

COLUMNISTS

Corporations choose profits over patriotism

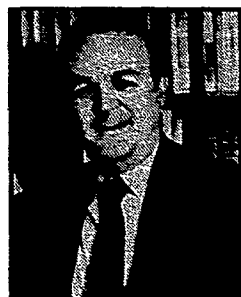
Labor unions have been put on the defensive recently, finding themselves under constant attack from politicians who refer contemptuously to "labor bosses" or "big labor" as if such individuals and the movement itself were involved somehow in a vast, illegal conspiracy against the nation's economic well-being.

Perhaps the unkindest cut of all has been inflicted by a few Catholic pundits, because the Catholic Church has been one of the strongest supporters of the labor union movement for more than a century. For them, it is as if all virtues in the economic order are practiced by corporations and the managerial class. Not even the tobacco industry has evoked a word of reproach from them. On the contrary.

A recent front-page story in *The New York Times* (Feb. 18) has lifted the sheets that have masked the shabbier side of the American business community — a side that its Catholic apologists never speak about, much less criticize.

It seems that a growing number of U.S. companies have been incorporating in Bermuda, where there is no income tax and where they enjoy the best of both worlds: sharply lower taxes at home and the benefits of doing business in the United States, with all the security provided by its government, legal system and courts.

Stanley Works, a fixture in Connecticut for almost 160 years, is among the



essays in theology

BY FATHER RICHARD P. MCBRIEN

latest to incorporate there. By doing so, the company itself estimates that it will cut its tax bill by \$30 million a year, to about \$80 million.

Tyco International, based in Exeter, New Hampshire, reports that it saved more than \$400 million last year because of its status as a Bermuda corporation.

What is also remarkable is that becoming a Bermuda company does not require much effort or cost. *The Times* described the process as a paper transaction, as easy as securing a mail drop and paying some minimal fees. Meanwhile, the working headquarters remains in the United States.

For example, Bermuda is charging Ingersoll-Rand just \$27,653 a year for a move that allows the company to avoid at least \$40 million annually in American corporate income taxes.

This company and others like it are not required to hold any meetings in Bermuda nor even to have an office there.

A partner at Ernst & Young, one of the nation's largest accounting firms, told *The Times* that the practice of incorporating in Bermuda is "a megatrend we are seeing in the marketplace right now." She admitted that patriotism is a potentially troubling issue that corporations must consider before moving to Bermuda, but she quickly added that profits trumped patriotism.

According to the thinking of "a lot of companies," she said, "just the improvement on earnings is powerful enough that maybe the patriotism issue needs to take a back seat to that."

The Times story pointed out, on the other hand, that some companies do hesitate to take advantage of this tempting tax dodge because of public relations concerns. "It may be seen as not patriotic," a tax expert at Lehman Brothers observed, "and in the wake of September 11, that is not a good posture for a company."

Even the ranking Republican on the Senate Finance Committee, Senator Charles Grassley of Iowa, has expressed concern: "There is no business reason for doing this, other than to escape U.S. taxation. I believe the Finance Committee needs to investigate this activity."

David Weisbach, a professor of tax law at the University of Chicago, agreed that a review of existing legislation is in order. He noted that the current corporate tax regime was established when American companies sold primarily to the do-

mestic market and few foreign companies had a major presence in the United States.

Representative Charles Rangel of New York, the ranking Democrat on the House Ways and Means Committee, chastised these Bermuda-bound corporations for choosing profits over patriotism.

"Supporting America is more than about waving the flag and saluting — it's about sharing the sacrifice," the congressman declared. "That's true of soldiers, citizens, and it should be true of big companies, too."

There is no official estimate of how much the Bermuda moves are costing the U.S. government in tax revenues — money that is desperately needed not only for the war against terrorism and for national defense, but also for education, repair of the nation's infrastructure, drug prescriptions for senior citizens, health care and a host of other pressing needs. There is no evidence, however, that the Bush administration is even looking into the matter.

Uncritical apologists for corporate America on the Catholic right may insist that there is nothing illegal going on here. Perhaps not, but it is clearly immoral.

And doesn't morality trump legality?

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Father McBrien is a professor of theology at the University of Notre Dame.

Raising Lazarus glorifies the Father and the Son

5th Sunday of Lent (March 17): (R3) John 11:1-45; (R1) Ezekiel 37:12-14; (R2) Romans 8:8-11.

Mary and Martha expected that Jesus would come immediately when he received word that their brother, Lazarus, Jesus' good friend, was seriously ill. They waited expectantly for his arrival. But Jesus lingered where he was and did not come until Lazarus had died and been in the tomb for four days.

When Jesus did arrive, Mary and Martha's hearts were breaking. Mary said to Jesus, "Lord, if you had been here, my brother would not have died." Jesus was deeply troubled and asked, "Where have you laid him?"

They told him, "Sir, come and see." And Jesus wept.

So the Jews said, "See how he loved him."

Jesus came to the tomb. It was a cave and a stone lay across it. Jesus said, "Take away the stone."

They did. Jesus raised his eyes and said, "Father, hear me that they may believe you sent me." And when he had said this, he cried out in a loud voice, "Lazarus, come out!" He came out, tied hand and foot with burial bands. Jesus said, "Untie him and let him go."

In the musical "The Wizard of Oz," Dorothy's house is swept up by a horrible cyclone. When her house finally lands in Munchkin City, it just happens to set down on top of an evil witch who had been tormenting the Munchkin peo-



a word for sunday

BY FATHER ALBERT SHAMON

ple. The Munchkins want to throw a huge celebration in Dorothy's honor. But first, the mayor of Munchkin City has to verify beyond a doubt that the witch has been killed. In his song to Dorothy, he says, "As Mayor of the Munchkin City, in the county of the land of Oz, I welcome you most regally. But we've got to verify it legally, to see if she is morally, ethically, spiritually, physically, positively, absolutely, undeniably and reliably dead!"

Lazarus had been in the tomb for four days. We can be sure that he was morally, ethically, physically, absolutely, positively, undeniably and reliably dead!

Jesus worked this miracle that God and the Son of God might be glorified. The resurrection of Lazarus was not for Lazarus' benefit. After all, he died as a friend of Jesus. His destiny was taken care of. Neither was it for Mary and Martha's benefit. Jesus stated that the purpose of this particular miracle was

that both the Father and the Son might be glorified.

Moreover, this miracle affirms Christ's power over life and death. An Army mineralogist happened to be stationed in Anchorage in 1964 when that year's great earthquake hit. Joe was in his bathroom. His first inkling of trouble came when the water in his toilet suddenly shot up seven feet and splashed all over the ceiling. Joe didn't have to think very long about the implications of this before running out of his house into the street.

By then the earthquake was going full tilt and the street was full of people. One young mother, Joe's next-door neighbor, had a toddler under each arm; terrified, she staggered up to Joe and cried out, "Joe, you're a geologist! For God's sake, do something!" Well, poor Joe! He may have studied earthquakes, but he had no power to stop one after it was started.

The Lazarus story says Christ has power over life and death.

And there is one more thing we need to see: Christ has power to give us new life. You and I may never see a miracle, like the kind the Bible describes. But we can experience a miracle if we allow Christ to come into our lives and give us a new heart, a new spirit. He can say, "Come out! Come out of your shell and live for God."

A nurse on the pediatric ward, before listening to the little ones' chests would plug the stethoscope into their ears and

let them listen to their own hearts. She asked one little 4-year-old what he heard. He thought for a moment and then said, "Is that Jesus knocking?" Jesus is knocking on the door of our hearts. He is asking us to let him in to begin a new life in Christ.

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Father Shamon is administrator of St. Isaac Jogues Chapel, Fleming.

Daily Readings

Monday, March 18

Daniel 13:1-9, 15-17, 19-30, 33-62 or

13:41C-62; Psalms 23:1-6;

John 8:1-11

Tuesday, March 19

2 Samuel 7:4-5A, 12-14A, 16; Psalms

89:2-5, 27, 29; Romans 4:13, 16-18,

22; Matthew 1:16, 18-21, 24A

or Luke 2:41-51A

Wednesday, March 20

Daniel 3:14-20, 91-92, 95;

(Ps) Daniel 3:52-56; John 8:31-42

Thursday, March 21

Genesis 17:3-9; Psalms 105:4-9;

John 8:51-59

Friday, March 22

Jeremiah 20:10-13; Psalms 18:2-7;

John 10:31-42

Saturday, March 23

Ezekiel 37:21-28; (Ps) Jeremiah

31:10-13; John 11:45-56

The Catholic Courier again plans to honor couples for their "Milestone" anniversaries.

Those couples who will mark 25, 50, 60, 65, 75, 80 or 85 years of marriage this year, or did earlier this year (2002), may be listed in the annual Milestones/Vocations issue. It will be published April 11.

Please send the following information:

Full names of husband and wife; Date of wedding; Church and city where married.

Also include a telephone number should questions arise.

Deadline for submissions is Monday, April 1.

Send the information to: Catholic Courier, P.O. Box 24379, Rochester, NY 14624, or e-mail it to agall@catholiccourier.com.