in 2005

<sup>37</sup> E.g. 'Reforms for Strengthening the United Nations, Orientations and Proposals of the Federation of Swiss Protestant Churches,' Federation of Swiss Protestant Churches, 2005.

<sup>38</sup> E.g. 'Globalisation,' conclusion of the Synod of the Evangelical Church in Westphalia (Germany) in 2005

<sup>39</sup> E.g. 'Forming the globalisation,' Synod of the EKD, 2001

<sup>40</sup> E.g. Appeal of the Bishop's Council of the Russian Orthodox Church, 1992

Churches in Europe are increasingly engaged in questions related to the shaping of their structure, mandate and working methods.<sup>38</sup>

#### 4.8. Pastoral tasks of the churches

An appeal to both workers and employers, to the world of politics and economy and to the world of the broader public, as well as an appeal to both poor and rich, has become a characteristic feature of the attitude of

the churches in Europe addressing economic issues.

Besides proclaiming the Word of God, the prime mission of **the churches must continue to be to stand by persons who are weak and excluded, and to give them support.**<sup>39</sup> Churches in Europe on various occasions stated that it should not be forgotten that the care for the poor and needy is the first and foremost duty of a society, a measure of the dignity and moral health of a nation. The state should not leave its citizens to the mercy of fate. Otherwise, the bitter cup of suffering will inevitably spill over us all.<sup>40</sup>

New conditions present new challenges to the churches' understanding of social justice. Those who suffer actual material deprivation in the form of hunger or homelessness must get priority, but economic forces can create other less visible forms of hardship or injustice, which are more difficult to unravel or address.

Many people who may not see themselves as poor are anxious, bitter, lonely and overworked. There is a **spiritual**

malaise which is a sign of a different kind of poverty – and hence a different kind of social injustice. These conditions are widespread in Europe today.<sup>41</sup>

Churches in Europe are involved in addressing those aspects of globalisation which go beyond the sphere of economy, labour and employment. Globalisation with its holistic approach puts pressure on removal of local traditions with a tendency towards cultural and spiritual universalism and syncretism. This has direct consequences on the daily life of people, on the forming of their social and community links as well as their identity.<sup>42</sup>

In facing up to continuing globalisation, an increasing number of churches in Europe promote development of new contacts with churches from other parts of the world, particularly from the developing countries.<sup>43</sup>

These contacts significantly contribute to enriching the view of globalisation in Europe. Churches in Europe are determined to continue with this trend and pay increasing attention to it.

<sup>41</sup> E.g. 'Prosperity with a purpose', Churches together in Britain and Ireland, 2005

<sup>42</sup> E.g. 'Basis of the social concept' of the Russian Orthodox Church, XVI.3, Russian Orthodox Church, 2000, Statement of the Orthodox Church of Greece on the future of Europe and others

<sup>43</sup> E.g. 'Globalisation,' conclusion of the Synod of the Evangelical Church in Westphalia (Germany) in 2005

<sup>44</sup> Specific emphases is given to the position and role of women, as it is documented by the work of many churches and ecumenical organisations, see e.g. work of Ecumenical Forum of European Christian Women and the statement: 'Christian Women of Europe Declare Solidarity with Women of all Religions,' Durham 2001

<sup>45</sup> E.g. 'Facing up to Globalisation Visions – Alternatives – Strategies,' conference organised by the Ecumenical Academy in Prague and the Work and Economy Network in conjunction with the Church and Society Commission of the Conference of European Churches, 2005

<sup>46</sup> E.g. statement of the Synodal Council of the Czech Brethren Church, May 2004

International ecumenical organisations play a substantial role in this effort.<sup>44</sup>

Churches in Europe share the experience that the globalising economy tends towards 'marketisation' of more and more aspects of life. It also replaces needs with desires – which are insatiable. These tendencies create damage to human relationships and, if not checked, lead to an economy that is environmentally destructive and socially unsustainable.<sup>45</sup>

The churches acknowledge that **Christians should be an example of an alternative life style, which challenges widespread consumerism, profligate lifestyles as well as personal and collective egoism** and which should hold out ways of creating communities in which peace, justice and harmonious relationships with the entire creation might reign.<sup>46</sup> Alternatives have to combine the meeting of needs with a strong

emphasis on human and social values as opposed to the underlining only of market values. Resources for improvement and know-how are already available.



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## 6. Members of the CSC/CEC Task force on globalisation



Jean-Philippe Barde, French Protestant Federation  
Milos Calda, Evangelical Church of Czech Brethren  
John Ellis, Methodist Church in the UK  
Serge Fornerod, Swiss Protestant Federation/Europe Area of WARC  
Eberhard Hitzler, Protestant Church in Germany (EKD)  
Erik Lysén, Church of Sweden  
Evert Overeem, Protestant Church in the Netherlands  
Peter Pavlovic, Church and Society Commission of CEC  
Fr Georges Ryabych, Russian Orthodox Church  
Bertalan Tamas, Reformed Church in Hungary  
Katerina Karkala-Zorba, Church of Greece

### **Advisers**

Rob van Drimmelen, Aprudev  
Ulrich Möller, Evangelical Church of Westphalia (Germany)  
Antonios Papantoniou, Churches' Commission of Migrants in Europe