



Walking in the Way of Righteousness

By Omar de Souza

Omar de Souza tackles the issue of ethics for Christian publishers in Brazil

How can Christian entrepreneurs succeed without compromising Kingdom values?

Pastor Lourenço Stelio Rega of São Paulo Baptist Theological College, an expert on ethics studies (see his Web site: www.etica.pro.br), says that, in principle, our circumstances should make no difference. "If we consider the biblical and theological approach, our ethics will be based on our values," he says.

Yet Stelio Rega believes that even among Christians, the pragmatic way of thinking about ethics prevails. "Many believe the ends—profits, possessions—justify the means. No doubt each party, in this immeasurable universe of personal and professional relationships, has its own unique circumstances and requires specific definitions," he says, "but a Christian executive whose ethics are driven by biblical principles will not hesitate to keep agreements, even if it means business loss or damages."

Stelio Rega warns that some movements inside the Church, such as prosperity theology, may affect the Christian view of business, and therefore, of ethics. There are many traps along the way, and Christian publishers must be careful.

Bureaucracy

DARF, GARE, GPS, GFIP, DCTF, DACON, DIRF, DIPJ, DES, GIA, RAIS... At first sight, it seems like a foreign language—and, in a way, it is. This is a list

of forms, licenses and fiscal reports that companies must obtain to comply with Brazilian bureaucracy, one of the most burdensome in the world. A Portuguese legacy, designed in times of colonial expansion to respect power and wealth, Brazilian red tape has not only survived the ravages of time but become stronger. For Christian publishing houses, dealing with bureaucracy is one of the toughest tests of a company's ethics and integrity.

Bureaucracy involves every aspect of a company, from the very start to ongoing operations. For Editora Hagnos, founded in 2002, "It took four months to get through all the red tape," says Marilene Terrengui, chief executive officer. "The wait was due to Brazilian Finance Department requirements. Each inspector asked for a different document." On a daily basis, managers must renew dozens of documents in different government offices, such as building licenses, permissions and employees rights. All titles should be registered with the national library before being released. A publisher must not only keep accounts in order, but keep up with changes in financial reporting laws. "In the last 16 years, more than three million new regulations were created by cities, states and the national government," says Ricardo Dinapoli of Editora Mundo Cristão.

Aside from government offices, there are also cartórios (from the Latin chartarium, meaning letters file). Invented in the Middle

Ages, these were installed in Brazil by Portuguese colonists to keep official records and legal documents, such as contracts and certificates. In theory, this system should combat corruption, but the result is the opposite: an environment that encourages it. The more red tape is required, the greater the number of opportunities to give and receive bribes. Those who build a network of “good friends” in government offices may earn a lot of money... not necessarily honestly.

When it is not possible to escape from red tape, some publishers find creative ways to make it easier and faster. Instead of designating an employee to stand in line for hours at government offices and cartórios, many companies hire attorneys or, for a lower cost, a despachante, a person with many contacts whose main activity is to push on the work of getting important documents. “It is a good idea to ask for this kind of help, for it is hard to be in different government offices at the same time,” explains Terrengui. “A despachante is a facilitator, but we can’t be naïve. They can also solve problems through the offering of bribes.” Bribery is so deeply rooted that in some areas it is hard to avoid. “For example, it is almost impossible to get a Health department license without paying bribes,” says Terrengui. “It is a shame!”

The International Bible Society in Brazil struggles with this reality. Its board decided that the legal procedures must be followed, even if it causes delays. “In our case, all decisions must always be registered at specific cartórios. We count on advisors and attorneys to do this for us,” says Mario Barbosa, CEO of IBS Brazil.

Ricardo Dinapoli also admits that standing by biblical values can be a tough task. “If you want to walk righteously, without taking shortcuts, you can be sure that all the work will take much longer. But, I can’t find Scripture-based evidence that we should not

obey the government, even if it is mean or corrupt. I don’t see Jesus arguing that duties should only be paid to “good” Caesars. By the way, were there any?”

Piracy and payments

Not everyone is ready to pay the price of walking “in the way of righteousness, along the paths of justice” (Proverbs 8:20). In a street in downtown São Paulo, known for its Christian retailing stores, some offer pirated items, mainly CDs and DVDs. Since piracy in print publishing is very expensive, some books and Bibles offered at far less than their market value are sold illegally withholding the tax charges over goods in circulation. Thank God, this behavior is the exception, not the rule. But according to a survey conducted by the Brazilian Institute of Competition Ethics, the country loses over 160 billion reais of tax revenue each year—almost U.S.\$70 billion—due to fraud and piracy.

As Brazilian sales numbers are much smaller than American, publishers find creative ways to solve the problem of royalty payment to national authors. It is customary to set apart a portion of a print run to give to writers who speak at summits, seminars and other events. “This works very well,” says Magno Paganelli, director of Arte Editorial. “Authors like this system because they can sell their books at market prices, instead of waiting to receive a percentage of retail sales after many months.” A few publishers, however, neglect their duties with writers and other independent workers, showing indifference to ethical principles.

“A long time ago,” says Neriél Lopez, a Brazilian graphic designer, “I developed many projects and jobs for a Christian publisher. I’ve never been paid. I also struggled with another problem: when a Christian company agrees to pay for some job, but then asks me to do much more than

we agreed. It is a bad testimony.” A recent survey conducted by Lopez for Igreja (Church) magazine reveals that 94 percent of Brazilian leaders are interested in learning more about ethics.

And what if business is bad and there is no cash to meet financial obligations? Common sense says that renegotiating is a true and ethical way to go—much better than pretending that there is no debt, or claiming that “we are all brothers.” To Marilene Terrengui, this excuse is not fair. “We all know market circumstances may change and Christian publishers might face tribulation, but we can’t just deny our responsibilities. Business is business, and it cannot be treated as ‘a Church thing’.” Magno Paganelli believes that Jesus’ guidance in Mathew 18—unconditional forgiveness—should be applied responsibly. “I have learned that we account for our numbers, not for God. There are families whose livelihood depends on our good business performance.”

Greater awareness needed

In the Christian publishing marketplace, ethics are directly linked to Bible values. This does not mean, however, that all irregularities are necessarily a result of a dishonest behavior.

“What we are used to seeing is a lack of awareness and knowledge of the law and good practices in management,” says Ricardo Dinapoli. “This leads to many mistakes. A clear disregard for ethics is highly unusual.”

“There are exemplary companies,” says Terrengui, “but a few Christian publishing companies cause me to feel ashamed. It is inconceivable that a publisher would refuse to pay royalties, or deceive an author, or consent to corruption with no second thoughts. Such behavior is not worthy of respect.” Christian companies, and publishing houses in particular, must do their best to act in accordance with ethical principles.

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ChristianTrade Association International

PO Box 62187 • Colorado Springs, CO 80962-2187 USA

TEL +1 719 432 8428 • FAX +1 719 325 7001 • info@ChristianTrade.com • www.ChristianTrade.com