Church and Business in Paraguay: An Ecclesiological Paradigm and a Business Company

Werner Franz, Centro Evangélico Mennonita de Teología, Asunción

Mennonites have had ambivalent attitudes toward business. They can be found anywhere on a spectrum from outright rejection of business to embracing it whole-heartedly as a legitimate means of making a livelihood (or becoming wealthy), or as an instrument of development and mission. No matter where Mennonites have found themselves on this spectrum, the relationship between church and business has commonly been an uneasy one for them. John Howard Yoder, influential Mennonite theologian and ethicist, has contributed extensively to the debate on the relation of church to society. He claims that the church has a crucial role to play in society. In this paper, I explore how his ecclesiological frame of reference can serve to conceptualize and to assess a business company critically. For this purpose, I first introduce Yoder and his ecclesiology. Next, I describe the work of Compañía de Desarrollo y de Industrialización de Productos Primarios, Sociedad Anónima (CODIPSA), a business company related to Mennonite
Economic Agency-Paraguay (MEDA-Py). Finally, I assess CODIPSA in the light of the ecclesiological paradigm and consider challenges that emerge both for the church and for business. In this way, I show how the church can become a reliable and useful orientation for Christians involved in business as they seek to behave in ways that are in line with the moral implications of their faith.

John Howard Yoder’s Concept of the Church

In his Christ-centred theology, John Howard Yoder (1927-1997) has consistently presented the church as the People of God in the world, as the earthly community that witnesses to the reign of God made present and visible in the life, suffering, death, resurrection and ascension of Jesus Christ. The church as the People of God is the Body of Christ on earth. In order to give expression to its character as the People of God and the Body of Christ, the church engages in practices, which are derived from and are in harmony with the person of Jesus Christ. Since the church is thus inseparably linked to Christ, and since Christ has normative authority for ethics, the church is inseparably related to ethics. Indeed, as Yoder claims, ecclesiology is social ethics (Yoder, 1994: 102ff).

In Body Politics: Five Practices of the Christian Community Before the Watching World (2001), Yoder presents and discusses five Practices to illustrate how church and social ethics are related. These practices are: the Rule of Christ, the Lord’s Supper, Baptism, the Fullness of Christ, and the Rule of Paul. These Practices are Yoder’s way of describing the social character of the church, the Body of Christ (hence Body Politics) in the world. Later, I describe each Practice in more detail, none of which are difficult to understand. They are publicly accessible behaviours, which the neighbours cannot merely notice but in fact share in, understand, and imitate (Yoder, 1992: 73). Yoder asserts this exemplary character of the Christian community, arguing that the church is

The image that the new world – which in the light of the ascension and Pentecost is on the way – casts ahead of itself. The believing body of Christ is the world on the way to its renewal; the church is the part of the world that confesses the renewal to which all the world is called. The believing body is the instrument of that renewal of the world, to the (very modest) extent to which its message is faithful. It may be “instrument” as proclaimer, or as pilot project, or as pedestal (Yoder, 1992: 78).
The church’s witness to the world is a kind of “leavening process,” through which “Christianized morality seeps into the non-Christian mind through example . . . with the result that the whole moral tone of non-Christian society is changed for the better” (Yoder, 1994: 163). In this way, these practices of the church have implications for the rest of society, and it is easy to find evidence for them in business. Before going on to describe each of the five Practices in order to assess how they are (or are not) evident in a business company started under MEDA-Py, namely, CODIPSA, I will present this corporation next.

CODIPSA, Profile of a Business Company

CODIPSA is a business company that produces starch from tapioca roots. The two production plants in operation by the end of 2007 are located in the district of Caaguazú, a region known for its large number of smallholder farmers, and as a seedbed for social and political unrest. Tapioca farmers in the area have been struggling with numerous problems. They suffered from a lack of reliable collective organization of farmers to address issues of production and marketing. They paid inadequate attention to improving their crop yield or to make investments in their farms to expand production. Finally, they suffered from a very weak relationship of tapioca farmers with the agro industry and an insufficient exploitation of the commercial potential of tapioca starch (Escobar and Ortiz, 2005). It was in response to these needs of the rural communities that the initiative of assistance to farmers took the shape of a new project: CODIPSA.

Several elements contributed to the creation of CODIPSA. Mennonite churches in and around the Sommerfeld colony, including the newly founded Evangelische Mennoniten Gemeinde (EMG), promoted programs of economic and social assistance to small-scale farmers in the area. Members of these churches then joined hands to create the Freundeskreis (“circle of friends”), with the purpose of providing an organizational structure for these activities. This Freundeskreis was registered in 1998 under the name of Asociación de Cooperación Vecinal (ACV). MEDA-Py became involved here when Mennonites of Sommerfeld joined MEDA-Py as members, thus establishing a link between MEDA-Py and the ACV (MEDA-Py, 1998). The first of the two plants started operation in 1999 and the second one in 2006. The CODIPSA starch producing plants started with the explicit purpose of “seek[ing] the welfare (shalom) of the city” (Jeremiah 29:7) by seeing to reduce poverty in the areas of their operations. A third such starch production plant was scheduled to be built in 2008 or 2009.
After eight years of operation, the results of CODIPSA's starch plants can be appreciated in several areas. First, a regular and stable supplemental income for a growing group of farmers: By the end of 2007, when the second starch plant was in full operation, approximately 1,600 farmers regularly sold their tapioca to CODIPSA. After the projected completion of the third starch processing plant, an additional 1,500 farmers will have a regular income from this source, bringing the total up to 3,100 (MEDA, 2008). Second, community-building: As a result of CODIPSA's presence and work, community networks have been strengthened and social unrest and insecurity reduced. Third, CODIPSA has provided substantial financial contributions for the construction of schools, health clinics, roads and for the support of programs sponsored by churches in the area. Fourth, CODIPSA has paid modest dividends to its shareholders.

The Practices of the Church as a Paradigm for Business

How can we understand and evaluate a business company like CODIPSA in the light of an ecclesiological paradigm? In other words, how can the Gospel of Jesus Christ be translated into society in general, and into the business world in particular? In his attempt to respond to these questions, John Howard Yoder argued in his earlier writings (especially in The Christian Witness to the State, 1964) for the use of middle axioms as a way to formulate Christian norms in secular terms (e.g., liberty, equality, fraternity, education, democracy, human rights) (Yoder, 1964: 72-73). Middle axioms thus convey secular values that map onto Christian values, when speaking to a secular audience. However, in his later writings, Yoder abandoned the use of middle axioms in favour of “sample civil imperatives” (Yoder, 1997: 33) or metaphors like “pulpit” or, more frequently, “paradigm”. According to Yoder, a paradigm “points to the awareness that the way most communication works is not by projecting and then reassembling a maximum number of atoms of information, nor of axioms and maxims, but by pattern recognition” (Yoder, 1997: 43). In such a way, the church is a paradigm for society, a paradigm that is illustrated by practices that are all part of the church’s common apostolic heritage (Yoder, 1997: 43). Yoder has provided some hints of how this might look in various realms of life. He says that, for instance

“Binding and loosing” can provide models for conflict resolution, alternatives to litigation, and alternative perspectives on “corrections.” Sharing bread is a model not only for soup kitchens and hospitality houses, but also for Social Security
and negative income tax. “Every member has a gift” is an immediate alternative to vertical “business” models of management. Open dialogue correlates with why the Japanese make better cars than Detroit. Dialogue under the Holy Spirit is the ground floor of the notion of democracy. And so on... (Yoder, 1992: 77-78).

Thus, while Yoder’s ideas typically have been related to an understanding of what it means to be church, he himself says that these hallmarks can be evident in organizations that are not the church. In such a way, Yoder’s concept of ‘practices’ can be used to conceptualize and helpfully analyze how business organizations operate. I will develop the following considerations about this translation along the outline of Yoder’s Five Practices.

1) The “Rule of Christ” (Accountability, Moral Discernment and Reconciling Dialogue): Jesus gives instructions about the process of restoring dialogue with the purpose of bringing about reconciliation on occasions of offense and conflict (Mat 18:15-20). Yoder explains that “to be human is to be in conflict, to offend and to be offended. To be human in the light of the gospel is to face conflict in redemptive dialogue. When we do that, it is God who does it. When we do that, we [also] demonstrate that to process conflict is . . . a mode of truth-finding and community-building” (Yoder, 1992: 13). The Rule of Christ thus expresses a commitment of church members to value community discernment where they hold each other accountable for their actions.

In CODIPSA, most of the tapioca farmers related to the company are members of one of the comités, groups of 20-25 farmers each, that are organized with the purpose of facilitating the training in skills related to farming methods, management, finances and community organization. In this context, the farmers support each other and hold each other accountable for their actions. On the institutional level, accountability is provided for through a close relationship of the governing board of CODIPSA to the MEDA-Py board. MEDA-Py, in turn, is a member of the Pacto Etico Comercial,16 which thus connects CODIPSA with a network of business institutions committed to hold each other accountable for their business actions. The relationship of CODIPSA with churches is given only indirectly through the board members of the two institutions (MEDA-Py and CODIPSA).

Beyond the challenge of establishing sound management policies and practices in line with its mission statement and the ecclesiological paradigm, CODIPSA should seek additional ways of training everyone directly involved with CODIPSA in conflict managing and community peace building skills.
2) The "Lord’s Supper" (Caring and Economic Solidarity): An essential part of the meaning of the Lord’s Supper among the early Christians was the common meal, in which believers were sharing with one another their ordinary day-to-day food (Acts 2:42). Bread eaten together is economic sharing, not merely symbolically, but actually. It extends to a wider circle the economic solidarity that normally pertained to the family. The ‘Lord’s Supper’ thus becomes an act of economic (and social) ethics (Yoder, 1992: 21), an act of commitment to sharing material goods with one another and to caring for one another.

CODIPSAs as a project for socio-economic development is built on narratives of compassion and solidarity of Mennonite communities rooted in their faith in Jesus Christ. These narratives are the source of the virtues of mercy and justice that empower people to share – and sometimes to sacrifice – significant amounts of money in order to help those who are economically weak. In such a way, they contribute to the creation of a space in which people nurture a new sense of dignity and security, both in socio-economic and spiritual terms.

CODIPSAs faces constant challenges to conform to the pressures of the market and become like many other companies that put profit maximization first. And if it withstands this pressure, it may not be able to survive in the face of competitors operating by other values, especially some Multinational Corporations. In the meantime, however, CODIPSAs is not only an expression of the generosity and solidarity of its founders, it also nurtures these same virtues in the tapioca farmers related to CODIPSAs, and through them in others.

3) “Baptism” (Egalitarianism, Interethnic Social Acceptance and Forming New Allegiances): Through baptism persons are integrated publicly into a new people, and one of the distinguishing marks of this new people is that all prior given or chosen definitions of identity are transcended. There is equality of status, which is initiated and put into action by baptism. Social differences are relativized (not erased), and their discriminatory impact is rejected. Thus, the primary meaning of baptism is to create a new society. For Yoder, “the church is . . . that new society; it is therefore also the model for the world’s moving in the same direction” (Yoder, 1992: 32). By belonging to the church, Christians are making a public statement that they are working to model a particular way of living patterned after Jesus Christ.

CODIPSAs with all its stakeholders (farmers, shareholders, managers, employees, suppliers, customers) is in the process of becoming a group of people with a corporate identity and a common purpose. The comités of farmers contribute significantly to this sense of identity by improving the farming techniques, by strengthening community networks and by representing the interests of the farmers before the management of CODIPSAs. As farmers feel treated with
justice and respect, the farmers experience a new sense of dignity and empowerment. They feel that they are increasingly included in the “system” through farming, financing and selling. In such a way, CODIPSA contributes to breaking down social, economic, racial, and religious, for example between farmers, managers and shareholders, and between businesses and churches.

An important challenge for CODIPSA has to do with control and power: How can the stakeholders of CODIPSA (especially the tapioca farmers, plant managers and shareholders) together nurture the newly sprouting egalitarian treatment that is replacing behaviours shaped by paternalism and domination? How can increased “wealth” and a growing sense of self-sufficiency on the part of the farmers become a source for community development so that they can become helpers to others, instead of becoming the cause for growing materialism and individualism?

4) The “Fullness of Christ” (Teamwork and the Universality of Giftedness): Paul uses the term “the fullness of Christ,” based on Ephesians 4:11-13, to describe how every member of the body of Christ has a distinctly identifiable, divinely validated and empowered role. In Yoder’s words: “The grace of God has been allocated to everyone, without merit, a renewed potential for dignity in complementarity. . . . God has done this not by making everyone the same, but by empowering each member differently although equally” (Yoder, 1992: 55). The Fullness of Christ expresses the commitment of Christians, that as a church they are a team, and each member makes an important contribution.

CODIPSA makes significant efforts to affirm the gifts of persons and groups it relates to such as farmers, shareholders, consultants, employees and plant managers. It encourages the involvement of each of them as they contribute to the process of providing goods and services for the public good. One of the focal points of CODIPSA is to empower and train people in order to enable them to do their part well, thus promoting effectiveness, but not at the expense of personal dignity and healthy families and communities.

The challenge for CODIPSA continues to be in finding ways to embody the practice of the “Fullness of Christ” in its organizational structures and policies and in the programs that CODIPSA promotes with its members.

5) The “Rule of Paul” (Dialogical and Democratic Process of Decision-making): Paul instructs the Corinthians about how to hold a meeting, where everyone who has something to say can have the floor (I Corinthians 14); there is decision-making by open dialogue and consensus. In Yoder’s words: “Because God the Spirit speaks in the meeting, conversation thus becomes the setting for truth-finding.
That is true in the local assembly and in wider assemblies, in the faith community and in wider groups” (Yoder, 1992: 70). The Rule of Paul expresses the commitment of Christians to stay with each other in the (sometimes slow and apparently inefficient) making of decisions together and working for consensus.

This practice seems to be especially difficult to bring to fruition in the Paraguayan business context, which is deeply shaped by experiences of authoritarian leadership, fatalism, opportunism and interethnic prejudices and rarely rewards those who try new modes of decision-making in business. CODIPSA has included the farmers in some of the key decisions for the company, but generally, there persists a tendency towards a hierarchical management structure.

The challenge for CODIPSA is to find and implement alternatives to vertical business models of management, providing a space for all “members” of CODIPSA, especially the farmers, to participate actively in important decisions of the company. For example, CODIPSA could find ways to provide options for the farmers of effective ownership in the company, either as shareholders of the company or through a change of the company structure thus making it a cooperative.

Overall, the mission or purpose statement of CODIPSA is clearly in line with the overall intentions of God when He called women and men to become His people and to “seek the wellbeing (shalom) of the city” (Jeremiah 29:7). With this mission in mind, CODIPSA is set up to be a pilot project or a model project as a business company created by Christian entrepreneurs seeking to have a positive impact in Paraguay. As such, it serves as a model not only for “future projects of MEDA-Py” (MEDA-Py, 1998), but also for other businesses that are watching how CODIPSA is doing things. Thus, CODIPSA becomes a model, for example, in the attitude of moderation and sacrifice by its shareholders towards returns on invested capital, in the way farmers, workers and customers are treated with dignity, justice and honesty, or when tapioca farmers are considered trustworthy recipients of loans when they can show that they belong to the CODIPSA “family”. The challenge for CODIPSA is to maintain alive the vision that empowered its founders, for the glory of God.

Another challenge for CODIPSA’s leaders and supporters is to come to terms with the question of the extent and ways in which the Spirit of Christ explicitly permeates this project. Is it different from any other development project? Edgar Stoesz, pioneer in numerous development projects, articulates the idea of ‘challenge’ as a probing question: “What are they [the farmers] doing with their new wealth? Are they using it to live better [and to help others to live better] or is it making new sins affordable? And is the influence of the church such as is also drawing them into faith or have we only made them wealthier
‘heathen?’” (Stoesz, 2008). These are certainly important questions and necessary ones to be considered by those in charge of overseeing and shaping CODIPSA. Yet it must not be forgotten that Christians can take confidence in the fact that it is not they who have to define and bring about the final outcome of history – neither the final outcome of everything that they do in CODIPSA – but it is God who is seeing this through. In the meantime, Christians seek to be faithful in what we have understood to be God’s mission for us.

In conclusion, it is unique to relate the Yoderian ecclesiological framework to business. I am convinced that this is a welcome and much-needed contribution to the business ethics literature (including the Christian business ethics literature). While inviting further dialogue on this topic, I see two implications for this study. First, it seems that Yoder’s five “practices of the church” can be usefully applied in businesses. This provides a common language and framework for theologians and church leaders to talk with people involved in business. In particular, it provides an instructive point of departure for business leaders as they conceptualize their companies. This makes the church relevant in new ways, generating new models of corporate business that can overcome materialistic and individualistic patterns of business so deeply entrenched in much of our present world. Second, we have to keep in mind that the teaching and learning is bidirectional. Just as business leaders can learn from Yoder and others on how to manifest (or be) the church in business organizations, so also the ecclesiological practices of business may help to inform and inspire church organizations.

Bibliography

CODIPSA (2001b) Zusammenfassung einer Besprechung mit den CODIPSA-Mitgliedern (Summary of a Meeting with the CODIPSA shareholders), Asunción, Paraguay, November 10, 2001.


---

**Notes**

1 Company for the Development and Industrialization of Primary Products.

2 MEDA-Paraguay (MEDA-Py) was founded in 1996 in close relationship with Mennonite Economic Development Associates - North America (MEDA-NA). Since its creation, MEDA-Py has initiated and carried out projects of socio-economic development. For further information on MEDA-Py, see http://www.meda.py-online.com; for MEDA-NA, see http://www.meda.org.

See especially also Yoder’s “The Kingdom as Social Ethics” in *The Priestly Kingdom*, ch 4.

These practices and their sacramental and exemplary character are further elucidated by Yoder in his “Sacrament as a Social Process: Christ the Transformer of Culture,” in *Royal Priesthood*, 359-373.

Yoder has presented these practices in different forms and versions. Sometimes the list contains only three (e.g., “The Kingdom as Social Ethic,” in *The Priestly Kingdom*, 93); other times the list includes five practices (e.g., “Sacraments as Social Process” in *Royal Priesthood*, 359-373, and *Body Politics*). Yoder notes that this list is by no means closed, as “there could well be others, but the five cases should suffice to make the pattern clear” (Yoder, *Body Politics*, ix). Other practices might well be added, such as the love of the enemy, truth-telling, freeing slaves, or serving instead of ruling (Yoder, *Body Politics*, 88, note 78).

The term “tapioca” is here used synonymously for cassava, yuca, or manioc (*mandioca* in Spanish).

The Sommerfeld colony, founded in 1948 by Mennonites from Canada, is located 210 km east of Asunción, the capital of Paraguay, along the road that connects this city with Ciudad del Este on the border with Brazil. For a description of the Sommerfeld colony, see Reimer, 1986, and Klassen, 2001: 162-163.

The *Evangelische Mennoniten Gemeinde* was founded in 1994 as the result of an initiative of spiritual renewal in the Sommerfeld colony. For further information, see Sommerfeld, 2008.

*Asociación de Cooperación Vecinal (ACV)* translates Association of Neighbourhood Cooperation.

In 1999, the first year of CODIPSA's operation, 170 farmers received a total of US$ 45,140 from CODIPSA for the sale of their tapioca. By the end of 2007, when the second starch plant was in full operation, this number had grown to 1,600 farmers to whom CODIPSA paid a total of US$ 1,800,947. The nominal GDP per capita in 2007 was US$ 1,800.

Most of the shareholders of CODIPSA are members of MEDA, either of MEDA-Py or MEDA-NA, and members of a Mennonite church.

According to Visser ‘t Hooft and Joseph Oldham who are credited with coining this term, middle axioms “are an attempt to define the directions in which, in a particular state of society, Christian faith must express itself. They are not binding for all time, but are provisional definitions of the type of behaviour required of Christians at a given period and in given circumstances” (Visser ‘t Hooft and Joseph Oldham, 1937: 209-210).

In Yoder’s words, the “new humanity” as a “pulpit” means: “Just being, just being there as an unprecedented social phenomenon in which persons from two contrasting, even conflicting histories rejoice in their being reconciled, is the necessary but also sufficient condition of being able to invite the rest of the world into the new history” (Yoder, *For the Nations*: 41).

In a similar way, Waldemar Janzen uses paradigm as “a personally and holistically conceived image of a model (e.g., a wise person, good king) that imprints itself immediately and nonconceptually on the characters of those who hold it” (Janzen, 1994: 26).

The *Pacto Etico Comercial (PEC)*, literally *Commercial Ethical Covenant* constitutes a commitment to a code of ethics. *PEC* was initiated by a group of business leaders and companies in cooperation with the Paraguayan-American Chamber of Commerce and the Embassy of the USA in Paraguay. *PEC* is committed to a mission similar to *United Nations Global Compact* (http://www.unglobalcompact.org/). For further information, see www.pactoetico.com.py.

This has been and is repeatedly confirmed by business people in the area.