



## **Conference Proceedings**

### **GLOBALIZATION FOR THE COMMON GOOD 9th ANNUAL INTERNATIONAL CONFERENCE**

*“In Search of the Virtuous Economy: A Plea for Dialogue, Wisdom,  
and the Common Good”*

**School of Business, Center for Leadership & Values  
California Lutheran University**

**Thousand Oaks  
June 06 - June 10, 2010**

**Prepared By  
Jamshid Damooei, Ph.D  
Prasad Athani, MBA**

## Table of Contents

Foreword .....	4
Welcoming Remarks of Co-Chair of the Conference .....	7
Welcoming Remarks from the Mayor of Thousand Oaks.....	9
Opening Remarks of the President of California Lutheran University.....	10
Opening Remarks of Dean of the Business School.....	13
Opening Remarks of the Founder of GCG Initiative .....	16
Opening Remarks of the Provost of California Lutheran University .....	23
<b>KEYNOTE SPEECH.....</b>	<b>28</b>
<b>Panel Abstracts.....</b>	<b>41</b>
The Challenge to Conventional Economics and the Emergence of the Need for Creation of a Virtuous Economy: An Overview .....	42
Ethical Foundations of an Ecological Political Economy .....	42
Ethical Investments for a Sufficiency Economy: Panel of Globethics.net.....	43
Mass Media, Financial Crises and Social Responsibility: The Quest for Ethical and Balanced Reporting.....	43
Engaging Youth Spirituality for Positive Social Change.....	44
Spiritual Intimacy.....	45
The Democratization of Philanthropy: Positive Alternatives to Traditional Ways .....	46
Concurrent Breakout Session: Linda Groff Panel.....	47
<b>Individual Abstracts.....</b>	<b>48</b>
Human-trafficking: Responsibility for Demand and Moral Responsibility .....	49
Is the Value Vision of an Organization Real? A Value Science Approach to Bridging the Gap between Real and Espoused Values .....	50
Implementing a Vision: Bringing Values-led Management to Life in a Faculty of Management .....	50
Family of Tomorrow (khanavadeh e farad).....	51
Training in Economic Management Project in Cuba .....	52
A discussion of the Prerequisite for Global Peace and Justice .....	52
The Power of Story in Human Brain and Globalization of Values .....	53
Approaching Climate Justice .....	54
The Religious and Spiritual Philosophy of the Bahá'í Faith on Globalization .....	55
Economy and Religion in the Era of Globality .....	56
'Love in Truth' in Bangladesh.....	57
Tipping Points .....	58
The Importance of an Integrated and Holistic Education in Creating an Ever-Advancing Global Civilization: The Role of Religion and Science .....	58
New Universities for the Developing World.....	59
Ecological Economics and Social Justice .....	59
Homo Economicus Lost: Recovering the Virtuous Economy.....	60
Ethics of the Long Term.....	60
<b>Full Text of Papers .....</b>	<b>62</b>
Alter-globalist Latin American Religious Responses to Economic Globalization.....	63
Human-Trafficking: Responsibility for Demand and Moral Responsibility.....	85
'Love in Truth' in Bangladesh.....	116
Economics and Economists Engulfed By Crises.....	131
The Role and Significance of Religion and Science in Creating an Integrated Holistic Educational System and Global Civilization.....	157
Social Justice for an Ethical Ecological Economics .....	177

**Homo Economicus Lost: Recovering the Virtuous Economy..... 186**  
**Biographies of Presenters..... 191**

## **Foreword**

**Charles Maxey, Ph.D**

Professor and Dean

School of Business

Center for Leadership and Values

California Lutheran University

Thousand Oaks, California, USA

Between June 6 and June 10, 2010 the California Lutheran University School of Business and its Center for Leadership and Values had the privilege to host this international conference:

Globalization for the Common Good – An Interfaith Perspective – In Search of the Virtuous Economy: A Plea for dialogue, Wisdom, and the Common Good.

The dialogue presented around the issues identified in the title at the conference and captured in these Proceedings has its greatest value not in articulating so fully and intelligently the scale and complexity of our current global economic, social and political problems, but in presenting for our consideration and appreciation the ingenuity, faith and respect for others that are being brought to bear on these challenges and issues. The reader will be reminded throughout these pages that caring people with passionate commitment and creative intellects can help us find new windows of understanding and paths toward justice in a more human society. They can give us the intellectual tools to tackle seemingly overwhelming institutional problems and the renewed motivation and inspiration to take on the tasks of working for the common good.

Is this a strange or unusual perspective for an American school of business to promote and foster? We think not – we embrace the need to search for humanistic solutions to the very real human problems we now collectively face as being at the core of what we do and what we teach our students to value. We hope that the conference participants and the readers of these proceedings benefit as much from these insightful conversations and presentations as we did.

In his keynote address – Economy and Religion in the Era of Globality - Dr. Hans Kochler set a somber but compelling tone, touching on issues and themes that would be raised again in panels and discussions throughout the conference. Issues such as these:

- The tremendous inherent economic risk when the pattern of globally integrated economic processes outpaces the reach and capacity of existing institutional safeguards.
- The moral bankruptcy of feeding human greed by profiteering from financial transactions and “bets” which create no real economic value.
- The difficulty of engendering an adequate moral or political system of self-adopted constraints or ethics of conduct absent a compelling, perhaps religious imperative for understanding human worth and purpose.

His essay was a clarion reminder of how long and often these same issues have been raised in serious historical discussions of the human condition and how real and large are the threats posed now in our era of technological and institutional sophistication.

The ensuing panel discussions elaborated on these themes and questions, seeking to shine some intellectual light on the increasingly foreboding clouds of economic and socio-political darkness that seem to threaten us today. Panelists called on us to:

- Rethink the attempts to integrate economics with ethics and spirituality. Will we be able to find, panelists asked, agreement on an ethical and sustainable approach to the global economy?
- Consider the possibility of an ethical foundation built on an ecological political economy embedded in the biophysical systems of our planet and our larger universal system. Can we understand the nature and purpose of men and mankind in this larger and vastly more complicated intellectual context? Where and how do we begin?
- How can our economic and financial institutions be “recentered” to become engines of ethical economic investment for the sustainable development of sufficiency economies that would be needed to provide for basic human needs in many parts of the world?

- What are the responsibilities of contemporary media, economic and political institutions?
- How can we better prepare youth to become engaged and deal constructively with these daunting problems?
- Can a new form of spiritual intimacy reveal our commonalities of need and bind us closer as fellow human beings?
- Can new forms of non-profit organization decision-making and resource allocation activities bridge the sometimes difficult divides of perspective and prioritization of change between those with resources to invest and those in the communities of need who are impatient for change?

The dialogue that flowed out of these and other vital questions over the five days of the conference greatly enriched the perspectives of those in attendance. These Proceedings allow us to share some of these valuable insights and formulations with others and, thereby, offer them the opportunity to be “part of the solution.”

August 2, 2010

**Welcoming Remarks of Co-Chair of the Conference**  
**Sunday Night Opening Ceremony**

Jamshid Damooei, Ph.D  
Professor of Economics and Chair  
Department of Economics, Finance and Accounting  
School of Business  
Co-Director  
Center for Leadership and Values

Good Evening,

I am Jamshid Damooei, Co-chair of the conference. I am Professor of Economics and Chair the Department of Economics, Finance and Accounting and have the privilege of co-directing the Center for Leadership and Values at California Lutheran University.

I am delighted to see you all in our opening reception and would like to welcome you to the 9<sup>th</sup> annual international conference of the Globalization for the Common Good. I thought about tonight for the last few weeks, several times a day and we kept changing the number of people who would attend this event on a daily basis. I am glad that my forecast was wrong and the number of our guests tonight is much more than we expected to be.

The problems we have are complex and the solutions while in many respects available are hard to follow within the existing political climate in many parts of the world. Many of us may agree that our way of life brought us to a point that it is no longer sustainable and yet changing our way life seems a struggle that many of us do not wish to face. We value a market based economy and yet fail to see its failure. We speak of balancing the costs of our actions with their benefits but we are very selective to include the true cost of our decisions and allow for a tremendous amount of externalities that we do not wish to internalize. We are living a life like there is no tomorrow in our world.

Is it true that our problems are insurmountable and our solutions limited? This is a grim picture which may not be shared by many scholars and thinkers and we are fortunate to have in this conference those who will tell us what they think and I personally hope that by the end of these four days we will find that our options for solving our problems are far more than what many of us believe to be.

I would like to take a few minutes and express the sincere gratitude of myself, our conference co-chair Dr. Mofid, and CLU Executive Committee of the Conference (Dr. Herb Gooch, Dr. Pam Brubaker, Dr. Guy Erwin, Dr. Tierney and Rev. Melissa Maxwell Doherty) to those who made this conference possible. We are grateful for the support of our President, Dr. Kimball and Provost Neilson for their encouragement and support. We are thankful to Dean Maxey for his advice, encouragement and allocation of funds so we could begin to put our work plan together. I have a long list of people to thank in our administration and in every department; auxiliary services, conference and event section, Webmaster, creative media, university public relations office, finance and the list goes on. I would like to give special thanks to a small group of our wonderful conference assistants and administrators (Kim Nakano, Prasad Athani, Mali Mayfield, Himanshu Sharma, Amit Chawla, and Alisha Mota) for their selfless work all the way to the start of the conference and I am sure during our time of the conference in next four days. We are all colleagues and partners in organization of this event. I like to take this opportunity and thank a number of organizations who supported us through their financial support, allocation of resources, and for inviting and brining many renowned scholars, spiritual leaders, community organizers and in general people with good intention, kind hearts, and enlightened minds to this conference. Please forgive me if my list is inadequate and does not include your organization. We are grateful to the support of:

1. Globalization for the Common Good Initiative (United Kingdom)
2. Vesper Society (California)
3. Globethics.net, Switzerland
4. International Progress Organization (IPO), Vienna, Austria
5. Segerhammar Center for Faith and Culture (CLU)
6. Federation of Christian Ministries (USA)
7. McGill School of Environment (Canada)
8. McGill Law School (Canada)
9. Dalhousie University; Faculty of Management (Canada)
- 10.Center for Global Studies (Purdue University)

I apologize again to all those good friends that I missed to mention their names and title of their organizations.

Thank you.



**Welcoming Remarks from the Mayor of Thousand Oaks**  
**Sunday Night Opening Ceremony**

Honorable Denis Gillette

Mayor of Thousand Oaks, CA

*Transcribed from the Video of the Event*

Good evening everyone,

I have the honor of serving the 130,000 residents of the city of Thousand Oaks as their Mayor. I also have the privilege of having a long established relationship with CLU both as a student and an administrator and now as a very close friend.

I was particularly struck with your theme, our search for a virtuous economy – no small task. At a time when the world’s economy is in such chaos in our part of the world– in California, we are only \$ 20 billion in the hole and it is only going to get worse.

But I want to tell you that while you are here till Thursday if you have the opportunity, take a look around our city that is 47 years old. Prior to 1960’s this was nothing but a ranch land and a handful of Norwegian immigrants started out in mid 1800’s out of which came this community which is one of the most beautiful communities anywhere in the country. I want to invite you all to visit our shops, our stores and spend your money if you wish to do so and we get sales tax and we all will always appreciate it.

I hope that you all have an enjoyable time and have a very beneficial conference and much of your expectations are realized through your discussions. Thank you to the university and thank you all for coming.

Goodbye.

**Opening Remarks of the President of California Lutheran University**  
**Sunday Night Opening Ceremony**

Chris Kimball, Ph.D  
President  
California Lutheran University  
Thousand Oaks, CA

Good Evening,

Thank you, Dr. Damooei. It is my joy and honor to welcome everyone to this conference and to this campus. This is an important event for all of us, one of a series of such events over the past year of our 50th birthday celebration. Having the Mayor of Thousand Oaks, Dennis Gillette, here with us tonight is one sign of how important this event is to CLU and to the community.

For those of you who come from far away, fifty years might not sound too long for a university to be in existence and that is true even in the American context. Fifty years is pretty young for a university. And for a university to be founded as a church institution in the period following the Second World War is remarkable. The few higher education institutions that were founded in this country after World War II were public universities organized by various state governments. It was quite unusual for a church-related Lutheran institution to be created in the second half of the 20th century. Most of them date from the late 19th century. It was an act of courage to found a university here based on the conviction that it should serve the needs of Southern California and the Southwest. As time has gone on, the university's region has become international.

The university in its 50 years has changed a lot and the last few years in particular have seen a tremendous growth in the number of students. We are up to 3700 students: more than half are undergraduates and the remainder are in the masters and doctoral programs found primarily in the Schools of Business and Education.

For each of the last eleven years, the university has either dedicated or broken ground on a new building--or both. We plan to continue that trend this year and in the years to come. For those who perhaps visited the campus 15 years ago, it will look a lot different now. The

facility that we sit in tonight is coming up on its third birthday and still strikes many people who have been around Cal Lutheran for a long time as a wonderful gift made possible by some generous benefactors. This past year, despite the economic downturn, we have seen a record amount of philanthropic support for the university. All of these things – student enrollment, new buildings, philanthropic support--are signs of institutional health. But the most important sign of all is the quality of education in the undergraduate and graduate programs. We continue to make great strides there and that's due to the faculty across the schools and the departments. I would ask all of the faculty present here to stand up collectively so that we can recognize them.

While the university is only 50 years old, the tradition on which it is based, the Lutheran higher education tradition, is 500 years old and it is one that was born in a university. Martin Luther was a professor and he had all the attributes of the scholar: willingness to debate with ferocity, debate with intensity, debate with passion. The tradition at its best has always emphasized academic rigor, inquiry without boundaries, and a focus on excellence. We continue to believe that we live up to that tradition today.

The tradition is also one that calls for engagement beyond one's self and one's community, one that engages with the world in all its complexity. The university has throughout its history had a commitment to internationalizing itself. We are a part of the tradition of Lutheran universities in places from Northern Europe, Canada and the USA to El Salvador, Brazil, and India. We understand ourselves to be a part of a global conversation and that is what I think this conference speaks to in very direct ways. Our faculty represent international experiences and perspectives. We have programs such as the international MBA that grows out of international perspective of the university. So, having this conference for the next four days is very important for us in enhancing that perspective.

The best part of our tradition also calls for dialogue across faith traditions and to have you here for the next four days also captures what we believe we have to be as a university.

I want to thank all of you for attending and, in particular, I want to thank Dr. Damooei and Dr. Mofid, the two who have done so much to bring this conference here. As I said, it is an honor and a joy to welcome you all. I hope you have a wonderful four days here and,

despite the attractions of Southern California weather, hope that you all remain intensely focused on each of the sessions.

What I would like to do now is to introduce one of the people who has been instrumental in directing these intellectual developments within our School of Business. Our Dean, Dr. Charles Maxey, has done an incredible amount to bring in faculty who are interested in business and management issues across national boundaries and has provided tremendous support to the faculty including Dr. Damooei to help make this event possible. Please join me in welcoming Dr. Charles Maxey.

**Opening Remarks of Dean of the Business School**  
**Sunday Night Opening Ceremony**

Charles Maxey, Ph.D  
Dean and Professor  
School of Business  
Co-Director  
Center for Leadership and Values

Good Evening.

Let me add a warm welcome - on behalf of the faculty, staff and students of the School of Business – to all of the conference attendees and those traveling with them.

We hope that you enjoy your time with us and we are certain that we all will benefit from the conversations, presentations and discussions that will take place.

We are very impressed by the importance of the questions and issues that you all have contributed to this conference agenda.

The credentials you bring as scholars and practitioners to the consideration of these issues equally impress us.

We believe that the work that you will do here – articulating perspectives, exchanging ideas and integrating knowledge across disciplines in search of more equitable and sustainable economies, will be productive.

This work has never been more important.

In so many facets of modern life, a rapid and accelerating pace of change confronts us.

We witness the unprecedented power of new technologies to integrate economies, to create wealth, to foster health and welfare, and to facilitate communication.

But while these changes create enormous positive potential they also engender grave threats.

The speed and volume of communications and financial transactions that new technologies bring come with inherent threats that the systems themselves will spin out of control and that the levels and scope of economic volatility will be exacerbated.

And, despite these new capabilities, poverty and disease persist. While many people around the world are more prosperous, many more are less so. And the growing research on happiness and human well-being suggests that economic development itself has an important but in other important ways limited utility in truly enhancing the human condition.

We need deeper understanding.

We need enriched concepts and metrics for measuring progress. If our goals are a more humane world, our measures must be more than economic ones.

We need to better promote the active engagement of people across all societies in constructive activities.

We need to overcome the arrogance of indifference to the needs and circumstances of others.

There are certainly some positive signs today. Among people in general and young people in particular, we see growing interest in and concern about the environment, interest in helping others through social entrepreneurship, social investing, and so on.

Bringing market power to the work of helping others or preserving what is natural and good is powerful. But such trends are fragile and need to be nurtured, nourished and enhanced. And, they may not be enough.

We at the CLU School of Business are pleased to be a part of encouraging these positive changes and this conference. We have long referred to ourselves as a business school with a conscience – and our efforts both in and outside of the classroom seek to prepare our students not only with subject matter competence, but also with an active moral and ethical awareness and the sense of personal achievement that comes from doing the right thing.

Dr. Jamshid Damooei and I formed our Center for Leadership and Values a decade ago to help in this effort. We bring to the campus community issues and speakers related to values, character, leadership and constructive change in the larger community.

This conference is a fulfillment of that mission in every sense.

Your work here will be important to the process of developing and disseminating the ideas that will keep us moving in positive directions.

We wish you every success in clarifying the ideal of the virtuous society and in identifying the paths to achieving it.

We hope that your work here will cast a long shadow.

Thank you.

## **Opening Remarks of the Founder of GCG Initiative**

Dr. Kamran Mofid,  
Founder, Globalization for Common Good  
United Kingdom

Distinguished guests, colleagues, friends, ladies and gentlemen,

“Friends have come from afar, how happy we are”. How true these wise words by the Chinese sage, philosopher and reformer, the Confucius, are.

I wish to begin with a word of appreciation and respect for the First Californians, the Miwok, the Maidu, the Hokun, the Yukians, the Modoc, and all the many other indigenous peoples of this state. The First Californians revered the Earth and the entire community of life. They valued sharing, possessed egalitarian instincts, and were motivated by the common good. It is in conjunction with and in appreciation of their spirit that it is now so essential to build a new economy that can tap the entrepreneurial talents, the innovative skills, and the creative energies of the people of this state, this nation, and the entire globe in a socially just manner consistent with respect for the Earth.

California has frequently been the first in fashion, in entertainment, even as it has often been at the cutting edge technological development and of innovation in green technology, bio-medicine, and sustainable agriculture. Climate Change, Global Poverty, Inequality, and Instability demand that we build upon the creativities and accomplishments in which Californians have always excelled. From the marvel of irrigation farming in the San Joaquin to the wonders of Silicon Valley, California has repeatedly harnessed the talents and energies of its people. With its vast wilderness areas and abundant parks and preserves Californians have demonstrated their love for nature.

With its exceptional multi-cultural mosaic of diversity California is a beacon of hope. But now the times in which we live call for far more. The times in which we live call for harnessing talents, ambitions, and dreams for success in a manner more fully consistent with the First Californians, and in conjunction with people the world over, so that we can learn to live in harmony with the earth, with other species, with ourselves, and in justice and equality with one another, where we seek first and foremost the common global good



rather than mere private or national gain.

I also wish to give my thanks and appreciation to our host today: the California Lutheran University. Your Vision, mission, commitment and purpose are mine also. To provide access to higher education opportunities that enables your students to develop knowledge and skills, improving and empowering themselves, to be an asset to their organizations, to provide leadership and service to their communities and more, is what a truly great university should be all about. The Lutheran tradition in support of scholarship and search for truth and adherence to seeking reason and keeping dialogue among differing views alive and strong is a great tradition that we all whole-heartedly support.

I also wish to give thanks to all those who have worked so hard to make this conference, this wonderful event possible:

First, I wish to give my heartfelt thanks and appreciation to all our speakers and participants. The conference is truly privileged to have speakers of the highest calibre, sharing your views with us all. Without you there would have been no conference, but with you, we hope, we can travel together to heal the troubled and torn cultures of our time and pave the way to global justice, peace, prosperity and harmony for all.

I wish to express the conference's respect and sincere gratitude to each of our presenters for their extraordinary commitment in being a part of this vital effort. Each one of you brings a missing and essential piece that completes the process, leading to a better understanding of what globalization is all about. Hopefully, together, we can clearly argue for and insist on social and economic alternatives that address the roots of global injustice and inhumanity, leading to Globalization for the Common Good.

I am also grateful to and thank all the conference delegates who have come from near and far to be with us. It is wonderful for academics and non-academics to get involved and engaged with one another, so that we can all share each other's varied experiences.

I wish to give a special thank and my greatest appreciation to Drs. Christopher Kimball, President, Leanne Neilson, Provost and Vice-President, Academic Affairs, and Charles Maxey, Dean of the School of Business, California Lutheran University. I do know that

without your personal love, support, friendship and input, we would not have been able to have such a great and rewarding conference in California. I thank you most sincerely and wish your university a Happy 50th Birthday and many Happy Returns.

I am grateful to, and thank the Conference Executive Committee (Guy Erwin, Herb Gooch, Pastor Melissa Maxwell-Doherty, Nathan Tierney, and Pam Brubaker). They have given their time, expertise and know-how as volunteers to Globalization for the Common Good. I thank them all most sincerely.

I would very much like to thank my conference co-convener, Prof. Jamshid Damooei. Jamshid has been a beacon of support and I am grateful to him for all his assistance in bringing the GCGI to California and the California Lutheran University. Jamshid has shown what can be achieved when the cornerstone of friendship is for the common good. A special thank is also due to the admin, IT, the conference centre, the catering and the student volunteers, amongst others, who have been working so hard, ensuring our comfort and wellbeing.

I am most grateful also to our many supporters and sponsors: especially the Vesper Society, Federation of Christian Ministries, Segerhammar Centre for Faith and Culture, Globethics.net, Dalhousie University, Faculty of Management, Centre for Global Studies, Purdue University Calumet, McGill School of Environment, McGill University, and International Progress Organization (IPO).

Ladies and Gentlemen, now I wish to share with you, briefly, a summary of our common good journey.

It is amazing to me that nearly ten years have gone by so quickly. What began as a simple idea to share the practical wisdom of the common good, dialogue, generosity, kindness, and more has blossomed into an internationally recognized nonprofit organization that has become the leading resource “inspiring people to do great things for the common good”.

From the very beginning, I knew that we will succeed, if we can reach-out to many around the world and be an all volunteer network of individuals, while approaching our growth organically and focusing on our vision and mission.

As you might imagine, in the initial days when we began sharing our vision of doing things for the common good, we were met with a great deal of skepticism, apprehension, and thankfully, some warm embraces and love too. We were energized by all of those early experiences and continued to find ways to build ideas, programs and initiatives around our main message and theme of Globalization for the Common Good.

Perhaps our greatest accomplishment has been our ability to bring Globalization for the Common Good into the common vocabulary and awareness of a greater population along with initiating the necessary discussion as to its meaning and potential in our personal and collective lives.

Over the past nine years, The Globalization for the Common Good Initiative has become a global family of friends, a place of hope, kindness, generosity, harmony, dialogue and the common good. We have reached this level of success and recognition because of you and are grateful every day for your support whether as direct volunteers, occasional admirers, through your inspirational ideas and sponsorship of our conferences and more. Mostly, we are humbled by your courage to be the example and inspire us for what we are and what we do.

The Globalization for the Common Good Initiative (GCGI) first came into being at an international conference held in Oxford, United Kingdom in 2002. An extraordinarily diverse group of scholars, academics, policy experts, entrepreneurs, and activists, from multiple nations and faiths came together at that time to implement our vision to rekindle the human spirit in order to make globalization compassionate. We recognized the multitude of crises faced by humanity and the need to provide a multi-cultural/multi-ethnic and inter-faith framework to address the global issues raised by globalization- a framework to both analyze the problems and to propose solutions. Ever since, these annual conferences have been held in many countries on different continents providing a gathering place for those committed to our vision to build community, encourage dialogue and openness, while developing rewarding and fruitful relationships.

In our work and research, since the early days of 2002, we have offered a vision that positions the quest for economic and social justice, peace and ecological sustainability, ethical and corporate social responsibility within the framework of a spiritual consciousness

grounded in the practice of open-heartedness, generosity, and caring for others. The GCGI concept is inclusive, mindful of environment and the human connection to nature. Our vision encourages us to believe that real, viable, sustainable, ethical, and profitable capitalism is possible. What is needed to realize our vision is a more inclusive holistic view of “the bottom line.” Success needs to be redefined in a manner that leads to dramatic transformation of people and societies spiritually, economically, socially, and environmentally, if we desire to pass on a better world to our children and grand-children.

We combine empirical, theoretical and applied research with sustained engagement at international, regional, national and local levels to analyze many different facets of globalization and the common good, empowering us to seek and suggest humane solutions to the challenges of globalization. We aim for an enabling environment for international research excellence involving diverse and critical approaches.

We propose a comprehensive examination of the major attempts to integrate economics with ethics and spirituality, along with an exploration of the theoretical underpinnings of these activities. Our central focus is on solutions to the global economic crisis. In considering the need for bold economic initiatives, we will keep in mind the deeper questions that rarely find their way into political debate or public discourse. We explore the emerging economic issues as well matters that are deeply ethical and spiritual: What is the source of true happiness and well-being? What is the good life? What is the purpose of economic life? What does it mean to be a human being living on a spaceship with finite resources?

These questions and more need to be reflected upon, debated and ultimately be answered and put into policy formation, guiding us to a more humane globalization, enabling us all to live a fulfilling life, in peace and harmony.

GCGI is now recognized as an initiative that has succeeded in establishing a large, vigorous, interdisciplinary, inter-faith and spiritual team of researchers to focus on issues of globalization, the common good and other related subjects. The expertise of those who have supported the GCGI includes economics, business studies, political science, international relations, history, philosophy, sociology, social anthropology, psychology, media studies, geography, environmental studies, mathematics, physics, chemistry, education, development studies, peace and conflict resolution, law, ethics and theology.

It should be noted that, given the GCGI inclusive and pluralistic orientation, the Initiative neither emphasizes nor excludes the perspective of any particular World Religion or spiritual point of view and it endorses no specific political party or political affiliation.

In conclusion, since its establishment at a major Conference in Oxford in 2002, the GCGI International Conference Series has become an annual event growing as it has traveled across the globe through Saint Petersburg (2003), Dubai(2004), Kenya(2005), Honolulu(2006), and Istanbul(2007). The 2008 conference was held at Trinity College, University of Melbourne, and the 2009 conference was hosted at Loyola University, Chicago, whilst the 2010 conference was hosted at the California Lutheran University in Thousand Oaks, California.

The 10th Anniversary Conference of the GCGI will be hosted at Bibliotheca Alexandria during 12-16, June 2011, with the main theme of "Globalization for the Common Good and the Dialogue of Civilizations: Building Peace, Justice, and Prosperity Together".

In these times characterized by the spread of violence, terrorism, wars and xenophobia, the commitment to dialogue among civilizations is a welcome antidote to the looming clash of civilizations and to various forms of hegemonic domination and cultural standardization. The place of civilizations in the contemporary globalised world has become increasingly a matter of sociopolitical and economic debate in this era of globalization. Civilizations are, in fact, a major component of human development. Indeed, the history of humankind can be thought of as the unfolding of interactions and exchanges among civilizations.

The question of the scope and potential of dialogue among cultures and civilizations is achieving unprecedented significance, especially in the present international context. More than ever before, dialogue poses a fundamental challenge and must be based on the unity of humankind and commonly shared values, the recognition of the world's cultural diversity and the equal dignity of each civilization, culture and individual. Why is it necessary to engage in a Dialogue of Civilizations? What can we learn from past dialogues? What effect could an increased dialogue have on the substance and process of international relations? Could there be any such thing as a global ethos, a common overarching human value system, a globalization for the common good that transcends cultural and civilizational differences, directing us towards a world of harmony?

At the dawn of the third millennium, dialogue of civilizations is confronted by many challenges, particularly the challenge of dialogue between peoples from the Islamic, European, Asian and American civilizations, to name but a few. A further serious challenge is fear of the other, or more aptly the fear of Muslims or what is known today as Islamophobia. We need also to face up to the main cultural challenges of modern times in order to achieve positive results that would give humanity a chance to live in peace, safety, prosperity and harmony.

All peoples of the world, including Arab and Muslim people, must combine their efforts in order to face up to the tough challenges born out of globalization. Muslims have to immediately close ranks with the West in a fruitful and efficient intellectual and cultural alliance. Through this alliance, they will be able to draw up reference criteria for dealing with one another, provide correct information about Islamic

This major global conference is being Co-convened by Ms. Heba El-Rafey, Director, Dialogue Forum, Bibliotheca Alexandria and I concepts, precepts and teachings that Muslims apply in their daily life not only as a matter of faith, but as the set of unwavering ethics adhered to by all Muslim communities wherever they maybe.

By bringing the Dialogue of Civilizations and Globalization for the Common Good together, we can become a bridge of reconciliation, hope and harmony, bringing down the walls of hatred, fear, selfishness, greed, individualism and poverty that separate us from dialogue and understanding. Good dialogue needs good globalization and vice versa.

I ask your support for this timely and international conference for a continuing contribution to our understanding of globalization, dialogue of civilizations and the common good.

Thank you very much for your kind attention.

**Opening Remarks of the Provost of California Lutheran University**  
**Conference Scheduled Panels and Plenary**

Leanne Neilson, Psy.D.

Provost and Vice President for Academic Affairs

California Lutheran University

On behalf of California Lutheran University, I would like to welcome you to our campus, as we gather together to discuss how we can create a more responsive and just global financial system. I would also like to acknowledge the presence of GCG's founder, Dr. Kamran Mofid, and to personally thank Jamshid Damooei and his CLU colleagues for their hard work in bringing this conference to reality.

It is with great pride that we host this conference here at CLU. I'd like to share some information with you about Cal Lutheran and I think you'll see why this conference is such a good fit for us.

First, a little history. CLU was established 50 years ago as California Lutheran College back in 1959 with a gift of 130 acres of land from a Norwegian rancher, Richard Pederson. In fact, if you walk to one end of our campus, you can still see his ranch house, now housing our music department offices. In these early years of the school, and of the community of Thousand Oaks, the surrounding area was mostly undeveloped or pastureland—not the houses you see today. In fact, as late as the 1970s our alumni will tell you that a Basque shepherd could be seen herding sheep on the mountains right next to the campus. The early TV series *Gunsmoke* was filmed in the area, as were many Hollywood movies.

**(LUTHERAN HIGHER ED)**

The original gift of land by Mr. Pederson was inspired by his Lutheran faith. Mr. Pederson stated that he was giving his land “To provide youth the benefits of Christian education in a day when spiritual values can well decide the course of history.” From its founding to today, CLU remains a part of the 500-year-old tradition of Lutheran higher education. We are one of 26 campuses across the United States affiliated with the Evangelical Lutheran Church in America. Lutheran higher education is noteworthy for its tradition of openness to addressing issues of faith and reason. Simply put, we honor our students' individual beliefs,

at the same time that we encourage them to see how their academic pursuits intersect with issues of faith.

Each CLU undergraduate student is required to take two religion courses, so that they will grow in their understanding of religious history, beliefs and customs. Classroom discussions often include dialogue where Christian ideas and values are contrasted with other seriously argued positions. Our professors encourage students to explore their own thoughts and beliefs, to ask the hard questions and seek their own answers. This kind of academic environment is challenging, but we find that it enables our students to become independent, thoughtful and compassionate individuals whose lives have meaning far beyond the work they choose to do.

**(DIVERSITY/INTERNATIONAL STUDENTS)**

In living our values-driven mission, “to educate leaders for a global society,” we welcome diversity in all of its forms. Our students come from 40 states and 36 countries, and represent a wide variety of faiths and cultures. Last year we had more than 240 international students on campus. We have active multicultural and international programming that encourages face-to-face interactions among all groups.

We also encourage our students to study abroad. They can study for a semester or longer with CLU programs in eight countries or they can choose from 70 countries to participate in programs with affiliated schools. Our faculty also offer two to three-week travel seminars where faculty travel with students and combine classroom study with international experience. We’re very excited about future opportunities for our students because of recent gifts that we’ve received totaling nearly a million dollars to provide financial support for students studying abroad.

Another way we reach out beyond the walls of our campus is through service learning experiences. Our students have built houses for Habitat for Humanity in Honduras and Mississippi, cleaned litter from the Ventura river bed, and lent their time and boundless energy to other nonprofits.



**(CLU MISSION, ANNIVERSARY)**

Given our tradition of openness and our globally focused mission, our campus is an ideal place to host this conference topic of globalization for the common good. Our mission shares some of the same values: we aim to prepare students for leadership positions in a global society, and we hope that they will leave CLU with a commitment to service and justice. California Lutheran University celebrates the 50<sup>th</sup> year of its founding this year, with a renewed commitment to its mission. In fact, this conference is part of our 50<sup>th</sup> anniversary celebration. Our graduate programs will also celebrate their 25<sup>th</sup> anniversary this year, an anniversary that demonstrates our growth from that very small college in the 1960s. Today we have about 3700 students at CLU, with about 2400 undergraduates and 1300 graduate students.

**(GLOBAL STUDIES)**

No matter what discipline these students choose to study, across the curriculum global issues are at the forefront as never before. I mentioned the students' study- and volunteer-abroad experiences. We've also taken advantage of our proximity to diaspora communities in Los Angeles to bring the world to our students. In CLU's Global Studies major, students spend time in Los Angeles for "domestic immersion" experiences – that include fieldwork and research. In the past two years, students have worked with Thai, Armenian, Korean and Persian communities and nonprofit organizations on projects of mutual interest.

This Global Studies major fosters students' recognition of their own ability to make a difference in the world, encouraging them to find solutions to issues they encounter in immigrant and underserved communities. As student Duncan McDaniel '11 observed about his experiences in the Thai community, "You read everything in a textbook, but until you see it, it's hard to really understand."

**(CENTER FOR LEADERSHIP AND VALUES)**

Funding for the Global Studies major was provided by one of our generous benefactors, the Pearsons. They also funded CLU's Center for Leadership and Values in our School of Business which is your host for this conference. The Center encourages discussions of issues related to values, character, leadership and social progress both within the University and in the larger community. The Center is co-directed by our School of Business Dean, Chuck Maxey, and Professor Jamshid Damooei.

**(CENTER FOR EQUALITY AND JUSTICE)**

Much like the Center for Leadership and Values, CLU's Center for Equality and Justice integrates teaching, service, scholarship, and community-based research by partnering with diverse groups and communities. By addressing some of the key issues of our times — social inequality, economic justice and diverse cultural identities — the Center for Equality and Justice offers practical assistance to community-based organizations.

**(CLU EMPHASIS ON UNDERGRADUATE RESEARCH)**

We are also a campus that emphasizes student-faculty collaboration and research. In 2008 we took the step of establishing a formal Office for Undergraduate Research to centralize existing efforts and improve future efforts for undergraduate research. The Office provides travel grants for undergraduate students to present their research findings at regional and national conferences. And the Office organizes a weeklong Festival of Scholars each spring where we celebrate both our undergraduate and graduate students' research.

Summer is a very active time for student research at CLU, and faculty are intensely involved in one-on-one mentoring of student research. Because of the generosity of donors who support student research, we currently have a number of undergraduates spending the summer living on campus and working full time on their research projects.

**(CLU STEWARDSHIP, SUSTAINABILITY)**

We are also committed at CLU to be good stewards of the land and its resources. This is demonstrated in multiple sustainability initiatives across campus, from our first LEED-certified building to be completed in August, to a campus-wide focus on recycling and energy efficiency in our existing buildings. Our sustainability focus has also influenced course content across the curriculum, from an undergraduate Environmental Science major, to nonprofit, green business and social enterprise courses in the School of Business, to focusing on sustainability issues in an advertising class.

Ideally, all of our graduates will leave here with a sense of direction and empowerment, a belief that they can personally effect change in the world. As Dr. Mofid has asked, "What does it mean to be a human being living on a spaceship with finite resources?" What are the moral principles on which our economy, and our personal, individual actions, should be based? This conference helps us by enabling our community to hear firsthand from all of

you who have not only asked the right questions, but who have begun to develop the answers.

Thank you very much for honoring us with your presence and for allowing us to host this conference. We hope your visit in this part of the world is enjoyable, and the conference fruitful. As we face newspaper headlines in which Israel is intercepting aid ships in international waters en route to the Gaza Strip, in what they describe as “an act of self defense”-- as the UN calls the United States the greatest user of targeted killings for its use of drones in Pakistan and Afghanistan, and as we face environmental disasters of an unprecedented scale, this conference is more timely than ever, as we take the time to “open our minds and hearts to finding answers.”

As Gandhi once said, “We must be the change we wish to see in the world.” This conference is an important step toward that change. My sincerest welcome to you all.

## KEYNOTE SPEECH

**International Progress  
Organization**



**Organization Internationale pour le  
Progrès**

A-1010 VIENNA, KOHLMARKT 4 • TEL.:43-1-5332877 • FAX: 43-1-5332962 •  
info@i-p-o.org • www.i-p-o.org

**Dr. Hans Köchler**

University Professor of Philosophy  
Co-President, International Academy for Philosophy  
President of the International Progress Organization

**Economy and Religion in the Era of Globality**

**Globalization for the Common Good – An Interfaith Perspective**

*“In Search of the Virtuous Economy:*

*A Plea for Dialogue, Wisdom and the Common Good”*

California Lutheran University

Thousand Oaks, California, USA, 7 June 2010

© by Hans Köchler, 2010. All rights reserved.

ADVANCE ACCESS

Text prepared for the online journal of the Globalization for the Common Good Initiative.

Draft versions of Chapters I and II have been previously released by the International Progress Organization.

V4/11-VI-201

## Introduction

More than ten years ago (1999), I said at the University of Munich in Germany, at a symposium on “The Challenges of Globalization”:

The dynamics of the Western system of liberalism, as expressed in the “free market,” or *laissez faire*, economy, have led to an ever more intense polarization of global society along the lines of the North-South divide between the industrialized and the “developing” worlds (a division that goes back to the era of colonialism). Since the end of the East-West Conflict (...), the ideological model of liberal capitalism has found virtually no rival capable of challenging its quasi-missionary drive towards international hegemony. The dogma of “profit maximization” has gradually relativized all other criteria by which economic activity is evaluated. Even human labor, knowledge, values and spiritual orientations have become commodities in the global competition for economic advantage.\*

The results of this reductionist, and ideologically extremist, approach have become more visible during the last decade. Industrialization and technology have brought about a virtually “borderless” world of economic exchange, a process that has increasingly nourished the illusion of man’s ability to become the sole master of his destiny, indeed the architect of his happiness, individually as well as collectively.

The rude awakening from this illusion of omnipotence in the course of today’s systemic crisis of the global economy will have made people aware of the limits and contradictions of globalization, and, so I hope, will prepare them to ask the fundamental question as to the possible incompleteness of an exclusively economic approach.

The systemic crisis of the global economy, mainly triggered by the unregulated financial sector in the Western industrialized world, where the logic of greed seems to have “replaced” financial common sense, makes it imperative to reflect (a) on the very nature of finance, the “ontology of money,” so to speak, and (b) on the role of religion in a context that excludes, almost *by definition*, any

---

\* Hans Köchler, “Philosophical Aspects of Globalization,” in: Hans Köchler (ed.), *Globality versus Democracy? The Changing Nature of International Relations in the Era of Globalization*. Vienna: International Progress Organization, 2000, p. 3.

consideration of the transcendent (i.e. a reality that reaches *beyond* the economic realm).

To avoid any conceptual misunderstanding: we have to undertake this reflection in a scenario that is generally described as “globalization,” but actually means that process’s neoliberal version, which has nothing in common with “responsible globality.” Only the latter term describes both, the *status quo* of the economy at the beginning of the third millennium, and the *moral challenge* that results from the by now irreversible fact of permanent interconnectedness not only in the economic, but also the political, legal, social and cultural domains. The entire globe has become the field of virtually unrestrained competition. However, as we shall explain later, a (geographically) *borderless* economy does not mean that there exist no *moral borders*, or limits, to the pursuit of wealth, a point the *Globalization for the Common Good* initiative has consistently emphasized.

(I) The reification of money as the “golden calf” of consumerist society

When we deal with the nature of finance – undoubtedly an indispensable element of advanced economic activity –, it is appropriate to look back at the almost forgotten efforts of the United Nations, abandoned under pressure from the supposedly “free markets,” to introduce a fair system of international economic exchange that would be compatible with basic moral principles. This brief recapitulation may help us to better understand the real causes of today’s global crisis.

On the 1st of May 1974, the General Assembly of the United Nations, in its Sixth Special Session, adopted the “Declaration on the Establishment of a New International Economic Order,” which put special emphasis on the *sovereign equality of states*. Highlighting the basic principles of a *just economic order*, the Declaration demanded “[f]ull and effective participation on the basis of equality of all countries in the solving of world economic problems in the *common interest* of all countries.” (Paragraph 4[c]/ emphasis by the author) At that time, the member states of the United Nations also emphasized the importance of “full permanent sovereignty of every State over its natural resources and all economic activities” (Paragraph 4[e]) – something, which, by now, has become an impossible dream for most, if not all, economic actors.

The General Assembly subsequently adopted, at the same session, a “program of action” concerning the international economy, with one chapter dealing with the international monetary system. It may be of interest – in view of the situation we find ourselves in at present – to recall some of the points listed in this program of action by the representatives of the then international community. First of all, the United Nations member states demanded measures “to eliminate the instability of the international monetary system, in particular, the uncertainty of the exchange rates.” The second point I would like to mention here was the member states' emphasis on the “maintenance of the real value of the currency reserves of the developing countries.” In that regard, they called – more than three and a half decades ago! – for the “creation of international liquidity ... through international multilateral mechanisms.”

In a meeting of experts on the idea of a new international economic order, which the International Progress Organization held in Vienna way back in April 1979, our experts had also emphasized the principle of “mutual economic responsibility” at the international level, and the need of “shifting the emphasis,” as far as the value system is concerned, “from having to being, and from consumption to quality of life.”\*\* In general, we had – may be naively – demanded at this meeting that the economy be founded on *ethical principles*. In the 1999 conference on the challenges of globalization (from which I briefly quoted at the beginning) our organization had further warned of the threat of global instability resulting from totally unregulated markets that operate on the basis of a misunderstood notion individual freedom.

Regrettably, in the time that has passed since the United Nations initiative for a New International Economic Order, the global economy has developed into the opposite direction. The General Assembly’s vision of a just new order was effectively rejected by the industrialized countries at the Summit of 22 world leaders (including leaders from 14 developing countries) in Cancún, Mexico, in October 1981. I would like to recall here the leading role of the United States delegation under President Ronald Reagan as far as the rejection of the demands of the developing countries was concerned. The very notion of a new international economic order was effectively buried at that time.

---

\*\* *Communiqué* of the international meeting of experts on “The New International Economic Order – Philosophical and Socio-cultural Implications,” in: Hans Köchler (ed.), *The New International Economic Order*. Guildford (UK): Guildford Educational Press, 1980, pp. 101ff.

Since that moment the neo-liberal project of globalization went on, fuelled by an ever-increasing ideological zeal, in spite of the warnings and protests of many leaders from the developing world. As far as today's mainstream (neoliberal) doctrine of globalization is concerned, I would like to give the following characterization: What we have witnessed unfolding during these decades, namely since the beginning of the 1970s, is an *irrational*, almost crazy belief in a kind of financial *perpetuum mobile*, that means an assumption as if wealth could be created by means of financial transactions, or so-called financial instruments, alone. That belief has become obvious in certain attitudes and practices which included, for instance, policies according to which regulatory mechanisms have deliberately been weakened, or completely given up, in the name of economic liberalization. One may recall here the role of U.S. Federal Reserve Chairman Alan Greenspan during this crucial period. It cannot be emphasized enough that the regulatory authority of the state has been completely eroded in favor of what was, and still is, called, "the free flow" not only of commodities but also of money, *beyond* borders. All of this has been idolized through the slogan of globalization. The World Economic Forum in Davos has undoubtedly served as one of the *fora* and public relations venues to promote that ideology.

However, instead of a just new world order, which President George H. W. Bush had prematurely proclaimed in 1991 in the United States Congress, a state of global disorder has eventually been brought about as a result of the states' abdication of their responsibility for economic and financial policies. Instead of promoting the *bonum commune*, the authority of the state gradually gave way to powerful, but completely unaccountable, vested interests at the *transnational* level. Under the slogan of globalization, the "cycle of greed" in which the economy got entangled has brought about a systemic crisis not only of the methods of international economic exchange, but, as we can say by now, of international relations in general.

In spite of the magnitude of the problem, the advocates of the neoliberal ideology still insist to address the crisis by way of dealing with its symptoms only, and they do engage, as far as one can see, in a rather stubborn denial of reality when it comes to the identification of the real causes of the crisis of their particular version of globalization: namely, first and foremost, the exclusion, not only of *geographical*, but, as I said earlier, of all *moral* boundaries that must govern economic activity.



It, thus, appears appropriate to go “back to basics” and pay attention to fundamental philosophical considerations about money. It may be worthwhile, in this context, to reconsider the principles of finance that have been outlined almost two and a half millennia ago in the era of classical Greek philosophy. Aristotle has made us aware of the truth that money does not have a natural value, that it is not a commodity. Its value is determined by the human being, namely by governments or other economic actors, through agreement (*conventio*) or law – νόμος (nómō) in the Greek terminology –, i.e. through a determination, a rule. To make the point, Aristotle referred to the etymology of the Greek term for money, namely: νόμισμα (nómisma), which is derived from νόμος, the Greek word for law, or regulation.

According to Aristotelian philosophy, money is the means that enables the exchange of goods, because it allows measuring the value of goods. It ensures the commensurability of the goods we want to exchange. If the “numismatic” character of money – if we may allude to the etymology of the Greek term *nómisma* – is ignored, currencies are traded as if they were commodities. As we all know by now, international currency speculation as a means to generate wealth by artificial methods has indeed been one of the causes of the global financial crisis.

Furthermore, the *value* of money, and in particular the relative “weight” of each currency in international financial exchange, is to be rooted in the wealth represented by the real economy. There exists no such thing as an *abstract* (or intrinsic) value of money as such. If this basic truth is overlooked or deliberately ignored, financial speculation will thrive, and so-called financial instruments will be “created” in a never-ending sequence – as if real wealth could be generated in a fictitious and illusionary manner. In actual fact, these are all merely artificial transactions – if they are not embedded in value-generating activities of the real economy. This is the reason why the generation of wealth by means of “financial instruments” alone – such as the trading in currencies, stocks, futures and so on – is, in fact, of the nature of a pyramid game. The pyramid will inevitably collapse at the very moment when the real economy demands its right and people momentarily lose confidence in the myth of wealth creation through speculation, a development that abruptly ends the cycle by which ever new amounts of liquidity are being provided.

Not only in a philosophical but also in a wider context of social responsibility, it is important to stress the intrinsically unethical nature of financial speculation,

whether in currencies, stocks, futures, etc. In this way, wealth – artificial wealth – is created at the expense of others who are effectively expropriated in the course of the inevitable collapse of the system, something that we have been witnessing during the recent – and ongoing – financial crisis. Recalling the emphasis the Greek philosopher put on the “unnatural” form of the creation of wealth through mere financial transactions, one should also be aware of the famous dictum in Πολιτικά (Politiká), Book I, part 10, where a procedure is being condemned through which someone “makes a gain out of money itself, and not from the natural object of it.” That is a clear-minded, 2500-years-old reminder of the importance of the *real* economy. The Aristotelian verdict is not only directed at taking interest on money, but it does apply to financial speculation in general, highlighting the unproductive nature of this kind of quasi-economic activity. This approach is further illustrated by other phrases coined in that treatise, namely, of the “birth of money from money,” or the “breeding of money,” as the most unnatural form of acquiring wealth. As far as I can see, it is only Islamic teaching that has upheld these truths up to the present time – while Christianity seems to have forgotten – for opportunistic or whichever reasons – about these teachings which it also had originally endorsed.

The time has come to revisit the insights of Greek philosophy as to the nature of money as a means to determine the value of goods, to make those goods comparable and thus allow economic exchange; and, finally, we have to consider the ethical principles that govern this activity. It is often said that “globalization knows no borders.” We also have to be aware that the method of international economic and financial exchange that is being idolized in this common dictum has not only no geographical boundaries, but is often understood as having *no moral limits* as well. As a result of this perception, we are now confronted with a systemic crisis of epic dimensions. One of the basic reasons of this predicament – which many did not want, and still do not want, to acknowledge – is that the moral constraints on economic behavior, including the teachings of religions, have been systemically ignored, and even rejected outright.

This state of affairs makes it imperative to reflect upon the principles of economic activity *as such*. In particular, we will have to reconsider those ideas which link finance to the real economy, namely to the manufacturing of goods, and we should seize this opportunity to propagate the creation of a genuine new international

economic order, one that is based not on the myth of neoliberal globalization and the philosophy of greed, but on principles of wealth-creation that are oriented at the *bonum commune*.

This implies, *inter alia*:

- that we acknowledge the regulatory authority of the state, as an integral part of the exercise of the state's sovereignty and responsibility vis-à-vis its citizens;
- the establishment of regulatory mechanisms at the international level, by means of inter-governmental agreements;
- and the banning of patently unethical practices that are essentially based on speculation instead of genuine economic activity (which would be founded on rational expectations).

The “globalized” brand of “casino capitalism” includes methods such as the so-called short selling of stocks and economically artificial (though financially “real”) transactions that are related to the derivatives market and to currency speculation. It also includes all practices that are based on generating individual wealth by triggering the devaluation of currencies, stocks, etc., and in particular on systematically and deliberately making gain by speculating on the losses of others, through effectively “expropriating” other participants in an unequal game. Not to be forgotten in this non-exhaustive enumeration of dubious practices are all transactions that are based on the rationale of gambling, namely all forms of financial betting, which are still considered by many financiers as a legitimate form of economic activity.

Summing up this quick review of the consequences of unregulated markets and of a false and artificial perception of the nature of finance, one may state that, at this point in time, we witness the *bankruptcy of globalization* as the epitome of neo-liberal ideology. Apparently unexpected – that's what they say – by the neo-liberal ideologues, globalization has by now shown its real face; it has been proven to be an *illusion of wealth*, driven by individual greed. As such, the doctrine of globalization has been proven to be essentially *irrational*. The quasi-religious belief in the miracle of wealth creation by means of unregulated, virtually borderless economic exchanges has indeed all the characteristics of mass hysteria.

As I said earlier: it is an undeniable fact that we live in an ever-more interconnected world. The course of history, and the development of technology in particular, cannot be reversed. However, under the present circumstances, it is of utmost importance that leaders and citizens alike, who are committed to the common good, do everything in their power to arrest the repeating cycles of greed, which have ruined the lives of several generations, indeed millions of people, in the course of the history of the “free markets.” The global casino into which the unregulated financial markets have degenerated has to be shut once and for all. Only bold steps, collectively undertaken, towards responsible financial regulation will make possible the establishment of what the United Nations member states had envisioned back in the 1970s: namely a *just new world order* as a system of international relations in which all nations can conduct their economic affairs, and engage in economic exchange, on the basis of equality. This was the original idea behind the resolution of the Special Session of the United Nations General Assembly in 1974 and – in view of the crisis of the global economy – it deserves even stronger consideration today.

So far, the international community (i.e. United Nations member states) has failed in the accomplishment of this task, and miserably so. It is here where civil society has to step in and where religion can play a genuine role, enabling us to better understand the crisis from an *outside* perspective – after all efforts of an *immanent* assessment have failed (because those analyzes have proven unable to address the basic paradigms – in fact stereotypes – of neoliberal globalization).

## (II) Transcending a purely economic approach

Viewed in the wider context of mankind’s efforts at “conquering” the world, the present economic crisis is not unique. Looking at the history of international economic exchanges, we observe repeated crises of the financial system in different epochs and under different social and political circumstances – as if man, when acting collectively, were unable to learn from his own errors. The global crisis we are confronted with today will definitely not have been the last, as long as the human race focuses all its attention and concentrates most of its energies on the goal of wealth accumulation for its own sake. Instead of accepting that effort’s intrinsic futility – in view of man’s mortality, in the individual as well as the collective sense –, the human race stubbornly engages in an effort that is nurtured by the fiction of endless progress

in space and time. The mechanisms of what can be described as historical “cycles of greed” (in terms of individual and collective action) inevitably lead to periodic economic collapses (that are often and superficially perceived as “crashes” of a supposedly stable order); that very dynamic will condemn mankind to a perpetual struggle of Sisyphus, having to start anew after every collapse, only to fail again.

The problems that are apparent in those repeated systemic crashes cannot be solved within the parameters of a given framework of economic and financial activity. The respective economic system has to be viewed – and evaluated – from an *outside* perspective. This means that its norms and given assumptions have to be transcended towards a realm that is independent of the human economy’s transactions in their totality. It is characteristic of the modern “globalized” economy that its operations are not only conducted as if there were no temporal limits, but also without due consideration of social responsibility. It should, thus, not surprise us that most economic experts and political leaders in the industrialized world were unable to predict the present crisis – since they lacked the intellectual distance, or a point of reference outside the system, which is needed to adequately view and evaluate man’s economic activity. The apparent ignorance of the things to come on the part of the World Economic Forum in Davos is a case in point.

Furthermore, in a strict sense, there can be *no morality* as long as the contingent reality *alone* is seen as basis of human action. Without being able to relate our understanding of the world (“life-world”) to an external system of reference, man will always end up with the postulation of mere utilitarian principles as parameters for all his actions and will not be able to conceive of genuine moral values as guidelines for his self-realization. The ongoing global financial crisis – which is also a *systemic crisis* of the materialistic and areligious worldview of a dogmatically understood “globalization” – is clear and dramatic proof of the lack of moral credibility as well as sustainability of an economic doctrine that closes the eyes to the *conditio humana*, namely man’s finiteness and inevitable mortality within the physical world. Furthermore, the inalienable dignity of the human subject can only be ensured in a metaphysically “open” context.

Against this background of the (ontological) *incompleteness* of an exclusively immanent – and, thus, materialistic – worldview and that approach’s failure to detect the systemic (internal) contradictions of economic activity based on it, one can

distinguish two fundamental aspects of the *relevance of religion* for the analysis and evaluation of the contemporary economic and financial crisis:

- (a) The metaphysical aspect: The dominant economic system's internal "logic of greed" is based on the fictitious assumption that the accumulation of wealth can and eventually will go on indefinitely, an approach that excludes all limits in space and time (as if life on earth was eternal) and often also rejects any constraints in terms of basic moral principles. It is in fact related to a *linear* understanding of progress, which has all along characterized the industrialized world's ideology of "globalization." Only religion, not any empirical science or social tradition, can "break" this irrational dynamic of greed, since religion brings into human life an awareness of the absolute. Under the pressure to conform to an as yet undefined "modernity," and to function as an "efficient" participant in the ever more competitive global economic environment, modern man has all too often excluded religion from everyday-life. The religious interpretation of the world goes indeed *beyond* an "inner-worldly" (and exclusively secular) self-realization of the human being and exposes the intrinsic futility of every effort, whether individual or collective, at amassing wealth for the sake of gaining personal security and fulfillment. Religion evaluates human activity, including all matters economical, *sub specie aeternitatis* [under the aspect of eternity] and provides an interpretation of this activity that makes us aware of its limits vis-à-vis the absolute reality, and of the ultimate vanity of all material endeavors. Regrettably, establishment religions in the industrialized world at times appear having forgotten the essentially metaphysical message of religion, refusing to question the selfish and arrogant exclusion of the transcendent by the advocates of economic "liberalism," and resigning themselves to a rather opportunistic approach, which often makes institutionalized religion a mere corollary of a society that has become forgetful of its limitations and, at the same time, of the ultimate destiny of man.
- (b) The moral aspect: Unlike any historical ideology, political program or economic doctrine, whether of capitalism or communism or a so-called

“third way,” religion makes the members of the human race aware of their *common destiny* in the context of the universe – and *beyond* the lifespan of the individual as well as of any given society or civilization. The awareness of the *absolute* dimension of life implies, or is the foundation of, *solidarity* among individuals and groups (societies) at a deeper and universal (or global) level, comprising all civilizations and socio-cultural traditions. The moral aspect is intrinsically linked to the metaphysical aspect; it in fact results from the latter. The sense of common destiny that is generated by religion enables the members of the human race to commit themselves to a common purpose (i.e. one that all human action is *subordinated* to), which in turn paves the ground for solidarity among people of all creeds and cultures and helps modern man to escape from the trap of selfish isolation in which he got entangled due to the uncritical acceptance of the *supremacy of the economy* – or what may be called the ideology of “globalization;” the latter indeed appears to have become the surrogate religion of the modern industrialized world.

An analysis of the global economic crisis that ignores these two aspects of religion will actually only be able to propose a cure of symptoms, but will not be capable to grasp the root causes of the crisis, and will thus be unfit to offer lasting remedies that could prevent the recurrence of systemic instability in the future.

A sustainable solution to the crisis can never be found within the parameters of the present economic system, namely with the concepts of the *immanent* worldview that has caused that very crisis. This approach would create a *circulus vitiosus* in the literal sense: a vicious circle of self-betrayal, within which no genuine normative critique of economic activity will be possible.

The anarchic “network of greed” that the “globalized,” and highly interdependent, economy has become in our era – and mainly due to the uncoordinated interaction of individual and group interests, in total neglect of the *bonum commune* not only at the level of the nation-state, but of mankind –, this network must be viewed and evaluated from outside of that system. Such a perspective can eventually only be provided by a worldview that goes beyond the parameters of the “life-world” (which is the subject of the empirical sciences), namely

by a position that includes the *absolute* as point of reference for the definition of humanity.

Only religion, not any worldly science or philosophy, however “enlightened” it may be, can provide this kind of *comprehensive* worldview, a position from which people can draw inspiration and motivation for joint action not only domestically, but at the global level too. Herein lies, in our view, the true meaning of *solidarity*. This approach alone may finally enable mankind to overcome the entrenched attitudes of *egotism* and *metaphysical nihilism*, which have been at the origin of modern materialistic doctrines (whether communist or capitalist), and which can now be identified as the root causes of the systemic crisis of the global economy.

### Conclusion

The belief in all things material and the subordination of human life to the supremacy of the economy has, to a large extent, become the surrogate religion of our time, indeed the credo of 21<sup>st</sup> century globalism. The modern idea of “progress” – as represented in the idealized process of “globalization” – is based on an artificial exclusion (indeed rejection) of man’s transcendent dimension and the negation of the finiteness of material resources. The quasi-religious belief in the growth of the economy, coupled with a linear understanding of time – the “false eschatology of growth” –, has created a false sense of security which does not stand the test of time (the latter being understood as metaphysically open horizon against which the human being defines his identity). The *metaphysical* and *moral* dimensions of religion serve as a corrective to this approach.

While globalism (the neoliberal version of globalization) means an essentially economic world without political, legal or moral boundaries, and conveys a false sense of universalism, it is religion that locates the human being in a metaphysically open context, which alone allows an adequate description of the *conditio humana*, a vision that transcends all economic prospects, irrespective of their geographical or temporal scope. Herein lies the true meaning of “globality.”



## **Panel Abstracts**

**JUNE 7**

**11:30am – 1:00pm**

**The Challenge to Conventional Economics and the Emergence of the Need for Creation of a Virtuous Economy: An Overview**

The current global economic crisis is deeply complex and perplexing. Many world politicians, business people, academics, activists, and civil society representatives, including many senior religious and spiritual leaders, have called for a new kind of “ethical capitalism”, a moral, spiritual and virtuous economy. People everywhere are calling for an international framework of standards for an equitable and sustainable global economy to replace the current economic system of unbridled growth and increasing ecological degradation. While some look for quick short-term solutions that would perpetuate the current economic model, others see the need for more fundamental changes of the model itself. Our challenge is great. In a time of continuing crisis and polarizing viewpoints, can the world agree on an ethical and sustainable approach to the global economy?

We propose a comprehensive examination of the major attempts to integrate economics with ethics and spirituality, along with an exploration of the theoretical underpinnings of these activities. In considering the need for bold economic initiatives, we must keep in mind the deeper questions that rarely find their way into political debate or public discourse. The questions that are deeply spiritual and faith inspired: What is the source of true happiness and well-being? What is the good life? What is the purpose of economic life? What does it mean to be human on a living spaceship with finite resources?

**JUNE 7**

**2:30pm – 4:00pm**

**Ethical Foundations of an Ecological Political Economy**

Ecological economics insists that we look upon the economy as embedded in the Earth’s biophysical systems. I take the next logical step of examining what this “new” economics would be if it were grounded in an ethics informed by the same

scientific perspectives that is the cornerstone of ecological economics. Ironically, the ethical assumptions underlying ecological economics has tended to remain anthropocentric in seeking to assess the value of ecosystems in relation to human needs and uses (e.g., as revealed in the term “ecosystem services”). Any serious attempt to formulate a new economics along the lines of ecological economics cannot, without radical and impermissible schizophrenia, rest on an ethic that assumes only persons have moral standing.

We are thrust into a different narrative than the one to which we are accustomed. We come to see ourselves as part of an evolving universe which is continuing a creative unfolding giving rise to emergent properties such as life and mind. Our whole ontological frame of reference is changed and we must re-examine that nature of the person as understood in this scientific narrative. And we are led to having to rethink governance and civil society. In short, once the challenge of ecological economics is faced squarely our whole world is put into play. Can we emerge in a flourishing manner, or even alive?

**JUNE 8**

**9:30am – 11:00am**

**Ethical Investments for a Sufficiency Economy: Panel of Globethics.net**

Sufficiency economy serves people for their basic needs, as Gandhi said: there is enough for everybody’s need, but not for everybody’s greed. It is based on the key virtues of moderation and modesty. What kind of ethical investments contribute to a sufficiency economy in global competitive markets? How does the banking sector be re-oriented to serve this goal? What are anthropological premises of the sufficiency economy in world religions? How does it support the right to food?

**JUNE 8**

**2:00pm – 3:30pm**

**Mass Media, Financial Crises and Social Responsibility: The Quest for Ethical and Balanced Reporting**

Social responsibility should be the cornerstone of every institution dealing with public affairs, interests, knowledge, living standards, people's rights, and financial matters. In view of the recent global financial crisis and unethical conducts of financial institutions in cover-ups and questionable schemes, along with the failure of mass media to scrutinize and uncover the economic institutions wrong doings, this interactive panel will discuss and explore the social responsibilities of media, economic, and political institutions. The panelists will also recommend a set of standards and approaches to prevent similar situations from occurring in the future.

## **JUNE 9**

**11:00am – 12:30pm**

### **Engaging Youth Spirituality for Positive Social Change**

Children of the Earth (COE) is a UN affiliated educational non-profit that works towards expanding global consciousness and cooperation through promoting intercultural understanding and social responsibility. COE offers leadership programs focused on peace building skills for children and youth both here in the US and abroad, as well as promoting an international network through its chapters in Ghana, Nigeria, Pakistan, Philippines and Uganda.

World Spirit Youth Council (WSYC) is a project of COE. It aims to ignite the inner evolution of youth to bring about a greater social revolution through gatherings, networking and peer teaching. WSYC gatherings of international heart-centered youth have been held in Nepal, Thailand, Japan, Canada and Switzerland. At these gatherings youth train one another and explore conflict resolution, *Sociocratic* decision making, and spiritual practices from myriad traditions. Hubs, which are points of connection and action for WSYC, have been established in Canada, Philippines, Switzerland, Nepal, Pakistan and Nigeria. This emerging model of youth action rooted in the spiritual understanding of universal unity steps beyond interfaith cooperation in to intra-faith connectivity. By connecting deeply to our core selves and one another youth are empowered to imagine and implement innovative approaches to our calling in this world, whatever that may be.

Presentation Outline:

Youth led Meditation (5 Min)

Introduction of the Mission and Vision of COE and the WSYC project (5 min.)

Stories of hubs and activities, illustrated by a PowerPoint (10 min)

Open discussion of the importance of spiritually and ethically rooted activism in creating a more virtuous economy and world (10 min)

## **JUNE 9**

**11:00am – 12:30pm**

### **Spiritual Intimacy**

After you have explored religious differences and similarities, after you have compared your holy books, after you have organized successful interfaith events for the larger community, including artistic and social action programs, where do you go next? We discovered that the next level for our group was to explore “spiritual intimacy” with one another by organizing two-day weekend retreats that would allow us to create authentic and deep spiritual fellowship. In addition to our usual custom of praying together, dialoguing, and sharing food, we decided we would also play games, create art, sing songs, take a walk, sit in silence, learn a sacred dance, and allot designated time to hear one another fully, with a profound ear. The result of fully listening to one another’s spiritual autobiography, plus our recreational activities, brought us to a higher level of intimacy than we had imagined. We experienced the deep benefits of this process for ourselves and we would like to share it with others, because we believe it could also contribute toward the healing of our planet.

Panelists (representing different spiritual-religious traditions) will each respond to one or two questions on their spiritual journey, showing how spiritual intimacy was created by sharing on deeper levels. Audience members will have a similar opportunity, after this panel, to share on a deeper level with each other in small groups, via participating in a breakout session, where similar questions on their spiritual journey will be given to them to share.

**June 9**

**2:00pm – 3:30pm**

**The Democratization of Philanthropy: Positive Alternatives to Traditional Ways**

In parallel to the emergence of social enterprise entities and the ever-increasing awareness of social justice issues, there are trends promoting fundamental social change that are appearing in the world of philanthropy. These trends will be addressed on both the macro level of progressive philanthropy and the micro level of specific, localized examples. Examples include the history and effectiveness of “Giving Circles,” shared leadership models, and nontraditional partnerships. These partnerships occur between socially active foundations, family foundations, a collaborative Social Justice Fund Giving Circle, and local “social profit” organizations. Specific processes for determining the Giving Circle funding priorities and developing and sustaining community partnerships will be explored. This includes the conscious involvement of group wisdom and community feedback in fund development and funding priorities in promoting social “change, not charity.”

A question I think about is this: What will I do with my dollar? It’s a question that prompts me to take seriously my commitments as an engaged citizen within my community and beyond. Today, in the United States, charitable donations to domestic organizations that grapple with poverty and racism have declined. This is not good news. So today’s panel topic is timely: The Democratization of Philanthropy: Positive Alternatives to Traditional Ways.

In this panel we will be shown the current trends in the work of philanthropy both within the United States as well the global community. We will learn about the emergence of progressive philanthropy and discover how it is lived out within the communities of Ventura and Santa Barbara counties—through the work of CAUSE (Central Coastal Alliance United for a Sustainable Economy) as they approach justice and economic issues that affect the lives of many, through the grass roots model of Giving Circles, and through the shared leadership model represented in the Social Justice Fund which fosters social change.

**Concurrent Breakout Session: Linda Groff Panel**

Title: “Contemporary Global Declarations: A Sign of an Emerging, Interdependent World”

It is no accident that various interfaith groups are bringing their members together to draft global declarations, on common values that their members, from different religions, can all support. These declarations are a sign of an increasingly interdependent world, which is seeking ways to come together and honor our human unity and interdependence, as well as our diversity of backgrounds. In the interreligious area, some have proposed that this is indicative of a Second Axial Age of the World's Religions emerging, where when people from different religions come together, they now focus on areas they have in common, not just their differences.

This workshop/breakout session will cover some key global interfaith declarations, including the context in which they are occurring, their purpose and substance, as well as the process by which they were drafted and agreed upon. Declarations to be covered will include: Global Ethic (from Parliament of the World's Religions), United Religions Initiative Charter, Earth Charter, and UNESCO Declaration on Contributions of Religions to a Culture of Peace.

## **Individual Abstracts**



## Human-trafficking: Responsibility for Demand and Moral Responsibility

**Lisa Mary Connell**, Ph.D Candidate, Victoria University, Melbourne, Australia

Human trafficking is reported to be both the fastest growing, and the second largest, illegal industry in the world. Physical and psychological abuse, coercion and loss of freedom are central elements of the common exploitation experienced by trafficking victims. Central to the survival of this trade are the enormous profits gained from a human product that can be sold repeatedly and with impunity.

Discourse, policy and counter-trafficking strategies traditionally focus on traffickers and their victims. I expand the discussion to include governments, businesses and other global influences that foster an environment in which human trafficking flourishes.

Furthermore, societal complicity in the global demand for services of trafficked victims needs to be acknowledged and confronted in order to address individual and collective moral responsibilities to those affected by the trafficking trade.

## The Experience Economy

**Dr. Phil Connell**, Founder and Editor, Futuring Leaders, Los Angeles, USA

This presentation follows the stages of development of human individuals, and organizations, as social beings. The steps from organizational values formation lead to group identity for the Personhood, or living community of learning. The transformed paradigm of the excessively acquisitive form of capitalism is presented as The Experience Economy. This brings us to small groups (memes, Personhoods) as reinvigorating forces for aging individuals or corporations, Toyota for example, as opposed to Procter and Gamble.

## Is the Value Vision of an Organization Real? A Value Science Approach to Bridging the Gap between Real and Espoused Values

**Dr. K.T. Connor** Specialized in Organizational development, Axiologist and also the Vice-President for Applied Axiology for the Robert. S. Hartman Institute.

Many organizations claim a value-based vision and mission. Yet instances abound in which a proclaimed value system is misunderstood or misapplied as it circulates through the organization. Vision and mission alignment is critical if organizations are to proactively identify and live their values. The question needs to be asked: Are the values espoused by an organization (its vision) made apparent by all in the organization (its reality)?

The basic structure of Robert S. Hartman's Value Science affords a practical way to determine this. It allows us to more precisely ascertain how ethics is perceived by the different levels of the organization, and how much incongruity and hence stress exists with regard to what is ethical. Actual data from a manufacturing company indicates the gaps that can exist within a supposed ethical organization. The role of business education is to help organizations deepen their awareness of the ethic's meaning, and of the gaps between espoused and real value systems. They do this by providing a way to identify the structure of ethical thinking, and a way to identify these alignment gaps.

## Implementing a Vision: Bringing Values-led Management to Life in a Faculty of Management

**Dr. Peggy Cunningham**, Acting Dean, Faculty of Management, School of Business Administration, Dalhousie University, Canada

The Faculty of Management at Dalhousie University has a loft vision of reforming management education so that future managers and leaders of business and government have a more sustainable and responsible view of their roles. While developing such a shared vision is a major accomplishment, fully implementing the vision is a major challenge when there are few templates or best practices.

Nonetheless, the Faculty is heading down this path and is working with both partners from the university, community, and government to fully realize this vision.

### Family of Tomorrow (khanavadeh e farad)

**Dr. Bahman Dadgostar**, Director Hope Consulting Institute, Licensed Clinical Psychologist

*Introduction:* Families have always been a rudimentary but key source for the well being of the people of the world but, with the dramatically rapid changes taking place in the cultural, social, educational, philosophical, economic, structural and work related expectations in all countries of the world, certain expectations for the family have not kept pace. There is an obvious breakdown in the understanding and effectiveness of many towards understanding the role the family serves. We intend to illumine the positive changes taking place in the world and how we can tune into these and help carry many more families into the 21<sup>st</sup> century in a healthful congruent way.

*This paper will discuss:* The discussion will center on developing an understanding about the family (i.e.: families of the world) and will work as a guide to show that families do evolve and we will illustrate what can help these families move more quickly to become the fulfilling center of well being for themselves and they can hopefully begin by example to reach out to more peoples of the world.

*Problem statement:* What is the source of true happiness and well-being? What is the purpose of economic life? What is the good life?

*Conclusion:* Family is defined as a small group of people with some obligation to each other to support, love and care for one another. Family completes each other in some way. The family must have one foundation (base, root) but different branches and different fruit. Equality, respect and love are paramount because the family is a place for practicing justice: and justice is an important structural pillar of human life. The concept of justice here is that it is not punitive but it is educational and causes understanding and growth in the individuals. It is a talisman: it shows the status of the human being.

### Training in Economic Management Project in Cuba

**Dr. Martine Durier-Copp**, Public Administration Coordinator of the Training in Economic Management Project in Cuba, a project in its second phase funded by the Canadian International Development Agency, Canada

Dalhousie University's School of Public Administration (SPA) has been working with the Government of Cuba since 1999, on two major projects aimed at strengthening the Cuban Public Sector. Grounded in the Capacity Development Framework, the Cuban and Canadian partners have jointly designed and implemented these projects, which have built on the strengths of the Cuban public policy and management capacity. Evaluation findings show more effective and citizen-centered public services. This presentation will discuss the SPA's work with the Cuba Government in the context of capacity development.

### A discussion of the Prerequisite for Global Peace and Justice

**Dr. Keyvan Geula**, MFCC, Executive Director of Center for Global Integrated Education, Inc.,

In 1986 a statement called "The Promise of World Peace" was released by The Universal House of Justice; the Bahá'í International Governing Council. The statement serves as a hopeful promise as well as a warning to all the inhabitants of the world asking us to consider peace as a matter of principle and pursue it through an act of universal will avoiding the alternative which is arriving at peace after unimaginable catastrophes. This paper is an invitation to the globalization for the common good conference participants to reflect on the core values put forward in "The Promise of World Peace" while examining our perceptions and emotions about peace and justice today, about where we are, who we are and what we want.

This paper will reflect on and examine some of the recommendations of "The Promise of World Peace" statement and will explore how might the experience of the Bahá'í community may be seen as an example of this enlarging unity. We are happy to offer it as a model for study. We hold the conviction that all human beings have been created "to carry forward an ever advancing civilization, "that the virtues that befit human dignity are trustworthiness, forbearance, mercy, compassion and loving

kindness towards all peoples. We convey to you not only a vision in words: we summon the power of deeds of faith and sacrifice; we convey the anxious plea of our coreligionists everywhere for peace and unity.

### The Power of Story in Human Brain and Globalization of Values

**Dr. Keyvan Geula**, MFCC, Executive Director of Center for Global Integrated Education, Inc.,

The phenomenon of telling and listening to stories is as old as the history of civilization. The great civilizers of humanity; have used stories to educate and transform human reality. The stories of Job and Joseph have been revisited in the Bible, Quran and the Bahá'í Writings to teach us about the dual nature of man and the ways we handle ourselves in crisis and victory. In recent years and through the powers of internet telling stories has become a powerful means of globalization of values and change. Science is discovering the power of story in teaching a variety of concepts including math, physics, chemistry, etc. Psychology in particular has found the magical powers of the narrative and story in dealing with mental diseases especially trauma. Today, every person who has access to a computer can tell their story first hand and for the first time we see the role of story in the globalization of human values. Humanity has the potential and chance to sail its ark towards a global spiritual civilization and salvation or crash it in the violent storms of conflict and separation.

In this presentation we explore:

- What is the scientific definition of story?
- Why does human brain enjoy stories and what does this affinity do for the power of story?
- How do the emotional and cognitive effects of a narrative influence the work of the mind in psychotherapy and help change our thoughts, views, feelings, beliefs and real-world decisions?
- Why and how the messengers of God have used the power of story and narrative to teach, to guide, and to propel humanity through successive and progressive revelation of values towards an ever advancing civilization?

- What are the implications of story in the curriculum of Global Integrated Education and globalization of values; the eminent approach of the oneness of all humanity? What are some of the examples of use of story and narrative in Bahá'í prayers and Teachings that supports globalization of values towards an ever advancing and global civilization.

### Approaching Climate Justice

**Dr. Richard Janda**, Associate Professor, Faculty of Law McGill University, Canada

This paper explores the claim, in part also formulated by Slavoj Žižek and Jean-Pierre Dupuy, that only if we accept that ecological catastrophe is already the inevitable outcome of our current way of life will we be able to act in such a way as to take responsibility for that outcome. Such a claim, if true, means that climate justice can only be approached by taking on fiduciary responsibility for the breach of trust we have collectively committed and continue to invest in. It entails looking, retrospectively, at the conceptual and legal foundations of the economy that have made ecological catastrophe possible so as to re-cast those foundations to the extent we now can.

Taking on this responsibility has far-reaching implications. First, the form of selfhood or subjectivity captured in the role and function of economic agents can no longer be affirmed and reproduced. The freedom to act in such a way as not to harm others has become impossible, since all of our choices are now revealed as of immediate consequence to all others. At the same time, however, the legacy of that idea of free subjectivity will continue to remain present in our economy. Thus, second, a fundamental aspect of our current responsibility is to enable our existing subjectivity to transform itself and to operate elsewhere that in its imagined sphere of unencumbered choice. Third, this will mean that the resources already deployed by the resource-rich to impose catastrophe disproportionately on the resource-poor must be accounted for. It will also mean, fourth, that the autonomous endeavour of modern natural science to disclose the laws of nature will have to be re-conceived. The impetus for that endeavour was mastery of Nature, understood as other than, indeed over and against, ourselves. Its success has come at the cost of revealing that there is no autonomous Nature.

## The Religious and Spiritual Philosophy of the Bahá'í Faith on Globalization

**Dr. Jena Khadem Khodadad**, Emeritus Faculty, Rush Medical College, Rush University, Chicago

The religious and spiritual philosophy of the Bahá'í Faith, provide significant insights on the question of globalization. The forces of globalization are rapidly accelerating. The attainment of a global civilization is fundamental to the mission of Bahá'u'lláh, the Prophet-Founder of the Bahá'í Faith, who asserts that the purpose of man's existence is to know and to worship God and "*to carry forward an ever advancing civilization.*" The Bahá'í religious and spiritual philosophy inculcates the following convictions: 1. The course of human history is moving toward its culmination, the unified history of humankind. 2. A viable global civilization must be based on the recognition of the essential oneness of the human race; these are fundamental to peace, justice, security and the integrity and sustainability of planet Earth. 3. Ethics and morality inspired by spiritual principles must underlie a viable global civilization.

The rapidly accelerating forces of globalization have created turbulence in our world system such that the process of "chaos" is evident. This Chaos, as anticipated by the science of Chaos, holds within it an emerging order. The Bahá'í sacred texts describe the operation of two major forces which are intimately related and intertwined. One force drives the process of disruption and disintegration of the present world order, based on nationalism and fundamentalism. The other force drives the process of construction and integration of a new order world order, based on global ethics, the recognition of the oneness of the human race and the essential unity among the great religions of the world. Is it possible that amidst the turbulence and tumult of our times a major transformation, a spiritual renaissance, is taking place?

## Economy and Religion in the Era of Globality

**Dr. Hans Köchler**, Professor, University of Innsbruck, and President, International Progress Organization(IPO), Vienna, Austria

Industrialization and technology have brought about a “borderless” world of economic exchange, a process that has increasingly nourished the illusion of man’s ability to become the master of his destiny, individually as well as collectively. The rude awakening in the course of today’s systemic crisis of the global economy has made people aware of the limits and contradictions of globalization, and has prepared them to ask the fundamental question as to the incompleteness of an exclusively economic, and for that matter secular, approach. The paper demonstrates that the modern idea of “progress” – as represented in the idealized process of “globalization” – is based on an artificial exclusion (indeed rejection) of man’s transcendent dimension and the finiteness of material resources. The quasi-religious belief in the growth of the economy, coupled with a linear understanding of time – the “false eschatology of growth” –, has created a false sense of security which does not stand the test of time (as the metaphysically open horizon against which the human being defines his identity). The paper analyzes the *metaphysical* and *moral* dimensions of religion as a corrective to this approach. While globalism means an essentially economic world without political, legal or moral borders (limits), it is religion that locates the human being in a metaphysically *open* context, which alone allows an adequate description of the *conditio humana*. This requires a common understanding of humanity insofar as it is rooted in an *absolute* realm that transcends all economic prospects, irrespective of their geographical or temporal scope. Herein lies the true meaning of “globality.”



## 'Love in Truth' in Bangladesh

**Father William McIntire**, former Secretary-General, Maryknoll Fathers, chaplain to Mother of Theresa's Sisters in India and Bangladesh for the past two decades, USA/Bangladesh

Pope Benedict XVI's social justice Encyclical 'Caritas in Veritate' [Love in Truth] was originally intended for publication in 2007 to mark the 40th anniversary of Pope Paul VI's 1967 Encyclical 'Populorum Progressio' [On the Progress of People], which had eloquently presented the case for truly integral human development. But since Pope Benedict wanted to say something meaningful in the new Encyclical about the financial and moral crisis now engulfing our globalized world, publication of 'Love in Truth' was delayed until the end of June 2009. In Bangladesh, we are preparing to celebrate in 2011 the 40th anniversary of the 1971 War for Bangladesh Independence. That war caused this country terrible suffering, with up to three million dead and up to eight million who took refuge in India. But in this 90% majority Muslim country, the independence leaders then vowed to build a society where concern for the common good was foremost and where all human rights were respected.

The benefits of globalization in making the world a 'global village' are certainly praised. But financial greed and corruption have caused the world great harm, the gap between the rich and poor has greatly widened (even in developing countries like Bangladesh!), and problems like global warming threaten the very future of the planet. And Pope Benedict also warns our increasingly secularized world that scientific advances and technical solutions alone are not sufficient, and that true integral human development is impossible without 'a sense of transcendence.' Benedict says (#78) "Without God man neither knows which way to go, nor even understands who he is" and that "Openness to God makes us open toward our brothers and sisters and toward an understanding of life as a joyful task to be accomplished in a spirit of solidarity".

There is a renewed sense of hope now in Bangladesh! And all this is very much in accord both with Bengali values and with Benedict's Encyclical 'Love in truth'. This paper will attempt to shed light on "Love in Truth" in the context of our experience and expectations in Bangladesh.

## Tipping Points

**Dr. James Mulherin**, Research Associate, University of California, Santa Cruz, visiting professor at UCSC, SJCC, Monmouth University, Golden Gate University, USA

We as concerned individuals, communities, nations, and the planet face multiple, simultaneous crises such as increasing climate chaos, fossil energy depletion, developing water and food insecurity, etc., and their effects on society. At least two of these crises face “tipping points” that, unless prevented, threaten to put human society as it is now, out of business. The climate crisis tipping point as described by James Hansen and others comes from feedbacks that accelerate warming beyond human capacity to rein in. The energy transition tipping point as described by Joseph Tainter, Charles Hall and others comes from both the aggregate low “energy return on energy invested” of many alternative solutions and their slow rate of implementation so an accelerating decline in fossil energy can trigger a collapse to lower levels of social organization before alternatives are sufficient to support the current global and national complexity.

Obviously, the energy and climate crises impact each other as they are input and output aspects of the same human social-economic or metabolic interaction with our ecology. We know that business as usual is “unsustainable”; the worst case of being unsustainable is to be put out of business. We are in jeopardy so how do we get our act together in time? This paper is an endeavour to shed light on these pertinent questions and more. More narrowly the paper calls for changes in lifestyle patterns, work organization, income distribution, urban planning, transportation, population policy, women and minority rights, education, and food security. At the least sophisticated level, each of us can insist that both the energy and climate aspects of each of these issues must be solved in tandem whenever they are addressed.

## The Importance of an Integrated and Holistic Education in Creating an Ever-Advancing Global Civilization: The Role of Religion and Science

**Alex Habib Riazati**, MACP and Doctorate graduate student in Counseling psychology. Strategist and Scientist at Boeing Integrated Defense systems.

Today's problems are of complex nature requiring integrative and comprehensive resolutions. Human being occupies the central role in all aspects of existence. Hence, no solution to any problem can be comprehensively effective and sustainable without giving the due considerations to the noble aspect and the unique station of every individual human being and his/her natural rights that are established through social contracts; aiming at providing the means of development and growth to all the members of society.

### New Universities for the Developing World

**Dr. Philip Rosson**, Professor Emeritus, School of Business Administration, Dalhousie University, Canada

This talk will describe efforts of the World Trade University to establish universities in the developing world. The new institutions will provide alternative pathways for students in the region and focus on areas (e.g. trade, tourism, leadership) that directly impact on economic well-being.

### Ecological Economics and Social Justice

**Dr. Steve Szeghi**, Professor of Economics, Wilmington College, Ohio

I will examine the social justice implications of a robustly ethical ecological economics.

The lack of social justice in the economic system coupled with the scant attention paid to social justice in standard economics is an obstacle to a sane environmental policy both conceptually and in implementation. As we hopefully become more holistic in our thinking about the economic system, viewing it as a subset of a larger natural or earth system the need to think and act on social justice become far more imperative. Socially unjust societies are likely to exact heavier ecological impacts. Relying upon more and more economic growth to somehow bring about an end to poverty and unacceptable levels of inequality has not only proven largely futile but is also environmentally inefficient. The lack of social justice makes forward ecological

movement more difficult, just as constraining the scope and scale of the human economy, bringing it into balance with nature, for the sake of the earth and other species, makes fair and just distribution between humans more critical.

### Homo Economicus Lost: Recovering the Virtuous Economy

**Dr. Nathan Tierney**, Professor of Philosophy, Member of Conference Executive Committee, California Lutheran University, USA

In developing a theory of economic rationality, twentieth century neoclassical economists relied heavily on a model of rational choice in which both producers and consumers assigned marginal utility functions in such a way that individual preferences were optimally satisfied. Moral values and communal relationships were deliberately left out, both because they were difficult measure and because they were regarded as inherently uneconomic. Social well - being was calculated as an aggregate of the degree to which the preferences of each *homo economicus* were satisfied. This model of rational economic activity is no longer sustainable. The complexity, size and scope of our current economic system, as well as the serious social consequences when it fails, requires a more realistic model of economic choice which embeds and acknowledges values and relationships in both production and consumption. Such a model of the virtuous economy is briefly outlined in this paper.

### Ethics of the Long Term

**Dr. Peter Timmerman**, Associate Professor, Faculty of Environmental Studies, York University

The domain and range of human impacts, responsibilities and the implications of decision making are stretching out in time and space. Our current economic and ethical systems have mostly focused on the very short term. Standard economics focuses on idealized moments of “clearing”; or (in line with utilitarian thinking) proffers discount rates as a solution. Ethical systems have more breadth, but even they focus for the most part on immediacy or on abstract ideals. Many religious traditions also have a great deal to say about immediate and local duties, and some are deeply

concerned with the end of time. The medium and long term is understudied. This paper uses a variety of cases – including long-term sustainable societies, the troubling cases of climate change and the disposition of nuclear waste to highlight some of the issues involved, and set out considerations for the creation of a possible longer-term ethics. These considerations are compared and contrasted with standard ethical and economic approaches to considerations of the longer term, and notes particularly the temporal imperatives contained in ecological economics. Among the previous ideas and approaches reviewed are: aspects of economic and religious traditions that concern themselves with time and the longer term; Hans Jonas' ontological imperative; Peter Brown's work on "trust"; and my own work on the longer term as expressed in narrative, metaphor and symbol.

**Full Text of Papers**

## **Alter-globalist Latin American Religious Responses to Economic Globalization**

**Dr. Joanildo A. Burity**, Director - Faith and Globalization Program, School of Government and International Affairs/Department of Theology and Religion, Durham University, UK

Religious voices have become a recurring element of public discourse lately in many parts of the world. Valued for their contributions, faced with a condescending attitude reserved for idealistic thinking, or opposed for their tendency toward unwarranted or uncompromising claims to truth, those religious voices are increasingly heard. In some cases, such as initiatives taken by organisms of the United Nations and other multilateral institutions, they are sought after as authentic representatives of local constituencies around the world. An area where they had not been particularly active, or welcome, is that of economic debates and economic policy making. But this has significantly changed from the early 1990s onwards. This can be a recent development for certain religious groups, but the perceived public visibility of such religious voices is more the effect of a deliberate ignorance or indifference toward them than an actual return.

Old or new, there are religious discourses on the economy in the public square. And some of them have been very keen to articulate religious responses to the challenges of globalization, particularly in the context of anti- or alter-globalist discourses. Such religious discourses can come from different directions. Some may be purely reactive to uprooting and loss of hope brought about by the downside of the movements of financial capital and the alignment of governments in many parts of the world with the dictations of the market. Some may also challenge globalization from a more proactive way. One of the most remarkable developments in this case has been the emergence of religious agency in the wake of heightened discontent with globalization following street demonstrations against the WTO, in Seattle, in 1999. A major expression of such disaffection has been the World Social Forum<sup>1</sup>. But it is by no means the main or only site of religious activism in relation to economic global issues (cf. Mayo, 2005; MacDonald, 2006). My contention is that experiments like the World Social Forum are actually the tip of the iceberg of myriad small and big initiatives that have for some time enlisted but also been shaped by religious

organizations.

This paper will analyze a regional fraction of such endeavours, namely some Latin American Christian organizations which have played an active part in connecting notions of solidarity, cooperative forms of economic production, trade and consumption to a critical – but not sectarian – view of capitalism and a search for alternative forms of globalization. The tensions between ethical, political and religious discourses will be explored with relation to those initiatives as a means to shed some light on the requirements of whatever could be the contours of a contemporary virtuous economy.

In arguing this case, two basic assumptions and one statement of fact should be spelled out. First, the assumptions:

a) there is no single form and theory of globalization, but for this very reason whatever we say it “is” is inextricably a statement on what it “should be”. Hence, description is achieved through a selective process which neither comes by chance nor is neutral. Any description of globalization has to do with normative for a series of reflections by militants and official statements relating to the World Social Forum, cf. Sen et al., 2004.

engagements, standpoints, both those we start with (our own agendas and traditions) and those we aim at. Therefore, in seeking to probe the modes of relating to globalization or to contribute to coupling it with virtuous modalities of economic life, we must spell out our acknowledgement of these points. This is about epistemological assumptions, but it is also about values and commitments that at the very least distinguish us from others.

b) Also, we need to be clear that it is misleading to oppose virtue or the acknowledgement of values on our side, and lack of virtue or “pure” self-interest on the other side. In what we are about to explore, it should be clear that the debate on how to bring the (capitalist) economy in line with values – something religious discourse can be an example of – is a struggle for *what definition of virtue should prevail*, not its location on one single side along polarised battle-lines. This is, therefore, an ethico-political struggle which may (or may not) transform the ways in which we think of the economy and act as economic agents. The main thrust for this line of argument, in fact, goes beyond a consideration of whether there should be *more* virtues and values in the economy. I assume there always are, decisively so. The



problem is which values. What we need is to work out an assemblage of operations and coalitions to enact *a different game*, through connecting the crucial intervening role of social location<sup>2</sup> in the conformation and effectiveness of economic arrangements to the practical articulation of various kinds of political “friends”<sup>3</sup>.

This understanding can be found in William Connolly's recent assessment of the connections between capitalism and Christianity in the US. He says,

[C]apitalism – and every political economy – always has an ethos embedded in it. It is never disembedded. An urgent need today is to reload the ethos of investment, consumption, work, and state priorities. (2008:xiii)

By spirituality I mean individual and collective dispositions to judgement and action that have some degree of independence from the formal creeds or beliefs of which they are a part. (...)

A large cultural constellation can also emphasize one spirituality over another. I call a shared spirituality an ethos. An ethos of engagement is a set of constituency dispositions that informs the shape and tone of its relations with others. And it is more than shared: once a few elements are in place, the parties act upon each other through church assemblies, neighbourhood gossip, TV programs, electoral campaigns, casual sports talk, films, and so on, to amplify, dampen, or modulate that ethos. (...) \*Every institutional practice – including economic practices – has an ethos of some sort embedded in its institutions. The institutions would collapse into a clunking hulk if the ethos were pulled off. Of course the ethos might display considerable ambivalence, uncertainty, and points of contestation (Idem:2).

Here we can find all the aspects introduced above – ethos (hence, values, dispositions and actions) embedded in economic practices and institutions; and agonism between different shared spiritualities, including economic ones, highlighting their mutual contestation and the political moves they are permanently entangled in<sup>4</sup>. This is important because no discourse on what relates capitalism, globalization,

2 By social location I mean identity-forming features and organizational networks that define people's modes of belonging and chart the coordinates of their socio-economic practices. Though referred to the latter, such positionalities not only emerge politically but are also sites of politicisation, no matter how strictly “a-political” they may seem in relation to the conventional sites of politics.

3 I'm obviously alluding here to friendship as a political-strategic category, as it has been elaborated by Carl Schmitt or Jacques Derrida.

4 This applies even to professional economists who would apparently be far removed from any kind of consideration

values, morality, and faith will secure an inch's foothold in its struggle for acceptance or compliance (in a word, hegemony) by merely "preaching" values or "raising awareness" towards the bad effects of not having them.

A second formulation, now coming from a specifically religious ethical argument, is offered by Rebecca Peters<sup>5</sup>. For her,

"\*differing perspectives on globalization exist because people experience the world in different ways. Consequently, social location shapes the way that people approach the topic of globalization and causes them to reflect differently on their obligations, values, and decisions. In many ways the different theoretical standpoints addressed in this study represent not just four different viewpoints and voices, but four manifestly different social worlds that are marked and separated by particular values, some of which may be irreconcilable" (Idem:7)<sup>6</sup>.

In her case, these standpoints are thus named: neoliberal, development, earthist and postcolonial (Idem:10). The first two tend to uphold a positive view of globalization, while the latter two emerge as critiques of globalization. But Peters is far from approaching these positions from a no-place. She has her own agenda, in line with her understanding of the stakes. According to her normative framing of the debate: "our moral task is to ensure that globalization proceeds in ways that honour creation and life and that any theory of globalization ought to be grounded in values that prioritize a democratized understanding of power, encourage care for the planet, and enhance the social well-being of people" (Idem:5). These would stem from the "desire to pursue genuine critical social transformation" (Idem:7). Such understanding both enacts a different standpoint and requires a shift from the dominant logic of globalization (Idem:8).

In relation to such assumptions, I will also argue that they can be demonstrated to guide both the self-awareness of particular religious actors in our world, and their concrete actions to bring about a different articulation (Connolly would call it, assemblage) of religion and economic globalization. This will be exemplified through a Latin American form of alter-globalism springing entirely from within the religious field. Articulated around the syntagm "faith and economy" this discourse draws from both ecumenical Protestant and liberationist sources to find concrete forms of expression in various civil society networks and social movements since the early

1990s. We will see how.

On agency, faith and globalization

Before moving into our case details, there are two steps I still need to take. One will stress the fact that “between” values and actions something must take place. Although they are *formally* always embedded, there is also more than one way of bringing about their articulation, and each way bends and twists both of religious dimensions in the functioning of the economy. For an assessment of how economists' discourse is full

of values, and unstated or unreflective moral assumptions, see Nelson, 2010:72-74, 284-86. 5 I do not quite agree with the unproblematised way in which she invokes postmodernism into her analysis (cf.

Peters, 2004:4-6), but still value a good deal of her argument. 6 Contrary to Peters, I maintain that these differences are not merely, perhaps not even mainly, epistemological in

nature. Rather, they involve the triple register of identity – intellectual, affective, and practically-oriented – and therefore constitute difference as an ethico-political positionality.

sides of the equation, producing different if not opposing results. In other words, “between” those two constitutive dimensions of practices and institutions, values and actions, we need to locate an articulating function, an agency. Of course this is not the whole story, because all three aspects of this complex take their specific purchase and find their particular mode of articulation within a set of practices and institutions that are not simply a surrounding context. They prompt, induce, allow, constrain and are themselves object of attempted change or destruction through new value-action ensembles. The second move is an illustration of this point, meant to draw the attention to the fact that the terrain where an ethos of engagement (i.e., a shared spirituality in act) operates is never void, but is the object of contestation. In this case, I will point to an alternative form of religious economic ethos which is today fully at home in the dominant globalization discourse.

The need for agency does not predetermine who or what will play that role. But whoever or whatever does it will be decisive in shaping an ethos. Peters's argument (cf. 2004) corroborates this view of agency. This is on one hand a theoretico-political affirmation that there are alternative ways of constructing or morphing globalization. On the other hand, it is a call to responsibility. If we are not purely or entirely

determined by forces beyond our comprehension and control, then what direction these forces take or lead to is in part a result of various forms of agency. I would add: responsibility, however, is not a self-referential, voluntaristic disposition. It takes place in a relational context and depends as much on those who will benefit from a responsible stand as on those who are challenged or interpellated by it. Agency, as responsibility, therefore, is divided between a singular decision and a response to the other. As we will see below, this complex dynamics of embedded values, institutional life, and agency-amenable practices evinces distinct routes in economic life, which do not come without strife. The economy is a political field.

In the early 1990s, Latin America began its experience of neoliberal globalization. One by one, those countries joined the doxa that the times of state “interventionism” (developmentalism, state regulation of labour and markets, social legislation, social spending, etc.) were over and their deep economic and social troubles could be dealt with by full integration to the global market. The highly unequal, highly indebted, high-inflation and fragile Latin American economies were offered help in exchange for market freedom, deregulation of domestic financial markets and thus borrowed money from the IMF, the World Bank, the Interamerican Development Bank, conditioned upon the adoption of “structural adjustment” packages. Privatisation, deregulation and massive capture of economic and formerly public organizational assets by global investors dramatically reconfigured the economic and juridico-political framework of state-society relations. It didn't take very long, though, for the promises to reveal themselves as a continuation of the overall regional and indeed Western capitalist pattern of development-cum-inequality. Social exclusion soared, economic instability was amplified by the vulnerabilities now accrued through interdependence to global markets, the generalisation of the market logic to every corner of social life deeply affected the social bond. Violence and corruption became even more pronounced. Measured by the market values of competition, investment, profit, and efficiency, social life became significantly commodified. Disdain and indifference towards losers and misfits, the argument that blamed their incompetence, lack of qualifications or conformism and called them to be proactive in finding the way out of their misfortunes, added to this “banalisation of social injustice” (Christophe Dejours).

This all coincides with the gradual return to democratic rule after years of military-controlled and largely failed authoritarian modernisation. Promises of political

freedom, participation and well-being were associated with democratisation. An emerging, self-assertive civil society and a proliferation of social movements were an integral part in this reconstruction of democracy, soon becoming crucial elements in the steering of social change. The redressing of persistent inequalities, racism, gender domination, environmental depletion, and urban violence, among other critical problems, was strongly associated with the return to democracy. It doesn't take much to realise the mismatch of the two processes, and to imagine the tensions and clashes such disparate projects created within Latin American social formations. Any observer of the Brazilian 1998 financial crisis and the Argentinean 2001 turmoils could easily spot the fault- lines of such seismic cartographies.

This context represented both a defeat and a new opportunity to forms of religious discourse that had thrived in the continent throughout the previous two decades. Liberation theology among Catholics and ecumenical Protestants, and a discrete emergence of some sort of radical evangelicalism, had thrived on the rejection of military dictatorships as proxies for capitalism. They called Latin American Christians to break with political absenteeism or active condoning of dictatorships, and to respond faithfully to the Gospel message – as read by those radical religious movements – in committing to social transformation. For a while they were suddenly at a loss *vis-à-vis* the crisis of socialism in Eastern Europe and Russia, and the simultaneous advances of neoliberalism and economic globalization. Their growing impact within the religious field throughout the 1970s and 1980s was eclipsed by general apathy and demobilisation, as neoliberal policies were gradually imposed. Internally, the rapid growth of Pentecostalism, particularly its prosperity-gospel variant, made significant inroads into the constituencies formerly attracted to the discourses of grassroots, militant Christianity.

This serious challenge was responded to in ways that, however *ad hoc* and transitional (there is no space to pursue this point here), rendered more nuanced both liberation theology's and radical evangelicalism's original critical stances. A growing recognition developed about the relevance of culture and identity as irreplaceable dimensions of social life. Accordingly, any practice came to be described as a combination of material and symbolic elements. Therefore, how people signify their practices is a constitutive dimension of these and economic practices are just as much cultural (and political) as material. Thus, the deeply politicised tone of discourse in the seventies and eighties made room for a richer consideration and inclusion of

spiritual and ethical motifs. This formed the basis for a regrouping of those who remained attracted or committed to “left-wing religion”, and one of the outcomes of the process was a

renewed discourse on faith and globalization through a critique of neoliberalism: the “faith and economy” argument<sup>7</sup>. Together with the socio-political alter-globalist discourse that emerged a decade later, this argument was articulated to the latter's “another world is possible” motto.

Nevertheless, and here my second move finds its place, the liberationists and radical evangelicals then had to confront a powerful enemy within. For throughout the 1990s, emerging from the fringes of the growing Pentecostal movement as a distinctive variation, a religious counterpart of neoliberalism sprang forth in full force: the prosperity gospel. Originally bred and brewed in US conservative evangelical circles but reworked to as to speak to the poor, the theology of prosperity provided an intriguing and highly successful “libertarian” alternative to the costly activism associated with leftist religious discourses, centred in the notions of “struggle” and nothing short of an anti-capitalist structural transformation. Prosperity discourse was not only promised as a natural outcome of the correct faith and confession in God's power, but also had an empowering appeal to the poor's sense of self-worth and autonomy (gearing that toward entrepreneurship). It also reversed the future-oriented logic of liberationist struggle for structural change by promising more palpable and immediate gratification through access to consumption as a gift from God to those who give him first. A crude, radicalised version of the Calvinist blessed faithful, this voluntaristic, competitive and individualistic approach to faith made visible inroads in the religious field, heightening conflicts with Catholicism and mounting a formidable challenge to the discourse of liberation. At ease with the ethos of market competition, the narrative of prosperity reinterpreted biblical images of risk-taking, summoning God's power on behalf of his children and the fruition of God's grace in material terms (wealth, health and self-realisation) that sounded very much like a religious version of the neoliberal ethos. Adopting an aggressive expansionist strategy that combined political leverage, “secular” business ventures (operation of media networks, franchising, bank investments, property development, and a full industry of “religious entertainment”), marketing strategies and missionary outreach beyond national borders, some of the so-called neo-Pentecostal churches rapidly became powerful, if controversial, public actors.

Growing in numbers, highly professionalised in their economic and political initiatives, the prosperity- inspired brand of Christianity found in economic globalization a very rewarding setting for the enactment of their visions of “another Christendom”. For them another world was possible, too. Only this would be the world of unfettered global capitalism under a charismatic form of Christian ethos and theology. There is no sectarianism in the economic and political strategies of neo-Pentecostals: they actively work within the context of political and social pluralism and economic competitive players, and enjoin the collaboration or partnership of non-religious or non-Christian people. And contrary to old Calvinist thrifty and saving ethics, neo-Pentecostals are active and avid consumers. So, another agency articulating Christian values and

7 Building on the work of older generations of liberation theologians, such as Franz Hinkelammert and Hugo Assmann, and new contributions from younger theologians, such as Jung Mo Sung, this rethinking of liberation theology's more crudely Marxist accounts gave the movements a new chance of recasting its anti-capitalism in the light of a theological critique of the market. Cf. Assmann and Hinkelammert, 1997; Duchrow and Hinkelammert, 2004; Sung, 2007; 2008.

actions and, of course, redescribing those values as a result.

This is a force to reckon with in contemporary Latin America, as we look for the possibility of finding within the religious domain the resources and allies to infuse current global capitalism with distinct values and, as a consequence, altering its conformation (whether merely reforming it or setting off a structural transformation of it). They are counted in millions in the region, but are far from being an isolated case. The powerful association of conservative Christianity in America with regressive forms of capitalism and global discourse is another case in point<sup>8</sup>. Both configure, in different ways, what Connolly (2008) has called the “Evangelical-capitalist resonance machine”. They are a clear reminder that, in searching of the common good as an alternative mode of globalization, as another globalization, we would be advised to go beyond a simple call to connect the economy with faith values. Something is already in place, and any move to bring about an alternative will need to proceed at least in two fronts: economic reconstruction and ideologico-theological contestation.

The context in which Christian globalism and Christian alter-globalism emerge is one in which deep dislocation has unsettled older forms of economic and political

institutionalisation in Latin America and weakened alternative discourses to those. Formidable challenges are posed to the development of a “virtuous economy” in the face of current developments in the religious field, as well: fragmentation, perceived threats to traditional religious identities leading to reassertion of conservative views, internal dispute between growing conservative-capitalist articulation of discourse and dwindling or stagnant “mainline” forms of spirituality. However, there is no lack of alternative views. During the whole period underlying the argument so far, a recomposition of a critical economic discourse infused by a theological ethics of engagement was carefully crafted in response to perceived gaps and failures of the framework and practices of liberation theology. It can be presented as one of the sources for the anti-globalization and alter-globalization movements of the post-neoliberal era, also indirectly responding to the limitations of social-democrat and Third Way alternatives experienced as from the second half of the 1990s in some Latin American countries. We need to see them in more detail.

#### Alter-globalism as religious discourse

Alter-globalism emerged in the 2000s as an explicit challenge to “neoliberal globalization” which called for its rejection in the name of another globalization. Fully appreciating the potential for political and economic change introduced by the ambivalent forces of globalization, this movement sought to supplement the economistic definition of globalization with two broad and subversive elements: a) bringing to bear on each other the various dimensions or strands of globalization that could not be reduced to the shape and logic of the economy, such as the politicisation of global issues, operation and reinterpretation of the roles played by certain institutions of global governance, cultural globalization, the global diffusion of

8 One should not, in this case, exempt Catholic sources, as can be clearly seen, since the 1980s, in the development of the “democratic capitalism” argument by the likes of Michael Novak (cf. 1990; 1993).

technological and scientific innovations; b) using the network form of communication, interaction, economic organization and political mobilisation as a strategic device to coordinate small-scale actions in view of large-scale impact in the global scenario.

Clearly focused in resisting neoliberalism's capture of both the initiative and the imagination of what a global order should look like, the alter-globalization movement combined both anti-globalism and a sense of constructive proposition of alternatives.



The resistance element focused on countering the arguments that the neoliberal policies were the only credible form of steering the world system of nations and the global interdependent economy. This was done by calling the excluded to pride and to action in solidarity across borders and by bringing to the fore how globalization in its current form raised a much more insidious threat of Western dominance under the image of “the Empire”. However, beyond the protest dimension of certain anti-globalist movements, alter-globalism sought to offer counter-hegemonic visions of “another world” without neoliberalism. The World Social Forum, an event first convened in Brazil in 2001, became both a site and an icon of this alternative discourse on globalization.

Writing in the very first years of the alter-globalist movement, Peters both hit and missed the mark, by stressing its decentralised structure and grassroots dimension. She says that “Resistance to globalization does not follow traditional models of community organising and social change that are built on highly centralised organization models; rather the resistance to globalization is truly grassroots. In fact, the strength of the resistance to globalization, right now, lies in the fact that it is such a diverse and widespread phenomenon” (Peters, 2004:103). It is also acceptable that “to the extent that resistance to the dominant forms of globalization is presently manifested in a wide variety of movements around the world, it is more like a network” (Ibidem). However, as others have highlighted the movement is not simply horizontal and decentralised. There are several nodes that “stitch” certain actions together or command more initiative and leadership than other groups, globally and locally. The network image is more three-dimensional than a horizontal/vertical distinction can afford. It is through the combination and understandable tensions that the articulation of a very heterogeneous collection of groups, organizations and movements, operating at different levels and scales that the movement should be best seen.

A succinct depiction of the main tenets of the movement is offered by Marcheletti:

In contrast to the supposedly constitutive flâneurisme of cosmopolitanism, alter-globalism highlights the inevitability of relying on local factors for building up a viable political community. Social cohesion and solidaristic ties are needed for any political project. According to this perspective, any political struggle needs to be embedded within local factors, within local struggles, to be effective and able to mobilize people. Social and political bonds are key elements for generating local and

particularistic mutual obligations, which in turn are the true bases for eventual political solidarity, be it local, national, or transnational. In sum, alter-globalism can be understood as a model structured around five paramount principles: place-basedness, participation, autonomy, diversity, and solidarity (2009:145).

Christian church and ecumenical bodies have been instrumental and fully participant in the emergence of the alter-globalist movement (cf. Ribeiro, 2009; Peters, 2004). One could even argue that several threads of such a discursive construction lay their roots in the grassroots-centred pastoral experiences and projects

nurtured by radical Christian groups and organizations of the previous three decades<sup>9</sup>.

Alter-globalist religious responses to economic globalization in/from Latin America

By way of illustration, I would like to finally explore initiatives by Latin American Christian organizations who have played an active part in connecting notions of solidarity, cooperative forms of economic production, trade and consumption to the search for alternative forms of globalization. The tensions between ethical, political and religious discourses will be explored with relation to those initiatives as a means to shed some light on the requirements of a virtuous economy. I will focus specifically in the Faith, Economy and Society Program of the Latin American Council of Churches (CLAI). It is representative of both the theological and the pastoral strands of the alter-globalist religious movement. The Program is aimed at

1. The analysis of our realities in order to share the information with the churches. and to propose alternatives in the public space.
2. The production of documents on economic justice for the churches, not only from a biblical and theological perspectives, but also from a technical point of view.
3. The encouragement of inclusion of themes related to faith, economy and society in Latin American theological seminaries.
4. The strengthen the process of lobbying and advocacy of the churches, giving follow-up to the process began in the Washington Meeting with the Interamerican Development Bank (IDB)

([http://www.clailatino.org/fes/presentacion\\_ingles.htm](http://www.clailatino.org/fes/presentacion_ingles.htm)).

Among its different activities I will concentrate in a set of resources produced in connection with a Consultation held in 2003, convened by CLAI and the World Council of Churches (WCC), on “Globalising Full Life”. The Consultation results led to the publication of a booklet, where participants address the Protestant churches in Latin America. Later on, the Faith, Economy and Society Program prepared and

published a kit with short primers (*cartillas*) on various aspects of economic justice issues intimated by neoliberal globalization. The kit is named after the Consultation and it is presented as “resources for reflection and action”, designed for use in local congregations. It comprises a series of short group study leaflets: introductory or “generative” ones; biblical studies; and thematic study guides. The six generative leaflets all ask about *the meaning for today* of hope, community leadership, labour, power, generosity, and corruption. The structure is always the same: an introduction, where the problem is described, biblical texts, questions for group work, guidance for facilitators and suggestions for Eucharistic celebrations.

9 For a wealth of information, statements, pedagogical resources for local churches on issues related to economic globalization, one can check the website of the World Council of Churches ([www.oikoumene.org/en/programs/justice-diakonia-and-responsibility-for-creation/poverty-wealth-and-ecology.html](http://www.oikoumene.org/en/programs/justice-diakonia-and-responsibility-for-creation/poverty-wealth-and-ecology.html)). The World Forum on Liberation and Theology met in 2009 during the World Social Forum, in Belem, Brazil, under the theme “Water, Earth, Theology: for another possible world” (cf. [www.wftl.org](http://www.wftl.org)). Several other ecumenical events took place during the Forum, as listed in the website of the Ecumenism and Rights Coalition (bringing together Brazilian and European ecumenical and church development agencies (cf. [ced-fsm.blogspot.com](http://ced-fsm.blogspot.com)). Catholic initiatives can be found on CIDSE's and COPLA's websites (respectively, [www.cidse.org](http://www.cidse.org) and [www.cop-la.net](http://www.cop-la.net)).

The general context is portrayed as one of dislocation – a series of transformations which have unsettled and worsened the living conditions of the people, particularly the poor, including church members (though this is seldom clear). The texts also assume an implicit anti-capitalism, through targeting the idols of “money” and the “market” and their corresponding “economic system” as objects of “worship” and cause of the perceived negative effects. Their focus on “meaning” points to another outcome of dislocation, its loosening of fixed representations of the social order, which enables a critique of the *status quo* to emerge through the construction of new meanings. Finally, the texts call for explicit solidarity with the losers in the new global context.

There are four Bible study leaflets, focused on making new sense of known texts, in terms of “the social function of goods” (Gospel of Luke, chapter 12) and the biblical criticism of social inequality (Letter of James, chapter 5); power relations and the life

in the Spirit (Letter to the Galatians); the social conditions of poverty, economic deprivation, social marginalisation and political persecution experienced by the original addressees of those texts, and the contemporary parallel situations created by globalization (studies in the Letters to the Corinthians and Hebrews and the book of Revelation). We also find here the broad themes of generosity, solidarity, and divine judgement on the economic and political structures that produce or sanction those evils. A final set of studies again read the book of Revelation, interpreting its symbols according to an economic key (rising prices, the constraining power of money, the association of political power and economic domination, and the fall of a political system that sanctions economic exploitation). The structure is threefold: introduction, activities (questions and commentary on the texts) and celebration. The third and most critical set of Bible studies does not have a celebration section. The emphasis on “unmasking” here, particularly in the third and fourth sets of studies, highlights the ideological critique as a site of struggle for economic justice.

The kit is complemented by seven thematic guides. They address the issues of external debt, poverty, the search for economic justice, the social consequences face of globalization, the economy under globalization, income inequality in Brazil, and the Americas Free Trade Agreement (ALCA).

For reasons of space, I'll look into more detail the thematic leaflets. A distinctive feature of all of them is the explicit rejection of “neoliberal globalization”, many times simply “globalization”. “Neoliberal” seems to serve a reinforcing rather than a qualifying function as regards the signifier “globalization”. In that sense one could say the two words are almost synonymic. One will search in vain for any alternative qualifier of globalization. The expression is fully invested with negative connotations in a systemic way, and leaves very little room for any ambivalence or play. This conforms well to an anti-capitalist view of globalization. Another globalization therefore would seem to correspond to a total overcoming of current trends and dynamics, rather than a modulation, through distinct emphases or partial substitutions of constituent elements.

Several arguments are presented to substantiate this picture of (neoliberal) globalization. In the study of the external debt, globalization is associated to a patient knitting of a vicious circle in which social symptoms such as street children, unemployment, domestic violence, lacking welfare services are outcomes of draining resources for the payment of

interests. In order to do that, dollars must be generated through the export of primary goods. However, the rich countries are the ones who set the prices (and their fluctuations), protect their markets and force the import of their own products. On top of that there are political and moral factors: the money was borrowed by dictatorial regimes, without popular consultation, and under unfavourable conditions. The resources were used in the benefit of a few, and over time the total payments have already exceeded the original loans. The debt not only has become exponentially higher but also the burden is now falling on everybody's shoulders, with the highest toll being paid by the already poor through worsening living conditions. The pressure to keep up the payments of the external debt is actually threatening the very future of the Latin American peoples. From the Bible (Exodus and Deuteronomy), the argument about the exploitative and dehumanising nature of debts is made, leading to a call for the forgiveness of the debts and the systematic protection of the indebted.

The fourth leaflet (*La otra cara de la globalización*) lists 11 pernicious effects produced by globalization, covering all areas of social life. A summary of three points is then offered where an explicit association is made between “the neoliberal structural adjustment” and “the process-project of globalization” (p. 4). The picture is absolutely dramatic. Globalization:

- a) “directly threatens the survival of a large part of the population. It worsens or debases the conditions and quality of living of the immense majority of the population”;
- b) “tends to destroy the institutions, spaces and practices of social togetherness; conveys an inertial trend toward fragmentation and economic and social warfare; concentrates to unprecedented levels economic, social, political and cultural power within ever smaller, alien elites, insensitive to the reality of the rest of society; it further polarises conflicts; is definitely inimical to any possible space of national life and ideas of the common good”;
- c) “threatens the sustainability of human and nature's life by exploiting nature in an indiscriminate and voracious way” (Ibidem).

However, and following the definition of alter-globalism that was offered above, one would be mistaken to conclude that this wholesale rejection of globalization projects a full exteriority of the proposed alternative and even its supporters *vis-à-vis* the existing order of things. Surely, two (contradictory) dimensions of traditional notions of emancipation, as isolated by Ernesto Laclau, can be found here – the dichotomy

between the existing order and the emancipated one and the pre-existence of the emancipatory force to the act of emancipation (cf. Laclau, 1996). According to Laclau If we are speaking about *real* emancipation, the 'other' opposing the emancipated identity cannot be a purely positive or neutral other but, instead, an 'other' which prevents the full constitution of the identity of the first element. In that sense the dichotomy involved in the emancipatory act is in a relation of logical solidarity with ... the pre-existence of the identity to be emancipated. It is easy to see why: without this pre-existence there would be no identity to repress or prevent from fully developing, and the very notion of emancipation would become meaningless. Now, an unavoidable conclusion follows from this: *true* emancipation requires a *real* other – that is, an 'other' who cannot be reduced to any of the figures of the 'same' (Idem:2-3).

In other words, this form of constructing the “before” and the “after”, the “us” and the “them” in the opposition between the forces of globalization and the defenders of “another globalization” is, on one

hand, fully relational and imaginary. The two identities are symmetrically opposed; one is defined by what the other is not, one depends on the other to assert who it is. On the other hand, only if the seeds of the new order are already present and growing within the old order, can any *alternative* really make sense. The fact that “globalization” (thus construed) exists threatens “our” very being – it challenges, distorts, exploits, puzzles, outrages, fascinates; in other words, whatever it is both becomes part of what/who we (think we) are and puts a threat to this identity. But in the thought that there is another globalization, we are actually saying that it is not only possible to imagine the alternative from within the present order, but also that there is room for redefining it which is in keeping with at least broader features of it – “another” globalization is still, after all, some “globalization”. Obviously, one can wonder here why nothing short of a totally other order can be acceptable (as in anti-globalist discourses) if the existing order already makes room for its very reversal.

This is where the subtle difference between anti-globalism and alter-globalism takes its significance<sup>10</sup>. For, following the biblical image of the seed suggested by Jesus in several allusions to the work of the Kingdom of God, religious alter-globalism not only locates the operation of the critical forces already within the system, but it also accepts the possibility of reclaiming globalization for “the common good”. It not simply admits of possible conjunctural and partial advances here and now, but it also

aims at “globalising the full life”<sup>11</sup>. So, in the motto “another world is possible”, alter-globalism seems to be saying: “another globalization is possible” and it starts now. Alter-globalism is less than a fully fledged revolution and wavers about naming what will be in any precise way. Keeping the future open is, indeed, another name of this game.

Moreover, it is admitted that the very agents of change are being called into being by the situation they oppose. Globalization would be challenging the churches to rethink their own ways:

We are aware that to be the church in a globalised world requires us to rethink our faith. We do this not only in view of responding to the growing demands from those who wander without hope, but the very future of the church will depend on its ability to make sense of and give meaning to the message of Jesus about fraternity, justice, solidarity and love in the face of a world that is violent, excluding, non-solidary, unjust and filled with hatred.

The perverse effects of globalization are present in the whole of human life and nature (Cartilla 3, *Iglesias en búsqueda de justicia económica*, p. 2)<sup>12</sup>.

It is because biblical figures such as Moses and several of the prophets were simultaneously inside and outside the system – as part of the royal family, as court prophets, aristocrats or members of the priestly

10 This is also the point where, according to Laclau's argument, the two dimensions invoked before are incompatible with each other: if the dichotomy is real, there can be no common measure between “us” and “them”: globalization must be rejected *in toto*. But alter-globalists do find margins for play in the existing order and even the possibility that “another” globalization be achieved.

11 A similar logic is used in the leaflet about poverty, when it is argued that globalization dehumanises *both* the poor and those who benefit from it, through the loss of meaning that consumerism, the dictates of fashion, virtual relationships and the subordination of social relations to the benefits that can be reaped from them. “The world and life are turned into a gigantic market”, it concludes (*Cartilla 2, Señor líbrame de mi pobreza*, p. 9).

12 This point is made even more forcefully in another document produced in the same context as these ones, “*Buscando salidas ... caminando hacia adelante!*” (cf. CLAI, 2003:19-22).

class, but also as followers of Yahweh – that this need for self-transformation

emerges. But the fact that they are also affected by the system, gives them the chance to take a stand: to disassociate themselves from the oppressive order, and confront or denounce the powers that be. It is here that several recent statements by churches in different parts of the world is invoked so that the Latin American churches feel compelled to follow the same example: reformed churches in Africa, churches of the Pacific islands; Canadian churches.

And if this all fails, resistance remains as the last resort. Resistance can take several forms: delegitimation of neoliberalism, exposure of the system's vulnerabilities (thus "ridiculing" it and breaking the spell of fear of its all-powerfulness), refusal of the conditionalities imposed by the IMF and the World Bank, participation in campaigns for "fundamental transformations" of those financial institutions, focus on strengthening local and regional economies (use of local currencies, barter and local trade; use of alternative forms of energy; creation of cooperatives of producers and consumers), and use of advocacy as a new expression of "diakonia" (service), a "creative form of being a Samaritan" (Idem: 7).

"Searching for alternatives ... and walking ahead"<sup>13</sup> is a more immediate outcome of the Consultation "Globalising Full Life", in 2003. It is a public statement and also a submission for churches throughout Latin America and the Caribbean to subscribe and make their "prophetic and pastoral voice" heard in the public realm, in their own contexts. It comprises a short statement, "Evangelical churches in Latin America and the Caribbean: between pain and hope", and a detailed argument in four parts (Dealing with pain; analysing the dominant ideology; reconstructing hope from the sources of our faith; a different world is possible – which leads to a global and a national agendas). This is where much more concrete references to economic alternatives are found, compared with the pedagogical approach of the *Cartillas*. It is also where very plainly it is asserted that "the problem that affects us as society is economic, but also moral and ethical. Our crisis points to a system of values, a form of existence, a civilization of inequalities. In turn, from our perspective, the problem is also spiritual: as Saint Paul says 'the wrath of God reveals itself from heaven against all impiety and injustice from men who block the truth with injustice'" (CLAI 2003:7). Globalization is perverse and calls for resistance, critique, but also for building up political tools to prevent hypocrisy and barbarism from spreading. A cry is heard, in capital letters: ENOUGH! (Idem:8)

As opposed to neoliberal globalization an *economy of sharing* is put forward. It does



not deny property, money and goods, but subjects them to their “social function” of “guaranteeing, maintaining and improving life”(Idem:9). An economy of sharing is characterised by a “spirit of community”, which is based on “values of life for all, such as love of work, dedication, effort, compassion and solidarity” (Idem:9). The document

13 The Consultation that resulted in this booklet was preceded by another event, also sponsored by CLAI and the World Council of Churches, a Seminar on Youth and Globalization that gathered young people from 14 countries. The seminar's final statement can be fruitfully compared to “*Buscando salidas...*”, and can be found, in Spanish, at [www.oikoumene.org /es/documentacion/documents/programas-del-cmi/ecumenical-movement-in-the-21st-century/youth/27-04-03-juventud-y-globalizacion.html](http://www.oikoumene.org/es/documentacion/documents/programas-del-cmi/ecumenical-movement-in-the-21st-century/youth/27-04-03-juventud-y-globalizacion.html).

advances two main strategies to create the conditions for such an economy to thrive: a) improving international governance of globalization; b) setting a minimal national agenda. These depend on a seven- point realistic approach, which involves self-awareness of the discernment to analyze present realities, distinguishing short-term valuable initiatives from systemic, long-term ones; stimulus toward dreaming and let new thinking flourish; struggle against poverty; promotion of social and economic compacts; and renew politics (Idem:43-46).

Improved international governance relates fundamentally to more and better regulation of the flows of financial capital; reform of the international financial institutions; the enhancement of international human rights enforcement; and subjecting economic regional integration to the globalization of “full life”, which implies rejection of ALCA and the reaffirmation of existing mechanisms (such as Mercosur, Comunidad Andina de Naciones, Caricom, ALBA, etc.).

A minimal national agenda is required to redefine the community and country to which each Latin American people belong to and to question the legitimacy of the existing ruling elite. This can be achieved through a new social and economic compact that may strengthen the place and role of civil society, social movements and NGOs in their interaction with governments. Civil society will craft a more relevant role in decision making if it is fostered by tools for a new social contract. But there is also the need for a new democratic welfare state (“*Estado social de derecho*”). Economic reactivation is a crucial task, to be promoted through short-term, emergency actions, that keep it open the need for a deeper systemic change; stimulus

to a viable popular economy, combining survival, subsistence and lifelong strategies; economic growth to eradicate poverty; call for bolder and forward-looking economic policies able to “open up new ways”; legal change to protect national states from volatile investments and corruption; and adopt social welfare (cf. *Idem*:51-62).

This is admittedly still vague and improper to configure a project. But at no point any anxiety or calculation are expressed in relation to this point. In one or two odd places one reads references to fair trade and solidarity economy, which have been mainstreamed all over Latin America following the recent “left turn” started in the late 1990s<sup>14</sup>. Though limited in their impact and scale, and clearly unable to become a general economic form in global times, these have deserved attention and effort as *testimonial* economic practices, that somehow embody the kind of value-action complex that was argued should be recognized in any economic system. This is not to say that more sustained reflection and detailed procedures for implementation do not have a place in the logic of this discourse. But perhaps this is a recognition that this kind of reasoning, while limited in its form and direct practical economic application, is good for its purpose: to harness internal support from Christians, to extend bridges towards other languages of activism and political strategy, and to open up a public space for religiously oriented economic

<sup>14</sup> On solidarity economy in this concrete context, see GT de Economia Solidária, 2008; Haan, 2007:283-325.

ethics<sup>15</sup>. There is a clear notion that the proposition of an alternative is a *doing* (cf. Haan, 2007:404). There is work to do. Things will not happen by default.

There are finally reasons for hope. This is an important trope in the economic discourse of theology to name action in the face of uncertainty, defiance of dead ends, pulling oneself by one's bootstraps when sinking in quicksand. Again, this marks a difference between old leftist discourses based on laws of history and irresistible trends. Alter-globalist religion is fallibilist. It wagers on a doing that may bring achievement. Hope is about persistence. Persistence has been historically a winning game for minorities and small elite progressive groups. Globalization facilitates networking and communication among dissenters and sufferers worldwide to unprecedented levels and this potentialises the impact of small groups through “corporate voices” operating cross-nationally. In addition, the dramatic nature of current economic problems and the disorientation of hegemonic economic discourse have opened a few doors to listening to moral discourse on the economy.

But, we have already said this before, no bridge between moral discourse and moral action will come naturally. There must be agency and this always comes, only we don't know if we'll be part of it or what it will be. Others may get the upper hand. We then need to be responsible: both responsive to the summons of the other in solidarity and accountable for our decisions and bets. If we are lucky and persistent enough there may be a chance between the prosperity gospel embraced by desperate poor and the unrelenting profit-making machine of the global market embraced by the rich or aspiring ones. It is likely, then, that given the failures of both, we will better understand what we mean without knowing now when we name our hope a “virtuous economy”.

### References

- Assmann, Hugo; Hinkelammert, Franz. 1997. *La idolatría del mercado*. San Jose, Costa Rica, Departamento Ecueménico de Investigaciones
- Broad, Robin; Heckscher, Zahara. 2003. Before Seattle: the historical roots of the current movement against corporate- led globalization, *Third World Quarterly*, vol. 24, no. 4, August, pp. 713-28
- CLAI. 2003. *Buscando salidas ... caminando hacia adelante! La globalización neoliberal, sus efectos y alternativas*. Quito, Consejo Latinoamericano de Iglesias/Programa de Fe, Economía y Sociedad
- Connolly, William. 2008. *Capitalism and Christianity, American style*.
- Durham/London, Duke University Duchrow, Ulrich and Hinkelammert, Franz J. 2004. *Property for people, not for profit: Alternatives to the global tyranny of capital*. London, Zed Books
- GT de Economía Solidária. 2008. *Economía Solidária, fundamento de uma Globalização Humanizadora*. Available at [http://www.pt-pr.org.br/documentos/pt\\_pag/PAG%202004/TRABALHO%20EMPREGO%20E%20REND%20A/Economia%20solid%C3%A1ria,%20fundamento%20de%20uma%20globaliza%C3%A7%C3%A3o%20humanizadora.pdf](http://www.pt-pr.org.br/documentos/pt_pag/PAG%202004/TRABALHO%20EMPREGO%20E%20REND%20A/Economia%20solid%C3%A1ria,%20fundamento%20de%20uma%20globaliza%C3%A7%C3%A3o%20humanizadora.pdf). Access on 10/1/10
- Haan, Rodolfo. 2007. *Teología y economía en la era de la globalización. Un aporte al diálogo con la teología latinoamericana*. Buenos Aires, La Aurora  
15 A much more expanded argument can be found in Rodolfo Haan's dialogue with Latin American “theology and economy” discourse (2007:245-397).
- Laclau, Ernesto. 1996. “Beyond emancipation”, *Emancipation(s)*. London, Verso, pp. 1-19  
MacDonald, Kevin. 2006. *Global movements: action and culture*.
- Malden/Oxford/Carlton, Blackwell Marchetti, Raffaele. 2009. Mapping alternative models of global politics, *International Studies Review*, no. 11, pp. 133- 156  
Mayo, Marjorie. 2005. *Global citizens. Social movements and the challenge of globalization*.

- London, Zed Books Nelson, Robert H. 2010. *The new holy wars: economic religion vs. environmental religion in contemporary America*. University Park, Pennsylvania State University/The Independent Institute
- Novak, Michael. 1990. *The spirit of democratic capitalism*. Rev. ed. Boulder, Madison Books. 1993. *Catholic ethic and the spirit of capitalism*. New York, Free Press
- Peters, Rebecca Todd. 2004. *In search of the good life: the ethics of globalization*. New York/London, Continuum Internatio
- Pickerill, Jenny; Chatterton, Paul. 2006. Notes towards autonomous geographies: creation, resistance and self- management as survival tactics, *Progress in Human Geography* vol. 30, no. 6, pp. 730–746
- Ribeiro, Gustavo Lins. 2009. Non-hegemonic globalizations. Alter-native transnational processes and agents, *Anthropological Theory*, Vol 9, no. 3, pp. 297–329
- Sen, Jai; Anand, Anita; Escobar, Arturo; Waterman, Peter (eds.). 2004. *World Social Forum: Challenging empires*. New Delhi, Viveka Foundation
- Sung, Jung Mo. 2007. *Desire, Market and Religion*. London, SCM \_\_\_\_\_. 2008. *Teologia e economia. Repensando a teologia da libertação e utopias*. São Paulo, Fonte Editorial

## **Human-Trafficking: Responsibility for Demand and Moral Responsibility**

**Lisa Mary Connell** and **James Doughney**, Ph.D Candidate, Victoria University, Melbourne, Australia

### **Introduction**

This paper will deal with the global trade of human trafficking. The globally accepted definition of human trafficking is rather 'wordy'. Yet, it is vital to be clear about what needs to be discussed:

The recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude or the removal of organs. (United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, 2000)

Human-trafficking and people-smuggling are distinctly different acts. This is important to emphasize as they are often misrepresented and confused with each other. People- smuggling involves:

The procurement, in order to obtain directly or indirectly a financial or other material benefit, of the illegal entry of a person into a State Party of which the person is not a national or permanent resident. (United Nations Protocol Against the Smuggling of Migrants by Land, Sea and Air, 2004)

Human trafficking has as its endpoint the profit from the ongoing exploitation of a victim, who is regarded as a commodity. It does not necessarily involve illegal border- crossing or transnational elements. In contrast, people-smuggling entails the payment of services to a smuggler to help a person illegally cross a national border. However, no further exploitation for profit by the smuggler occurs, and the relationship generally ends at this point.

Considering demand as a causal factor in human trafficking phenomena is central to this paper. At the United Nations Global Initiative to Fight Trafficking (UN.GIFT) Conference, held in Vienna in 2008, leading international agencies concurred on the urgent need to address demand through further research in order to inform counter-trafficking strategies (UNODC, 2008). Demand, in this presentation, is defined as the combination of factors that constitute and influence the ‘pull’ factors for human trafficking. Traditionally silent in this consideration of demand is the role that governments, businesses and other centres of influence play in creating the environment in which the services of trafficked victims are desired or demanded.

A brief overview of the human trafficking literature will follow in order to lay the ground for a deeper discussion of the fundamental concepts associated with human trafficking. Simplistic representations of victims and traffickers and false dichotomies regarding concepts such as choice, agency, consent and responsibility abound in this literature. In order to encompass the complex reality of the phenomena, I will present trafficking within a wider framework of people movement. I will also distinguish labour trafficking from trafficking for purposes of sexual exploitation due to the qualitatively different harms that victims suffer.

As global citizens we all have a moral responsibility to challenge or question practices that exploit fellow human beings. In the section on responsibility later in this paper, I will rank the kinds of responsibilities that fall to different individuals and sectors of society involved in trafficking. This relates, of course, to the different types of responsibilities that institutions, governments and businesses have in our globalised world. While we all have a moral responsibility to challenge exploitation, those who have a more direct causal responsibility need to be identified and confronted as part of our strategy to reduce human trafficking.

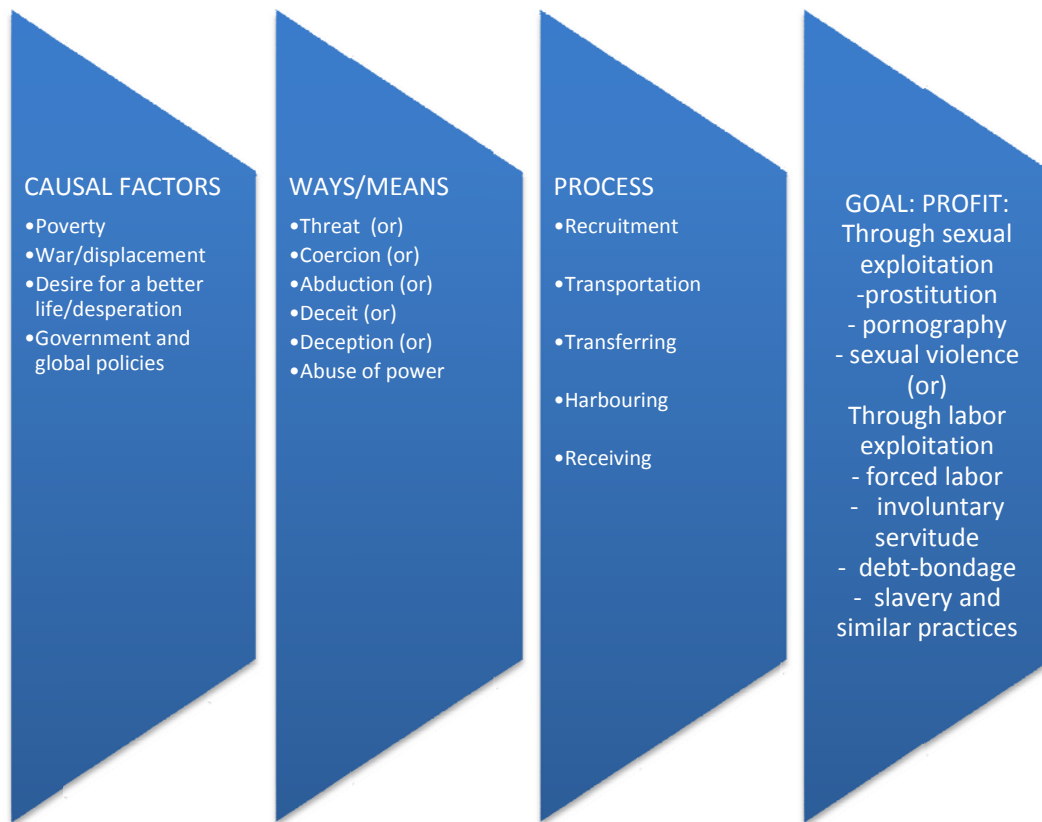
In the final section on policy, I will explore how many policies – neo-liberal political and economic, migration and border control, labour, criminal justice and counter-trafficking impact on practice. I will demonstrate how these policies foster the kind of environment in which demand for services of human trafficking victims exists.

### **Human-trafficking overview**

A helpful visual representation from the 2008 Trafficking in Persons Report, based on a model designed by the Solidarity Centre, highlights three main criteria that need to be fulfilled for a person to be considered trafficked – process, means, and goal. (Figure 1) I have modified Solidarity's representation of human trafficking in order to

include some fundamental causal factors for human trafficking. I have also moved the ‘WAYS/MEANS’ compartment in front of the ‘PROCESS’ section, as I believe that the former are closely related to the causal factors. Rather than focus exclusively on traffickers and criminals who use these means of recruiting or receiving victims, I want us to redirect our focus onto the government policies and business practices that engage in abuse of power, coercion and deception, albeit, more discreetly or inadvertently through their policy making and counter-trafficking strategies.

I have also altered the goal section to focus on the profit as the overriding motivation for human trafficking. As I consider prostitution, generally, to be an exploitative process, it will be regarded as sexual exploitation in this paper. In contrast, labour exploitation, which may encompass elements of debt-bondage, slavery, forced labour and involuntary servitude, will be regarded as a separate category. Of course, trafficking for sexual exploitation may also entail elements of debt-bondage, slavery, forced labour and involuntary servitude.



**Figure 1**

### **Literature Review**

Human trafficking is reported to be the fastest growing, and the second largest, illegal industry in the world (Moynihan 2006, Piper 2005, USTIP 2006). Reports published by UNODC (2008b) and the ILO, (2005) suggest that between 2.4 and 2.5 million people at any given time are victims of human trafficking. Eighty per cent of trafficking victims are documented to be women and children (Belser et al 2005, USTIP 2008). Trafficking for purposes of sexual exploitation has been identified as the most common form of human trafficking (ILO 2005, UNODC 2006, USTIP 2008, US Government Accountability Office GAO, 2006). However, more recent reports such as the USTIP Report (2009), now suggests that labour trafficking is becoming more common. The total market value of human trafficking has been estimated at \$US32 billion with US\$10 billion gained from the initial sale of the victim and the remaining \$US22 billion resulting from the services and goods produced by the trafficked person (UNODC, 2008b). The IMF reports that it is the third largest source of profits for international organised crime (UNODC 2008b). Bruggeman (2002) from EUROPOL argues that organised crime networks are increasingly becoming involved in the trafficking of people. While the human trafficking trade is notoriously difficult to quantify, national and international sources concur that a substantial increase in this global trade has occurred in recent years (Caliber Associates 2006, Piper 2005, UNODC 2008b).

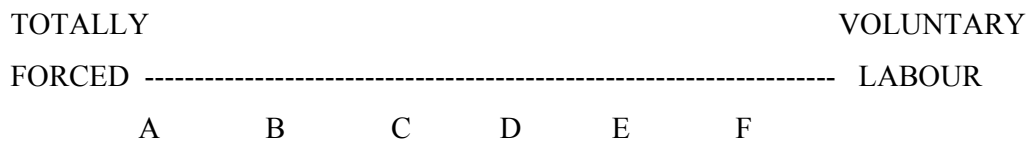
Historically, trafficking research has typically been framed according to authors' perceptions of the root cause of trafficking, or the overriding influence on its proliferation in a given context. Globalization and its unequal consequences are reflected in the work of Muntarborhn (2002) and Lee (2005). Migration-based theorists, including Skeldon (2000) and Mahmoud and Trebesch (2008), have highlighted the parallels between migration trends and human trafficking. Viewing trafficking through a labour-based lens and linking the unregulated and informal labour markets with exploitation is evident in the work of Belser (2005), Bales (2005) and the ILO (2005). Proponents of the criminal justice approach, including UNODC (2006), Lee (2005) and the International Criminal Police Organization (INTERPOL, 2007), cite the need for more comprehensive legal strategies that target criminal elements associated with trafficking.



The feminist literature of Coomaraswamy (2000), Sullivan (2007) and UNIFEM (2006) focuses on the gendered social and economic factors that make women more vulnerable to trafficking. Firmly anchored in the feminist literature also are the polarised debates between abolitionist and pro-sexworker groups (Weitzer 2005). Authors including Danailova-Trainer and Belser (2006), Gustaffson (2005) and Schloenhardt (1999) consider aspects of the trafficking trade from an economic perspective, suggesting that competition among legalised labour-based industries lowers prices for sexual services and increases demand for particular products. Proponents of a human rights-based perspective, including D’Cunha (2002), Heyzer (2002), Konrad (2008) and Piper (2005), argue that fundamental human entitlements should be the core of any counter-trafficking strategy.

Unfortunately the separate perspectives evident in the literature often means that it overlooks the blurred boundaries, tensions and complexities of the human-trafficking phenomena. For example, the literature presents us with simplistic dichotomies. Typically it presents us with a victim who is either unequivocally forced into the trafficking process or who voluntarily chooses her path, thereby ‘consenting’ to the process. To address this false victim-consenting dichotomy, I have drawn on Archanvanitkul’s (1998) model, which conceptualises human trafficking as a continuum (see figure 2).

**Trafficking continuum Figure 2.**



- A = Victims are forced and/or kidnapped
- B = Victims are given false information and are trafficked into types of businesses other than promised
- C = Victims are aware of the kind of work, but not the work conditions

- D = Victims are aware of the kind of work and work conditions, but are not aware of and/or are unable to foresee the difficult situations they may encounter
- E = Workers (who may have been trafficking victims before) are aware of the kind of work and work conditions, but are not given an alternative worksite (cannot choose where they want to work)
- F = Workers (who may have been trafficking victims before) and aware of the kind of work and the work conditions, and are unable to select their worksite

Based on Archanvanitkul (1998)

In the continuum represented in Figure 2, it is easy to see that the victims in categories A and B are trafficking cases who have not consented to being trafficked. However, even those in categories C through E occupy an area, where concepts such as agency, choice and consent must be considered and sometimes contested. For example, the extent that social and economic policies, and practices, and conditions create an environment in which people's limited livelihood choices leave them vulnerable to being trafficking into commercial sex industries and informal sectors we must contest the extent to which concepts such as informed choice are applicable. Moreover, to the extent that governments and companies in receiving countries, through policies and business practices that stimulate demand, it is arguable that they share responsibility for trafficked victims' vulnerability.

It is also necessary at this point to underscore the difference between trafficking for the purposes of labour exploitation and trafficking for the purposes of sexual exploitation. While authors including Agustin (2007) and Ditmore (2005) argue that we should include trafficking for purposes of sexual exploitation under the broader umbrella of trafficking for purposes of labour exploitation, the two are fundamentally different because of qualitative differences present in both causation and consequential harm.

Labour exploitation is harmful, not necessarily because of the task being performed, (e.g. fruit-picking) but due to the exploitative way the person is forced to perform labour. That is, the trafficked worker might be debt-bonded and, as an illegal immigrant, subject to fear of exposure. It is the context and the means by which the

person is made to perform the labour that causes suffering and this harm (hereafter H1).

Human trafficking for sexual exploitation, like trafficking for labour exploitation is harmful at this basic level because the person is trafficked. This is the same type of harm as above (H1). However, while sexual acts themselves are not necessarily harmful, placing them within a context where a person is regarded as a commodity, where power inequalities exist and a where a person is considered less than a whole person inherently constitutes harm. The reason is that sexuality is integral to the human personality (see Nussbaum, 2000) in a way that makes it qualitatively different from, for instance, fruit picking. Hence another layer of harm (hereafter H2) exists for the victim of trafficking for sexual exploitation in addition to that of having been trafficked (H1). The victim of sexual trafficking suffers H1 and H2, while the trafficked labourer experiences H1 only.

This harm (H2) which is applicable to prostitution in general, is noted by authors including Bindel and Atkins (2008), Farley et al. (2003), Kinnell (2008) and Jeffreys (2009). Is it based on the violation of the dignity of the human person and the inherent exploitation involved in paid sex. This is demonstrated in a research study by Farley et al (2009) in which 27 per cent of male customers of prostitutes in the UK explained that “once he pays, the customer is entitled to engage in any act he chooses with the woman he buys” (Farley, 2009, p.13). Another 47 per cent of the men studied also suggested that “women did not always have certain rights during prostitution” (Farley, 2009, p.13). Such an environment cannot be considered conducive towards human flourishing. Thus, being trafficked into this environment subjects victims to a qualitatively different type of harm than other forms of human trafficking.

### **Human trafficking and moral responsibility**

If we can identify harms and, on the basis of reasonable evidence, identify an extended chain of causality, can we reasonably apportion responsibilities for harm along the chain? The answer must be yes, and I will endeavour to do so in this section.

First, it is necessary to do some more intellectual ground-clearing. An important distinction is that harm has the sorts of qualitative aspects or dimension identified in the previous section. Hence it is not merely a negative utility, as orthodox economists might regard the loss of leisure caused by paid labour. Rather it can

impact on the fundamental dignity of the victim, going to the core of his or her very existence.

This concept of human dignity is not a mere theoretical or academic idea. It is a fundamental principle on which we are called to base our daily interactions with our fellow global citizens. We may also be challenged in our daily lives to confront institutions, customs, policies and practices that ignore the primacy of human dignity and place other ends such as economic growth, or political stability, above it. Disregard for such a fundamental principle can lead to an environment in which harm and exploitation quietly fester; its victims without voice, without representation and seemingly invisible. Challenging this will not be easy and may be interpreted by powerful structures as disturbing the status quo. But, as Camara (1974) suggests what appears as order in society may, in fact, be organised and established disorder.

As global citizens, we have a moral responsibility to question this status quo in our political and economic systems and to shift our focus towards removing the harms and injustice visited upon the many. This is the sort of responsibility Adam Smith had in mind when he invoked the Stoic conception in his *Theory of Moral Sentiments*;

Man, according to the Stoics, ought to regard himself, not as something separated and detached, but as a citizen of the world, a member of the vast commonwealth of nature. To the interest of this great community, he ought at all times to be willing that his own little interest should be sacrificed. (1976, p.140),

Konrad, an international consultant on trafficking in persons, in her closing remarks at the UN.GIFT conference in Vienna, stated that: “The primary reason to fight human trafficking was the ‘harm’ it caused people” (2008, p.6). The human and social consequences of trafficking are undeniable. The experiences of victims and their families been captured powerfully in the work of researchers Anderson and O’Connell-Davidson (2003), Kelly (2002) and Yea (2004). The physical, sexual, psychological abuse experienced by victims trafficked for sexual exploitation, combined with the forced or coerced use of alcohol and drugs, isolation and manipulation are highlighted in the literature of Zimmerman et al (2003) and Silverman et al (2007). The ‘Stolen Smiles’ Report by Zimmerman et al, presented some of the first statistical data on trafficked women’s health consequences, calling the breadth and depth of the harm sustained by the women studied "startling" (2006,

p.2). Trafficking also presents a range of problems for sustainable development and the rule of law, as illicit profits from this trade are used to fund corruption, criminal activities, and in some cases, terrorism.

However, we should focus on justice, instead of pity. Shklar suggests, “it will always be easier to see misfortune rather than injustice in the afflictions of other people” (cited in Krygier, 1997). As global citizens, we have a responsibility both to see and prevent the injustice that causes the harm of human trafficking. Thus, a discussion of who and what is responsible for human trafficking, both causally and morally, is vital for us to fulfil our responsibility as global citizens.

At the heart of responsibility for human trafficking – indeed its *sine qua non* – is the demand for the services of trafficked persons. The UN Trafficking Protocol (UN 2000) contains one of the earliest references to eliminating demand as a factor in preventing trafficking. The 2008 United Nations Global Alliance to Fight Trafficking conference likewise highlighted the need to address better the factors that constitute demand for human trafficking (UN.GIFT 2008). Authors including Kelly (2002), Lee (2005) and Yea (2004) suggest there is tendency in this field for research to focus on supply-side questions and neglect demand-side questions. Investigations into the factors that contribute to the existence of, and create a market for, trafficking in destination countries have generally been avoided. Anderson and O’Connell-Davidson (2006), Belser and Danailova-Trainer (2006) and Bales (2005) are among the few who have sought to investigate demand for human trafficking. However it is clear that further discussion and research into demand for human trafficking is vital. Part of this unwillingness to consider demand for trafficked sex services, I contend, can be attributed to the thorny moral and legal issues that inevitably arise in destination countries.

Having distinguished the different qualitative aspects or dimensions of harm above and having also identified a general responsibility attributable at the level of the global citizen, the essential task of identifying specific kinds of responsibility remains. Here I will focus on human trafficking for purposes of sexual exploitation and introduce something of a causal ranking of different responsibilities to encompass the complexity involved in the trafficking phenomena. The aim of this causal ranking is to broaden our understanding of the cause of this type of trafficking, to attribute responsibility to appropriate actors to inform anti-trafficking policy.

### 1. Traffickers

Traffickers are those people responsible for facilitating the actual process of human trafficking. This includes recruiters, transporters, sellers and support staff responsible for debt collection, data gathering, money laundering, specialist advice and identifying appropriate industries for their human products. Traditionally, traffickers have been identified, albeit with limited success, as those causally responsible for the harm and exploitation suffered by the victim. However, recent research by Kangaspunta (2008) and Surtees (2008) points to an increasing trend of victims becoming traffickers themselves.

2. Those responsible for causing, creating or facilitating human trafficking, thus everyone in the chain of demand including:

(a) End-consumers of sexual services, who engage directly with the trafficked woman. The end-consumer may not be aware that a prostitute has been trafficked but often have some awareness that the sex worker is vulnerable

(b) Pimps and employers, who may not be aware that the person is trafficked, but are likely to realise that the person is employed a lower cost, or performs acts that prostitutes who act freely may not engage in.

(c) Governments, businesses and societies, who, through their policies and practices contribute to an environment in which a person can be easily exploited. While they do not inflict direct harm, they create a vacuum in which traffickers can operate, create or contribute to vulnerability, or create incentives for companies to avoid responsible business practices. This also includes the implementation of inappropriate counter-trafficking strategies that further marginalize women in prostitution.

3. Those who are complicit by turning a blind eye, either because they are unaware of the specific act of human trafficking or are aware, but are unwilling to act. This category includes border officials, police, immigration authorities and others who are aware that something irregular is occurring, or that traffickers operate in their locale, but who choose not to act. As Edmund Burke (1770) reminds us, all it takes for evil to triumph is for good 'men' to do nothing.

4. The global citizen. Although there is no direct causal responsibility attributed to this category, any inaction in the face of the knowledge that the harms exist is to avoid responsibility to do something appropriate and, therefore, to take a share in the responsibility for the continued existence of those harms.

### **Human-trafficking and the influence of policies**

Exploring various ideologies and related policies that contribute to human-trafficking is an essential part of our consideration of levels and types of responsibility associated with this phenomenon.

#### *(i) Neo-liberal politico-economic policies associated with globalization*

The political and economic consequences of globalization, including the opening of political borders, trade deregulation, privatization, liberalization and increasingly mobile capital contribute to the rise in vulnerability to human-trafficking (Richter & Richter 2006, Lee 2005). Furthermore, the social, political and economic policies and practices that place women, in particular, in situations where choice is constrained, employment opportunities denied, basic education unavailable and traditional cultural practices deny them property rights, make them more vulnerable to trafficking for sexual exploitation.

We also need to acknowledge the uneven impact of globalization and economic development. Many have benefited from higher wages, improved technologies and open borders. Others, however, have not. Globalization has simultaneously fostered an environment where exploitation, abuse of workers and trafficking occur and lucrative opportunities for criminal networks and criminal entrepreneurs. Not only is there an increased supply of vulnerable people, eager to migrate to escape poverty and violence, but there is also a globalized technological environment in which criminals conceal their activities, market their human products and launder the profits.

In order for the neo-liberal economic *disorder* to prevail, a culture of consumption that rationalizes and justifies the commodification and consumption of other human

beings is required. An independent report titled 'Sexual Services in Australia, Industry Report', published by IBIS in 2006, explicitly says that this "advertising seeks to eliminate the moral barriers a customer may have that prevent him or her from purchasing a sexual service". Advertising strategies targeted at sporting clubs, gambling establishments and 'sex expos', where prostitutes are presented as emancipated and sexually unconstrained women who want to provide a healthy, normal service for the male client, cloud the reality for most women who enter the industry under severely constrained choice and/or through debt-bondage and trafficking. Furthermore, the pornography industry, which helps shape the demand for sexual services and thus contributes to girls and women being trafficked, is estimated to be worth \$US13.33 billion for the US alone. As Jeffreys points out, this is "higher than the total revenue of the media corporations NBC, ABC and CBS" (2009, p. 66).

The correlation between the size of the prostitution industry and the prevalence of sex-trafficking in a country is evidenced by the work of Jeffreys (2009), Sullivan (2007), Danailova-Trainor and Belser (2006) and Kelly (2002). Anderson and O'Connell Davidson (2003) report a rapid expansion and diversification in the global sex industry over the past 20 years, which they argue is related to economic development strategies implemented by developing countries. The growth of prostitution and sex tourism in both developed and developing countries increases the demand for a ready supply for girls and women. The profits gained from the global sex industry are immense and contribute significantly to the GDP of many nations (Jeffreys, 2009). For example:

1. The promotion of prostitution and sex tourism in countries such as Thailand, Mexico and the Philippines is part of a new development strategy to pay off debt deficits and meet balance of payments to the developed world (Sanghera, 1998). While some countries' commercial sex sectors have been legalized and regulated, the illicit sectors remain popular and constitute up to 80 per cent of the overall commercial sex sector. Indeed, as Friman and Andreas suggest, "some debt-strapped developing nations have become dependent on the illicit global economy" (2009, p. 2).



2. Structural Adjustment Policies (SAPs) forced on developing countries have also created situations where indigenous sustainability is undermined by inward trade flows, leading to increased vulnerability among indigenous populations to exploitive employers and traffickers (Pyle, p. 2002). The loss of traditional industries has contributed to an increasingly desperate population, where, for example, in one study conducted by Sanghera (1998), 80 per cent of women had taken up work in regional sex industries to support their families.
3. The export of surplus labor, or outmigration, often as maids and sex workers, has also become another popular strategy. The concomitant flow of remittances becomes the foreign exchange needed for servicing national debts or purchasing imports (Jordan 2004).

*(ii) Migration policies*

Migration-based theorists emphasize as major contributing to the rise in human-trafficking restrictive migration policies, the rise in internally displaced peoples, increased awareness of global opportunities and migration policies that fail to address the powerful vested interests of those involved with trafficking (Collyer 2006, Skeldon 2000). Ironically, the same restrictive migration policies, which tighten borders to keep traffickers and victims out, lead more people to turn to organized crime to escape desperate situations. The IOM reports that traffickers have had to “grow in sophistication to survive” (IOM 1996). This includes establishing links with transnational crime syndicates to overcome tightening border control and enforcement efforts. Thus border-tightening policies increase demand for professional traffickers.

Similarly, as Khoser poignantly highlights, for many of the trafficked women in his research “migration represented a last attempt to exert control over her present circumstances and future prospects” (2000, p. 97). This attempt to exert control leads many into exploitative situations, often worse from those they sought to escape.

Feminists such as Coomaraswamy (2003) and Heyzer (2002) also contend that legislation designed to protect women, such as those that restrict women's migration opportunities, actually contribute to trafficking and further marginalize them.

*(iii) Labour Policies*

Viewing trafficking through a labour-based lens and linking the unregulated and informal labour markets to exploitation and trafficking is highlighted in the ILO's work (2005; see also Belser 2005, Bales 2005, Pearson 2005). Traffickers capitalize on discrepancies between various national, financial and legal systems to exploit the labour market. Combined with an endless demand for cheap, vulnerable and flexible labour in the competitive global market, this creates an environment ripe for exploitation and human-trafficking. The increased globalization of labour, combined with labour market policies that lag behind, create an environment in which traffickers operate with impunity. The informal employment sector has likewise seen a rise in the number of trafficked victims, particularly in the entertainment, domestic and agricultural sectors. These sectors lack monitoring or regulation of work practices.

*(iv) Legal and criminal justice policies*

In their discussion on organized crime, Friman and Andreas describe the space "where clandestine transnational actors operate" as lying between the "state's metapolitical authority to pass prohibition laws and its ability to fully enforce such laws..." (2009, p. 1). Thus, governments that criminalize an activity, particularly where a high market demand exists for that activity, increase the activity's profitability. Human-trafficking into the sex industry is an example. In countries where prostitution and human-trafficking is criminalized and demand is high for prostitution services, criminals will capitalize on this opportunity and operate within this sphere. A concomitant lack of monitoring or legislative enforcement only makes their criminal trade more attractive. In other words, the industry and its associated harms are tolerated. On the other hand, legalization of prostitution and regulation of the sex industry also seems to foster an environment in which workers are easily

exploited. Tellingly, Jeffreys argues that “legalization has worsened occupational health and safety conditions for sex workers in Victoria [Australia]” (Jeffreys 2010).

*(v) Counter-trafficking policies targeted at human-trafficking for purposes of sexual exploitation*

It is not within the scope of this paper to discuss counter-trafficking policies in detail. However, it is important to mention briefly a few major policies. Some governments have legislated for regulation of the commercial sex sector. Among the aims of legislation to legalize and regulate the sex industry are reducing criminal involvement and improving working conditions for women. However, research by Jeffreys (2009, 2010) and Sullivan (2007) argues that the legislation has the unintended consequence of making the industry more harmful for women by increasing demand for sexual services through increased marketing and advertising.

Certain migration policies aimed at preventing traffickers and trafficking victims from entering a country also seem to lead to more organized criminal involvement in trafficking. Migration policies that deport so-called ‘illegal immigrants’, without adequately assessing their potential trafficking status, often results in a person being re-trafficked into another country. Tying employment visas to one employer, who then has control over a worker, can also lead to exploitative labour conditions verging on trafficking.

Further analysis of the impact of well-intentioned counter trafficking strategies needs to be carried out to ensure, firstly, that they do not force people to turn to organized criminal groups and, secondly, that they do not merely displace the problem to another location. Finally, counter-trafficking policies must ensure that they do not merely create another type of exploitation that is just as harmful as human-trafficking.

### **Conclusion**

To address the human-trafficking phenomena globally today we must consider the impact of economic, political and social policy. Our counter-trafficking strategies must be widened to advocate change in environments in which human-trafficking

flourishes. Furthermore, our global demand for cheap, flexible and vulnerable workers, products and services must be explored in more depth. The complexities, messiness and nuances of our world must be recognized. We cannot allow the debate to be hijacked by reductionistic arguments and simplistic ‘solutions’, such as locking up the bad guys and preventing the victims from crossing national borders. We have a responsibility to endeavour to prevent the exploitation of the person in the first place. Crucially this will involve reducing the demand for a trafficked person’s services and a thorough review of national and global economic, migration, development and political policies that increase a person’s vulnerability to being trafficked.

Addressing human-trafficking in today *is* our moral responsibility as global citizens.

Governments, businesses, labour and migration organizations have further responsibilities to ensure their policies and practices do not create the space within which criminals can operate or a culture of consumption in which a person is reduced to a mere commodity without regard for their dignity as a fellow human being.

## BIBLIOGRAPHY

- Agustin, Laura 2007, *'Sex at the Margins: Migration, Labour Markets and the Rescue Industry'*: Zed Books, 2007
- Anderson, B. O'Connell-Davidson, J. 2003, *'Is trafficking in human beings demand driven: A multi-country pilot study'*, International Organization for Migration, website viewed 23 May 2007, <[http://new.vawnet.org/category/Documents.php?docid=985&category\\_id=683](http://new.vawnet.org/category/Documents.php?docid=985&category_id=683)>.
- Archavanitkul, K. 1998, *'The Trafficking Continuum'* in 'GAATW; Trafficking in Women in Thailand; Base line draft report prepared for the IWRAW Asia Pacific Project – Facilitating the Fulfillment of State Obligation to Women's Equality'
- Bales, Kevin 2005, *Understanding global slavery: a reader*, University of California Press, Berkley.
- Belser, Patrick 2005, *Forced labor and human trafficking: estimating the profits*, International Labour Organization, Geneva, website viewed 9 December 2009, <[http://www.ilo.org/sapfl/Informationresources/ILOPublications/lang--en/docName--WCMS\\_081971/index.htm](http://www.ilo.org/sapfl/Informationresources/ILOPublications/lang--en/docName--WCMS_081971/index.htm)>
- Belser et al. 2005, *ILO minimum estimate of forced labor in the world*, International Labor Organization, Geneva. Website viewed 21 November 2007, <<http://digitalcommons.ilr.cornell.edu/nondiscrim/7>>.
- Bindel, J. and Atkins, H. 2008, *'Big Brothel: a study of the off-street sex industry in London'*. London: POPPY Project, EAVES Housing for Women
- Bruggeman, William 2002, *'Illegal immigration and trafficking in human beings seen as a security problem for Europe'* European Conference on Preventing and Combating Trafficking in Human Beings. Brussels. Website viewed 1 May 2010 <<http://www.belgium.iom.int/STOPConference/Confdocs/Confpapers/index.htm>>
- Burke, Edmund 1770, *'Thoughts on the Cause of Present Discontents'* Sixth Edition, Dodsley, 1784.] <http://www.econlib.org/library/LFBooks/Burke/brkSWvIc1.html>.
- Caliber Report, 2006, *'Needs Assessment for Service Providers and Trafficking Victims.'* Report prepared by Caliber Associates, Inc. for the US Department of Justice, National Institute of Justice
- Camara, Helder 1974, *'The Desert Is Fertile'* Maryknoll, N.Y.: Orbis Books.
- Collyer, Michael 2006, *'Diasporas and communities of origin: Transnational links and exchanges'* Presentation at the Florence Summer School on Mediterranean Migration and Development.
- Coomaraswamy, R. 2000, *Integration of the human rights of women and the gender perspective on violence against women*, Report of the UN Special Rapporteur on violence

against women. Website viewed 18 October 2007,  
<<http://www.womenwarpeace.org/issues/trafficking/trafficking.htm>>.

Coomaraswamy, Radhika 2003, *'Report of the Special Rapporteur on violence against women: trafficking in women and forced prostitution'*, UNHCR, Geneva

Danailova-Trainer, G. & Belser, P. 2006, *Globalization and the illicit market for human trafficking: an empirical analysis of supply and demand*, International Labor Organization, Geneva.

D'Cunha, Jean 2002, *'Trafficking in persons: a gender and rights perspective'*, expert group meeting on trafficking in women and girls, New York. Website viewed 19 August 2007,  
<[www.un.org/womenwatch/daw/egm/trafficking2002/reports/EP-DCunha.PDF](http://www.un.org/womenwatch/daw/egm/trafficking2002/reports/EP-DCunha.PDF)>.

Ditmore, Melissa 2005, *'Trafficking in lives: How ideology shapes policy'* in Kempadoo et al (eds) *'Trafficking and prostitution reconsidered: New perspectives on migration, sex work and human rights'*. Paradigm Publishing Boulder

Farley et al., 2003, *'Prostitution and Trafficking in 9 Countries: Update on Violence and Posttraumatic Stress Disorder'*. Journal of Trauma Practice 2 (3/4): 33-74

Farley et al. 2009, *'Men Who Buy Sex: Who they buy and what they know.'* EAVES, London Prostitution Research and Education, San Francisco

Friman, R. & Andreas, P. 1999, *'International Relations and the Illicit Global Economy'* in *'The Illicit Global Economy & State Power'*, (Eds) Rowman and Littlefield Pubs, Inc. Maryland, US.

Gustafsson, Daniel 2005, *Debt-financed migration and debt-bounded sexual exploitation: a study from an economic perspective*, Unpublished Masters Thesis, University of Lund, Sweden.

Heyzer, Nolene 2002, *Combating trafficking in women and children: a gender and human rights framework*, Plenary Address to the Human Rights Challenge of Globalization Conference, Honolulu. Website viewed 2 September 2006,  
<[http://www.hawaii.edu/global/projects\\_activities/Trafficking/Noeleen.pdf](http://www.hawaii.edu/global/projects_activities/Trafficking/Noeleen.pdf)>.

IBISWorld. 2006 Q9528 *'Sexual Services in Australia'* May: IBISWorld Pty Ltd

International Criminal Police Organization 2007, *'Trafficking in human beings'*, INTERPOL, Lyon. Website viewed 14 June 2008, <<http://www.interpol.int/Public/THB/default.asp>>.

International Labor Organization 2005, *A global alliance against forced labor*, Conference Report, 93<sup>rd</sup> Session, Report 1 (B). Website viewed 3 October 2007,  
<<http://www.ilo.org/public/english/standards/relm/ilc/ilc93/reports.htm>>.

International Organization for Migration 1996, *'Trafficking in Migrants: Some Global and Regional Perspectives'* Paper submitted to regional Conference on Migration, Puebla Mexico, 13-14 March 1996

Jeffreys, Elena 2010, Human Trafficking Research Interview conducted by Lisa Connell in April, 2010. Victoria, Australia.

Jeffreys, Sheila 2009, *'The Industrial Vagina: The Political Economy of the Global Sex Trade'* Routledge, NY

Jordan, Ann 2004, *'Human Trafficking and Globalization'* Website viewed 4 August 2006 <http://www.americanprogress.org/issues/2004/10/6222852.html>

Kangaspunta, Kristina 2008, *'Women Traffickers'* Presentation at the UN.GIFT Conference in Vienna, 2008. < <http://www.ungift.org/ungift/en/vf/backgroundpapers.html>> Website viewed 9 December, 2008

Kelly, Liz 2002, *'Journeys of jeopardy: a review of research on trafficking in women and children in Europe'*, IOM Migration Research Series, no. 11. Website viewed 8 July 2007, <[www.iom.int/documents/publication/en/mrs\\_11\\_2002.pdf](http://www.iom.int/documents/publication/en/mrs_11_2002.pdf)>.

Khosher, K. 2000-1, *'Asylum Policies, Trafficking and Vulnerability'* International Migration, Special Issue 2000/1 ISSN 0020-7985

Konrad, Helga 2008, *The Vienna Forum report: a way forward to combat trafficking*, Presentation at the UNGIFT Conference, Vienna. Website viewed 12 March 2008, <<http://www.ungift.org/ungift/knowledge/publications.html>>.

Kinnell, Hilary 2008, *'Violence and Sex Work in Britain'* Cullumpton, Devon: Willan Publishing

Krygier, Martin *'Between Fear and Hope'* November 16, 1997 <http://www.abc.net.au/rn/boyerlectures/stories/1997/988491.htm>

Lee, June 2005, *'Human trafficking in East Asia: current trends, data collection, and knowledge gaps'*, International Migration, vol. 43, no. 1/2, pp. 165-201.

Mahmoud, T. & Trebesch, C. 2008, *'What determines human trafficking? Evidence from five Eastern European countries'*, Institute for the Study of Labor, Bonn. Website viewed 14 June 2008, <[www.iza.org/conference\\_files/worldb2008/trebesch\\_c4269.pdf](http://www.iza.org/conference_files/worldb2008/trebesch_c4269.pdf)>.

Moynihan, Barbara 2006, *'The high cost of human trafficking'*, Journal of Forensic Nursing, vol. 2, pp. 100-120.

Muntarhorn, V. 2002, *Human rights versus human trafficking in the face of globalization*, University of Hawaii, Honolulu. Website viewed 4 April 2008, <[www.hawaii.edu/global/projects\\_activities/Trafficking/Vitit.pdf](http://www.hawaii.edu/global/projects_activities/Trafficking/Vitit.pdf)>.

Nussbaum, Martha 2000, *'Women and Human Development. The Capabilities Approach'* Cambridge University Press.

Pearson, Elaine 2005, *'The Mekong Challenge, Human Trafficking: Redefining Demand'*, Report prepared for the International Labor Organization, Bangkok

- Piper, Nicole 2005, 'A problem by a different name? A review of research on trafficking in South-East Asia and Oceania', *International Migration*, vol. 43, no. 1/2, pp. 203-233.
- Pyle, Jean 2002 'How Globalization Fosters Gendered Labor Networks' Presentation at the Globalization and Trafficking Conference Honolulu, Hawaii Nov 13 – 15, 2002. Website viewed 14 July 2008 [www.hawaii.edu/global/projects-activities/Trafficking/Pyle.doc](http://www.hawaii.edu/global/projects-activities/Trafficking/Pyle.doc).
- Richter, W. & Richter, L. 'Human Trafficking, Globalization and Ethics' <http://www.aspauline.org/ethicscommunity/documents/Human%20Trafficking%20Globalization%20>. Website viewed 13 December, 2007
- Salt, J. Stern, J. 1997, 'Migration as a business: the case of trafficking', *International Migration*, vol. 35, no. 4, pp. 467-494.
- Skeldon, Ronald. 2000, 'Myth and realities of Chinese irregular migration', *International Migration Research Series*, vol. 1, no. 1, p. 46, Website viewed 2 February 2008, <<http://www.iom.int/jahia/Jahia/cache/offonce/pid/1674?entryId=7795>>.
- Sanghera, Jyoti. 1998, 'Globalization and Trafficking in Women – Peace and Freedom' Website viewed 2 July, 2007 <http://www.globalpolicy.org/soecon/inequal/prostitu.htm>
- Schloenhardt, Andreas. 1999, *Organized crime and the business of migrant trafficking: An Economic Analysis*, Australian Institute of Criminology, Canberra. Website viewed 15 July 2007, <<http://www.aic.gov.au/conferences/occasional/schloenhardt.html>>.
- Silverman et al. 2007, 'HIV Prevalence and Predictors of Infection in Sex-Trafficked Nepalese Girls and Women' in *Journal of American Medical Association*, August 1, 2007. Vol. 298, No 5.
- Smith, Adam 1976, 'The Theory of Moral Sentiments' (Eds) Raphael, D. & Macfie, A. Oxford: Clarendon Press, 1976
- Sullivan, Mary 2007, 'Making sex Work, A Failed Experiment With Legalized Prostitution' Spinifex Press Pty Ltd, Melbourne Australia
- Surtees Rebecca 2008, 'Trafficking and traffickers in Southern and Eastern Europe: Considering the other side of Human trafficking' *European Journal of Criminology* 2008: 5, 39. <http://euc.sagepub.com/cgi/content/abstract/5/1/39>
- United States Department of State 2006, *Trafficking in persons (TIP) report*, USDS Office to Monitor and Combat trafficking in Persons, Washington. Website viewed 5 September 2006, <<http://www.state.gov/g/tip/rls/tiprpt/2006/>>.
- United States Department of State 2008, *Trafficking in persons (TIP) report*, USDS Office to Monitor and Combat trafficking in Persons, Washington. Website viewed 5 September 2009, <http://www.state.gov/g/tip/rls/tiprpt/2008/>.



United States Department of State 2009, Trafficking in persons (TIP) report, USDS Office to Monitor and Combat trafficking in Persons, Washington. Website viewed 5 February 2010, <<http://www.state.gov/g/tip/rls/tiprpt/2009/>>.

UN.GIFT 2008, Vienna Conference 13-15 February, 2008. Website viewed 2 May 2008 <<http://www.ungift.org/ungift/en/vf/index.html>>.

United Nations Office on Drugs and Crime 2006, 'Trafficking in persons: global patterns', UNODC, Vienna. Website viewed 4 October 2006, <[http://www.unodc.org/pdf/traffickinginpersons\\_report\\_2006ver2.pdf](http://www.unodc.org/pdf/traffickinginpersons_report_2006ver2.pdf)>.

United Nations Office on Drugs and Crime 2008a, *Demand for forced labor and sexual exploitation: how and why it fuels human trafficking*, Vienna UN.GIFT Conference. Website viewed 3 April 2008, <<http://www.ungift.org/ungift/en/vf/backgroundpapers.html>>.

United Nations Office on Drugs and Crime 2008b, *Background papers*, Vienna UN.GIFT Conference. Website viewed 3 April 2008, <<http://www.ungift.org/ungift/en/vf/backgroundpapers.html>>.

United Nations Development Fund for Women 2006, *Women, war, peace and trafficking*, UNIFEM, New York. Website viewed 2 August 2006, <<http://www.womenwarpeace.org/issues/trafficking/trafficking.htm>>.

United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, Supplementing the United Nations Convention Against Organized Crime, 2000 UNHCHR, Geneva. Website viewed 4 October 2008, <<http://www.unodc.org/unodc/en/treaties/CTOC/index.html#Fulltext>>.

Weitzer, Ronald 2005, 'The growing moral panic over prostitution and sex trafficking', *The Criminologist*, vol. 30, no. 5, pp. 1-4.

Yea, Sallie 2004, *Sex trafficking of foreign women to United States military camp towns in South Korea*, Melbourne, Project Respect, Melbourne, <<http://www.projectrespect.org.au/resources.html>>.

Zimmerman et al. 2003, 'The health risks and consequences of trafficking in women and adolescents. Findings from a European study.' London: London School of Hygiene & Tropical Medicine (LSHTM).

Zimmerman et al. 2006, 'Stolen smiles: a summary report on the physical and psychological health consequences of women and adolescents trafficked in Europe'. The London School of Hygiene and Tropical Medicine, London.

## **Globalization from a Baha'i Perspective**

**Dr. Michael Kuehlwein**, Chair of Department of Economics, Pomona College, Claremont, USA

This paper is an investigation into what the Baha'i Faith has to say about the process of globalization. It is meant to serve as contribution to a conversation between religion and economics. I should probably start out by providing some background on the Faith. It was founded in Iran in the mid-1800s by a Persian nobleman with the title Baha'u'llah, who lived from 1817 to 1892. He was succeeded by His son Abdu'l-Baha, and when Abdu'l-Baha died in 1921, He appointed His grandson, Shoghi Effendi, to be the Guardian of the Faith. During his lifetime, Shoghi Effendi laid the groundwork for the establishment of the Universal House of Justice in Haifa, Israel, which guides the Faith today.

Globalization is a huge topic, but because I'm an economist, I'll be primarily concerned with the economic dimensions of it. From an economic standpoint it refers to the increased flow of goods, services, workers, money, and ideas between countries. Throughout much of world history there has often been some interaction along these lines between countries. But the pace of that interaction has exponentially accelerated in the past two centuries. In part this is due to breakthroughs in communication and transportation that have made it much easier to move ideas, things, and people around the world. Added to that, countries have recently opened up their borders to foreign goods, services, and investments. Examples include the European Union in 1992, NAFTA in 1993, and the World Trade Organization in 1995. So not only has our ability to interact with the rest of the world grown dramatically, our willingness to do so has as well.

Whenever dramatic change occurs, it tends to be stressful and to make people anxious. Accordingly there are many concerns and fears these days about the process of globalization. There is the suspicion that it is dangerous and that it has largely been harmful to the world, that only a few powerful interests (countries, firms) benefit from it. There are worries about its impact on the environment, workers, indigenous people, developing countries, and cultures.

Despite all this, the Baha'i Faith has a relatively positive view of this process. But that is largely conditional on the process unfolding in a beneficial way. Not all

current aspects of globalization seem to me to be consistent with Baha'i principles. So my basic theme is that, from a Baha'i perspective, globalization can be a means for significantly uplifting the material condition of humanity, but it requires moral and spiritual guidance.

What do you know about the economic aspects of globalization? It is tempting just to look around the world and measure any progress or regress we observe. But that wouldn't distinguish between the effects of globalization and any other factors that might affect growth. One needs to try to isolate the effects of opening up flows of, say, goods and services across countries. One study that attempts to do that was conducted by the World Bank in 2002. In it they divided up the developing world into 24 countries that since 1980 became more globalized in the sense that they expanded trade with the rest of the world, and 49 countries that did not. The more globalized group was not any wealthier in 1980; in fact, they were on balance poorer. But they made much more dramatic gains in living standards. Between 1980 and 1997, average income per person in them rose by 67%. In contrast, the less globalized countries saw income per person basically stagnate. Some countries even saw living standards fall. In case you are wondering, there are almost three times as many people in the more globalized group: about 3 billion versus 1 billion in less globalized countries. That is largely because both China and India are in the more globalized group. Both countries have recently opened up their economies and experienced rapid growth.

Overall, living standards in the developing world did rise over this period, but they rose much faster for countries that increased their connections to the rest of the world. One of the positive effects of this has been that between 1980 and 1998 the number of people estimated to be living in absolute poverty (\$1 or \$2 a day) declined by 200 million; that is a 20% decline. Average years of schooling and life expectancy have also risen. Vietnam is a good example. The fraction of their population living in absolute poverty fell from 75% in 1988 to 37% in 1998; poverty was cut in half there in a decade! Vietnam has been unusually successful in joining the world economy partly because they have started to export labor-intensive products such as footwear.

Of course, there could still be other factors at work influencing these results. One could imagine the implementation of institutional reforms that includes not only more open trade but also crackdowns on corruption, improvements in education, and

incentives for entrepreneurs. That is what Jeff Frankel and David Romer try to control for in their article “Does Trade Cause Growth?” in which they use an econometric technique known as instrumental variables to try to produce clean estimates of the impact of trade on growth. They use the fact that trade is often related to the geography of a country to estimate the impact of trade. They conclude that there is strong evidence that more trade generally raises living standards. Now there are some critics in the field who argue that the evidence linking the two is still tenuous, but the majority of studies done suggest that trade enhances growth.

There are a number of possible reasons for that. Countries may get access to more efficient technology which boosts their productivity. They may receive loans and direct investments from wealthier countries that provide them with the resources to purchase modern machinery and equipment and the management skills to operate them efficiently. They may find world markets for their products which would lead to more output and employment. They may take steps to become more competitive worldwide, such as providing their citizens with a better education.

However, it is also clear that this wave of globalization has not significantly raised living standards for many poor people in the world. So let me now turn now to some of the potential problems with the current process of globalization and what the Baha’i perspective on them might be.

Let’s begin with income inequality. So far globalization, by helping some countries become much richer but leaving others behind, has increased world income inequality. Income per person in the US today is over 50 times what it is in the poorest countries in the world. Average income per person in the US is around \$35,000 a year. In some African countries it is less than \$500 a year. That income gulf certainly did not exist 100 years ago. Lant Pritchett of Harvard has estimated that the ratio of US GDP per capita in the US in 1870 to that in the poorer countries in the world was only about 9. So the ratio has grown by a factor of 5 or 6 in the last 140 years.

That is not consistent with the principles of the Faith, which stress the elimination of extremes in poverty and wealth. Here is a quote to that effect: “O ye rich ones on earth, the poor in your midst are my trust. Guard ye my trust and be not intent only on your own ease.” (Baha’u’llah, *Persian Hidden Words*, No. 54). So it is clearly incumbent on more affluent individuals to make efforts to assist the poor. There are several specific ways in this is supposed to happen. First, individuals, by

becoming more sensitive to the needs of the poor, could give both more money and time to help them. There is also a fund in the Faith to which Baha'is are expected to contribute if they earn above what are considered to be necessary expenses. That money typically goes to economic development projects throughout the world. Most commonly these projects are in the areas of health care, literacy, and agriculture. Third, there are writings that speak of "legislative readjustment of conditions" so that "all may possess the comforts and privileges of life." (Abdu'l-Baha, *The Promulgation of Universal Peace*, pg. 107). So there also is the expectation that some government action will be required to address this problem, though the form of that action is not specified.

Another negative aspect of the current globalization process is that in some cases it has led to the destruction of the environment. In an effort to raise incomes, some developing countries have cut forests, strip-mined their land, polluted their water and air, and dammed their rivers. The Maquiladora region in northern Mexico is a well-known example of this. It is a free trade zone and it has attracted hundreds of companies that use relatively cheap labor to produce goods primarily for the US. But some of the firms there have polluted the rivers and land, leading to unsanitary conditions.

This seems contrary to the principles of the Baha'i Faith. One of the most important components of the New World Order is justice. Baha'u'llah wrote that in the sight of God "justice is the best beloved of all things" (*Arabic Hidden Words*, No. 2). The Universal House of Justice further writes, "Since the body of humankind is one and indivisible, each member of the race is born into the world as a trust of the whole." (*Readings on Baha'i Social and Economic Development*, pg. 63). That almost certainly includes future members of the human race. They are the trust of the current generation. So a just and loving society would preserve and enhance the condition of the environment for future generations. The Universal House of Justice acknowledges this when they discuss the importance of "the creation of binding legislation that will protect both the environment and the development needs of all peoples" (*Readings on Baha'i Social and Economic Development*, pg. 65) Seriously caring about future generations should make us better stewards of our planet.

A related problem to this is the acceleration of the extinction of living species. Scientists believe that species are becoming extinct at an alarming rate today. Although the exact number is difficult to pin down, estimates are that as many as

25,000 species a year are becoming extinct. This is a much higher rate than we had in past centuries. Much of this is due to the destruction of natural habitats. This too would seem contrary to the spirit of the Baha'i writings on the treatment of animals. One writing says:

“Know thou that every created thing is a sign of the revelation of God. Each, according to its capacity, is and will ever remain, a token of the Almighty. Inasmuch as He, the sovereign Lord of all, hath willed to reveal His sovereignty in the Kingdom of names and attributes, each and every created thing hath, through the act of the Divine Will, been made a sign of His glory.” (*Gleanings from the Writings of Baha'u'llah*, pg. 184)

If every species is a “sign of the revelation of God” and a “token of the Almighty”, it is hard to be indifferent about current extinction trends.

One issue that has received attention in protests against the International Monetary Fund or IMF as it is known, is the effect of globalization on indigenous cultures. Some people fear that with increased trade and communication, local customs may be steamrolled by the American lifestyle. This has been labeled the “McDonaldsization” of the world, and McDonald's restaurants have been attacked by individuals in the name of preventing globalization. Those attacks are not consistent with the Writings, but maintaining and promoting the amazing diversity in the world is. Shoghi Effendi states that the Baha'i Faith:

... does not ignore, nor does it attempt to suppress, the diversity of ethnical origins, of climate, of history, of language and tradition, of thought and habit, that differentiate the peoples and nations of the world. It calls for a wider loyalty, for a larger aspiration than any that has animated the human race. It insists upon the subordination of national impulses and interests to the imperative claims of a unified world. It repudiates excessive centralization on one hand, and disclaims all attempts at uniformity on the other. Its watchword is unity in diversity ... (*World Order of Baha'u'llah*, pp. 41-42)

The Universal House of Justice has also commented on this:

Much like the role played by the gene pool in the biological life of humankind and its environment, the immense wealth of cultural diversity achieved over thousands of years is vital to the social and economic

development of a human race experiencing its collective coming-of-age. It represents a heritage that must be permitted to bear its fruit in a global civilization. (*Readings on Baha'i Social and Economic Development*, pg. 64)

I have seen this in the Baha'i community. There is a real attempt to celebrate diverse traditions, histories, and languages. Just as one example, at the World Congress in 1992 in New York City, individuals from around the globe were encouraged to wear native clothes. The result was a beautiful pageant of robes, dresses, shirts, saris, etc. Cultural diversity is strongly supported by Baha'is in a new global society.

Another of the suspicions about globalization is that it is simply a means for powerful multinational corporations to pay workers less and to pad their own profits. And at first glance it would seem as though there is widespread evidence of this. Wage rates in many developing countries are extremely low: sometimes just dollars a day. Also, firms presumably would not set up shop in the developing world if it were not profitable. However, economists believe that in many cases wages are low in developing countries because of significant obstacles to raising productivity and efficiency in those nations. There are challenges involving lack of adequate public infrastructure, low educational attainment, a scarcity of investible funds, and lagging technology. Cross-country productivity data seem to support this hypothesis: productivity is lower in countries with lower wage rates.

But that does not mean that in every instance firms are paying developing country workers what they are worth. In competitive labor markets workers are assumed to be paid what is known as their marginal product, which just measures their contribution to firm revenue. But competition may not always exist in the developing world. If so, firms can take advantage of that. In the extreme case, firms may operate as what are known as monopsonists, which means they are the only major employer in the area. So there are situations where it's possible for companies to get away with paying workers less than the value of their work.

There are two safeguards against this in the Baha'i Faith. First, Baha'is are urged to consider the interests of others, not just themselves, as revealed in this writing: "O son of man! If thine eyes be turned towards mercy, forsake the things that profit thee and cleave unto that which will profit mankind. And if thine eyes be

turned towards justice, choose thou for thy neighbor that which thou chooseth for thyself.” (Baha’u’llah, *Tablets of Baha’u’llah*, pg. 64) This version of the Golden Rule militates against the exploitation of workers.

The second protection is profit-sharing: “Laws and regulations should be established which would permit the workmen to receive from the factory owner their wages and a share in the fourth or the fifth part of the profits, according to the capacity of the factory;” (Abdu’l-Baha, *Some Answered Questions*, pp. 274-75) The precise form that this system will take has not been fully worked out. But the general principle is clear: some of the profits should go to workers. Not only should this encourage hard work and loyalty among them, but it could also help to discourage the exploitation of workers.

Joseph Stiglitz is a Nobel-prize winning economist from Columbia University who has written about some of the problems of globalization. He is very critical of the role of the IMF in that process. The IMF is the international organization that is supposed to come to the aid of countries that are undergoing financial crises. In theory, this should help developing countries. However, in his book *Globalization and its Discontents*, Stiglitz argues they have often done more harm than good. That is because to qualify for an IMF emergency loan, countries often are asked to make certain painful changes to their economy. Stiglitz argues that many of the IMF’s proposed reforms have made countries worse off.

I want to touch briefly on one aspect of those reforms. Typically, the way the IMF works is to send a team of “experts” to host countries where they spend a few weeks, do an analysis of the economy, and then produce policy recommendations. Stiglitz argues that it is almost impossible for IMF staffers to get an in-depth understanding of these economies in such a short time. In fact he argues that IMF recommendations are almost all the same, are dictated by the US and Europe, and display little awareness of local conditions.

It is interesting, then, that the Universal House of Justice endorses a rather different approach. They have written:

Development, therefore, can never be a product that is created outside of a region or a people and then delivered to them. It is a process that can only be envisioned in the context of the participation of people and their



institutions, who must consciously tread their own path of individual and social progress. (*Readings on Baha'i Social and Economic Development*, pg. 33)

Just recently the IMF has started paying more attention to local conditions and to be more open to advice from developing nations, so things may be improving there.

I mentioned earlier that a number of significant trade agreements have been signed in the past 20 years. However, Stiglitz has criticized a number of these agreements for unfairly favoring industrialized countries like the US. He asserts that in them developing countries were often required to open their borders to our products, while rich nations were allowed to keep their markets closed to many of the products of developing nations. Examples include the US slapping heavy tariffs on foreign steel imports about 10 years ago and significant agricultural trade barriers in Europe. His basic point is that while wealthy countries often preach free trade to the rest of the world, they have on several occasions adopted protectionist measures.

The fundamental reason for this is probably that we care more about our own citizens than those from other countries. But that is not what the Baha'i writings teach us. We are taught that, "The world is but one country, and mankind its citizens." Also: "Let not a man glory in that he loves his country; let him rather glory in this, that he loves his kind." (Baha'u'llah quoted in *The Promised Day is Come*, pg. 186). Shoghi Effendi himself refers to nationalism as one of the three false Gods of our age, together with racialism and communism. It is, of course, fine in the Faith to be proud of one's country. But that is not supposed to trump one's concern for the world as a whole.

Finally, I mentioned earlier that greater flows of money across borders were one feature of globalization. More and more affluent individual investors, banks, corporations, and governments now invest their savings in developing countries. Access to these funds has often been a help to those countries. But a dark side to those loans has emerged. Money is invested in emerging markets because investors expect a high rate of return. But it is impossible to earn a high rate of return when the currency that country plunges in value. Just a hint that that might happen can cause panic among foreign investors.

That is exactly what happened in East Asia in 1997. Weakness in Thailand's economy led to speculation that the Thai currency, the baht, would lose value. So there was a stampede among foreign investors to get their money out of the country and into US dollars where it would not lose its value; foreign investors dumped Thai real estate, Thai stocks, and the Thai currency. The result was a collapse in the real estate market, a plummeting stock market, and a huge depreciation of the currency. All of this was ruinous for the Thai economy in the short run. This then spooked investors in other East Asian nations and suddenly the economies of South Korea, Indonesia, and the Philippines were also imploding. It even spread as far as South America.

It is interesting, then, to note that another Baha'i goal is the ultimate establishment of a single world currency. Such an arrangement would make financial crises like the one just mentioned less likely, because there wouldn't be the same incentive to get out of the domestic currency. The precise timetable for moving to a single world money is not spelled out. As the current crisis in Greece demonstrates, the adoption of an international currency can be complicated. Writers such as Nobel Laureate Paul Krugman have argued that Europe doesn't have the necessary preconditions for one currency, such as a high degree of labor mobility and a system of fiscal federalism. So it may be a while before the world is ready for one money. But Baha'is believe it that in the long-run it is a natural step in an increasingly globalized world.

In conclusion the Baha'i Faith approaches the topic of this paper from the perspective that globalization is largely inevitable. The world has become a much smaller place and it is going to stay that way. But we can still shape and mold that world by applying spiritual principles to issues of income inequality, environmental degradation, species extinction, fair wages, and international aid. This is one area where religion can play a pivotal role. Religion can provide guidance on what we value and what we aspire to become. The Baha'i Writings state that, "The fundamental purpose animating the Faith of God and His Religion is to safeguard the interests and promote the unity of the human race, and to foster the spirit of love and fellowship amongst men." (*Gleanings from the Writings of Baha'u'llah*, pg. 215) These are certainly lofty goals, but they are worth keeping in mind as we speed ahead on this seemingly inexorable process of globalization.

## References

- Abdu'l-Baha, *Some Answered Questions*, pocket-size edition, US Baha'i Publishing Trust, Wilmette, IL, 2006. *The Promulgation of Universal Peace*, US Baha'i Publishing Trust, Wilmette, IL, 1982.
- Baha'u'llah, *Gleanings from the Writings of Baha'u'llah*, US Baha'i Publishing Trust, Wilmette, IL, 1994. *The Hidden Words of Baha'u'llah*, US Baha'i Publishing Trust, Wilmette, IL, 1985.
- Effendi, Shoghi, *The Promised Day is Come*, US Baha'i Publishing Trust, Wilmette, IL, 1996.
- Frankel, Jeffrey and David Romer, "Does Trade Cause Growth?" *American Economic Review*, June 1999: pp. 379-99.
- Pritchett, Lant, "Divergence, Big Time," *Journal of Economic Perspectives*, Summer 1997: pp. 3-17.
- Stiglitz, Joseph, *Globalization and its Discontents*, W.W. Norton, New York: 2002.
- Globalization, Growth, and Poverty*, A World Bank Policy Research Report, Washington D.C., 2002.
- Readings on Baha'i Economic and Social Development*, Palabra Publications, Riviera Beach, FL., 2000.
- Tablets of Baha'u'llah*, Baha'i World Centre, Haifa, Israel, 1978.
- The World Order of Baha'u'llah*, US Baha'i Publishing Trust, Wilmette, IL, 1982.

### 'Love in Truth' in Bangladesh

**Father William McIntire**, former Secretary-General, **Maryknoll Fathers**, chaplain to Mother of Theresa's Sisters in India and Bangladesh for the past two decades, USA/Bangladesh

It is with great pleasure that I speak at this Globalization for the Common Good Conference: "In Search of the Virtuous Economy to Heal our Troubled World", in this welcoming environment of California Lutheran University. My topic is to explore the relevance of Pope Benedict's recent (2009) Social Encyclical '**Caritas in Veritate**' or '*Love in Truth*', to the economically poor and struggling (and 90% Muslim) country of Bangladesh in South Asia, where I have been privileged to serve as a Catholic missionary since 1980. My thesis is that although we have faced and are still facing in Bangladesh many crises and seemingly intractable problems, there is among the courageous, resilient and hard-working Bangladeshi people an underlying strength and vision, which makes the future somewhat hopeful. And this 'underlying strength and vision' is in close accord with the substance and recommendations of Benedict's new social Encyclical.

In Bangladesh, we are preparing to celebrate in 2011 the 40<sup>th</sup> anniversary of the 1971 War for Bangladesh independence. That war caused Bangladeshis terrible suffering, with up to three million dead and up to eight million who had to take temporary refuge in India. But in this heavily Muslim country, the independence leaders in victory vowed to build a society where concern for the common good of all was foremost, and where all human rights including freedom of religion were respected. There were nay-sayers even then: We recall Henry Kissinger's insulting comment that 'Bangladesh would be an international basket-case'. And indeed there have been many problems during these last 40 years: terrible natural disasters, assassinations, political turmoil, rampant corruption, environmental pollution, overpopulation (our population has grown from 70 million in 1971, to near 160 million now, in an area the size of the State of Iowa). In a low-lying country where the *average* elevation above sea level is only 12 feet, and where some years in the rainy season up to 80% of the land surface is flooded, global warming and rising sea levels pose a threat to our very survival as a nation and people. At the nadir of grave political problems in 2006, Condoleeza Rice commented that Bangladesh was in danger of becoming 'another Afghanistan' and a 'failed state'. Parliamentary

elections had been scheduled for January 2007, but after the Bangladesh Supreme Court had rejected a phony 90 million-voter list (which contained 12 million false or ‘ghost’ votes), and the main Opposition Party refused to participate in the scheduled elections, the election became problematical. Terrible street violence in late 2006 had alarmed the world. The UN Secretary General sent then a Special Representative to make recommendations to stabilize the situation. The subsequent Caretaker Government in power in 2007 and 2008, composed of well qualified and highly-motivated technocrats (strongly supported by the Bangladesh Army, the UN and other international agencies, and at least at first by a majority of Bangladeshis), deserves a lot of credit for turning the situation around and preparing for the truly free and fair democratic elections held on 29 December 2008. Problems continue of course, but the last three and half years have seen positive developments, and the inherent Bangladeshi sense of hope for the future has been restored.

I wish to proceed now to give a synopsis of the history and main elements of Catholic social teaching, some of the new emphases in Benedict’s 2009 Encyclical ‘**Caritas in Veritate**’, and give examples of their possible application to, or relevance for, our situation in Bangladesh. My view is that the Church’s social doctrine should have relevance everywhere, since this doctrine is based on humankind’s creation “in the image of God” (Gen. 1.27), a given or *datum* which gives rise to the inviolable dignity of every human person, and the transcendent value of natural moral norms.

The first social justice Encyclical was the famous ‘**Rerum Novarum**’, ‘*On the Condition of Workers*’ (1891), where Pope Leo XIII strongly supported the right of workers to organize into trade unions that could defend their rights, and lamented that the ‘tragedy of the 19<sup>th</sup> century [in Europe] was that the Church lost the support of the working class.’. The four pillars of Catholic social teaching then, and in the subsequent major social Encyclicals, Pius XI’s ‘**Quadragesimo Anno**’, ‘*In the 40<sup>th</sup> Year*’ (1931), and John XXIII’s ‘**Mater et Magistra**’, ‘*Mother and Teacher*’ (1961) were: 1) Human dignity, 2) Subsidiarity, 3) Solidarity, and 4) The Common Good. Paul VI’s ‘**Populorum Progressio**’, ‘*On the Progress of Peoples*’ (1967), where the concept of *integral human development* was first strongly introduced, was criticized by conservatives. At that time (1967), I was serving as a missionary in Peru, South America, and conservatives were afraid Pope Paul in the Encyclical was favoring the

new ‘Theology of Liberation’ or even had been influenced by Marxist thought. In contrast, almost 25 years later, conservatives were quite pleased with Pope John Paul II’s social Encyclical ‘**Centesimus Annus**’, ‘*One Hundred Years*’ (1991), which gave the Church’s qualified blessing to what it called ‘the business economy’, stressing however that free-market wealth creation has to be conducted subject to the requirements of the common good.

Pope Benedict XVI became Pope in April 2005. His 1<sup>st</sup> and 2<sup>nd</sup> Encyclicals, ‘**Deus Caritas Est**’, ‘*God is Love*’ (2006), and ‘**Spes Salvi**’, ‘*Saved in Hope*’ (2007), deal masterfully with the theological virtues of Love and Hope. His third Encyclical ‘**Caritas in Veritate**’, ‘*Love in Truth*’ (2009) represents instead a ‘dialogue with social scientists’, based on natural law, and is addressed to believers and non-believers alike. The letter is a challenge to social scientists, business people and ‘All People of Good Will’ to place the well-being of global humanity at the top of the agenda. ‘**Caritas in Veritate**’ (*CIV*) was originally scheduled for publication in 2007 to mark the 40<sup>th</sup> anniversary of Paul VI’s controversial 1967 Encyclical ‘**Populorum Progressio**’, the first to present the case for *integral human development*. But since Benedict wanted to say something meaningful in *CIV* about the financial *and* moral crisis which had engulfed our globalized world, publication of *CIV* was delayed until the end of June 2009. When Cardinal Secretary of State Tarcisio Bertone introduced *CIV* at a press conference in Rome, he stated very frankly that “The present [global] crisis is the result of human greed, and a mistaken idea that the maximization of profit is the only value the free market is ethically obliged to follow”.

Let me now proceed to mention some of the ‘new’ emphases or elements in ‘**Caritas in Veritate**’, especially those which impact on a country like Bangladesh:

### **1. End of supposed dichotomy between “religion” and “social justice”.**

Conservatives in the Catholic Church traditionally have considered that the Church’s main duty is the ‘salvation of souls’, and that social justice concerns are marginal or even optional to this duty. An old joke was that the best way to empty a Church was to preach on social justice, and that social justice was the Church’s ‘best-kept secret’. The recent stormy debate here in the U.S. between Jim Wallis of *Sojourners* and the

very conservative commentator Glenn Beck remind us that this is still a hot topic in Christian circles.

But Benedict's new Encyclical brings at least in the Catholic Church the two aspects emphatically together, through the rubric of *integral human development*, and thus eliminates the supposed dichotomy. Promoting and teaching social justice is proclaimed in *CIV* as an integral part of preaching the Gospel and of Christian faith. "The whole Church, in all her being and acting – when she proclaims, when she celebrates, when she performs works of charity – is engaged in promoting integral human development, [for] authentic human development concerns the whole of the person in every single dimension." "In reality, institutions by themselves are not enough, because integral human development is primarily a *vocation*, and therefore it involves a free assumption of responsibility on the part of everyone." (cf *CIV* # 11) There are fine examples in Bangladesh, which I will later mention, where devout Muslims have certainly demonstrated they also have a *vocation* or calling to promote integral human development as an essential aspect of their religious and humanistic beliefs. Faced with so many grave challenges in the world, the Pope's clear rejection of the idea there is some sort of conflict between 'religion' and social justice is a very helpful clarification!

**2. 'Rights' and 'Duties' are equally relevant in 'Family' and 'Public' Life.** Another dichotomy which Benedict breaks down is in his contention that rights and duties are the same for the most part either in 'private' or in 'public' life. The Pope 'situates family life in the vital web of social relations without which no human person can truly thrive<sup>2</sup>.' He says (*CIV* #43), "Many people today would claim that they owe nothing to anyone, except to themselves. They are concerned only with their rights, and they often have great difficulty in taking responsibility for their own and other people's integral development. Hence it is important to call for a renewed reflection on how *rights presuppose duties, if they are not to become mere license.*" The whole world now has become in a sense one family, and it would be excellent if the moral values of good families or communities could be followed also in social, business and political life. In *CIV* #44, the Pope stresses "It is thus becoming a social and even economic necessity once more to hold up to future generations the beauty of

---

<sup>2</sup> Thomas Massaro 'All in the Family', *America*, New York, November 30, 2009, p. 11.

marriage and the family and the fact that these institutions correspond to the deepest needs and dignity of the person.” Benedict says the family is “the primary vital cell of society”, and without healthy family life, it is not possible to achieve good results on the highest levels of social organizations (including cultures, governments, corporations, and so forth)

**3. Plus and Minus of Globalization.** The benefits of globalization [defined in the Encyclical as the *explosion of worldwide interdependence*] in making the world a global village these past 40 years, are mentioned and praised in the new Encyclical. Benedict writes: “[Globalization} has been the principal driving force behind the emergence from underdevelopment of whole regions, and in itself it represents a great opportunity.” (#33) “But for it to be so, it is important that it be guided by a profound moral and cultural renewal and by responsible decisions that must be taken for the common good. ...The processes of globalization, suitably understood and directed, open up the unprecedented possibility of large-scale redistribution of wealth on a global scale. If badly directed, however, they can lead to an increase in poverty and inequality, and could even trigger a global crisis.” (CIV #42) The benefits from, or harm done, by globalization, in short depend very much upon the actions and attitudes of all the human actors involved (i.e., every human being without exception), in the epoch drama that is going on in our interdependent world at present: “Globalization, *a priori*, is neither good nor bad. It will be what people make of it.” (CIV # 42).

The phenomenon of unprecedented global migration in search of economic well-being, for example, poses dramatic challenges to nations and the international community, and raises numerous social, economic, political, cultural and religious problems. On the one hand, it can stimulate wealth production and cultural exchange, but it has caused also terrible alienation, anxiety and psychological instability. (cf. CIV #25). The Pope writes: “We are all witnesses of the burden of suffering, the dislocation, and the aspirations that accompany the flow of migrants.” (CIV #66). In Middle East airports this past year, I personally have witnessed the terrible anguish of Bangladeshi workers who have lost their jobs and their self-esteem, and are repatriated penniless back to their homeland!

Another example on the negative side would be the downsizing of social security systems, in rich and poor countries alike, as the price to be paid for seeking greater competitive advantage in the global market. This has resulted in grave



dangers for the fundamental human rights of workers, and for the solidarity associated with the traditional forms of the social State. (cf. *CIV #25*). Worldwide the problem of unemployment remains acute. In Bangladesh our Prime Minister Sheikh Hasina has recently announced plans to bring down the unemployment rate to 15% from the present crippling **40%** rate [!] by the year 2021. The means to do this she proposes are many new technical training centers at international standards for unemployed youths, keeping in mind the demands of international recruiters<sup>3</sup>. Being out of work for long periods, especially when you have low qualifications [or maybe even more when you have high qualifications!], if you are older, or if you see little chance in your lifetime to have decently remunerated work, causes great psychological and spiritual suffering and is indeed soul-destroying!. Benedict reminds everyone “that the *primary capital to be safeguarded and valued is man, the human person in his or her integrity.*” (*CIV #25*) Benedict says we should continue to *prioritize the goal of access to steady employment* for everyone.

**4. The world-wide economic crisis.** Regarding the worldwide economic crisis, Benedict says it offers an “opportunity for discernment” in how to reorganize a globalized society. Benedict condemns “the scandal of glaring inequalities”, and adds that while “the world’s wealth is growing in absolute terms, inequalities are on the increase”. (*CIV # 22*) He states that the market “must not become the place where the strong subdue the weak” (*CIV # 36*<sup>4</sup>). “The different aspects of the crisis, its solutions, and any new development that the future may bring, are increasingly interconnected, they imply one another, they require new efforts of holistic understanding, and a *new humanistic synthesis.*”

**5. Regulation of the Financial Sector.** The new Encyclical thus supports the “regulation of the financial sector, so as to safeguard weaker parties and discourage scandalous speculation.” (*CIV #65*) Benedict says that in poorer areas [such as Bangladesh] some groups enjoy ‘super-development’, wasteful and consumerist, which forms an unacceptable contrast with the ongoing situations of dehumanizing deprivation.” (*CIV #22*) Benedict speaks also of the necessity for coordinated world

<sup>3</sup> cf. M. Abdul Latif Mondal, ‘Ascertaining unemployment rate’, *The Daily Star*, Dhaka, p. 11, 02 March 2010.

<sup>4</sup> cf. Brendan McSweeney, ‘No Place for a Free for All’, *The Tablet*, London, pp. 10-11, 05 September 2009.

action to eliminate the specter of hunger: “The elimination of world hunger ... in the global era, has become a requirement for the safeguarding of the peace and stability of the planet. ...It is necessary to cultivate a public conscience that considers food and access to water as universal rights of all human beings”. (*CIV #27*)

**6. Need for a New Economic Order** – Benedict writes: “Today’s international economic scene, marked by grave deviations and failures, requires a profoundly new way of understanding business enterprise.” The new Encyclical makes the rather radical statement that: “The exclusively binary model of market-plus-state is corrosive of society”, and the Pope adds that “Human beings need more than exchange relations.” Our world has indeed changed radically these last 40 years: “It is becoming increasingly rare for business enterprises to be in the hands of a stable director who feels responsible in the long term, and it is becoming increasingly rare for businesses to depend upon a single territory.” “Moreover, the so-called outsourcing of production can weaken the company’s sense of responsibility towards the stakeholders – namely the workers, the suppliers, the consumers, the natural environment and broader society – in favor of the shareholders, who are not tied to a specific geographical area and who therefore enjoy extraordinary mobility.” (*CIV #40*)

**7. People-Centered Ethics.** But capitalism is only one form of market economy, governed as it is by the pursuit of profit and the ‘total good’ of its shareholders, rather than the common good of *all* the stakeholders mentioned above. Capitalism is aimed simply at achieving the maximization of wealth. Benedict boldly sketches out an alternative to free market capitalism. “In order to function correctly”, Benedict says the economy needs ‘people-centered’ ethics, as well as a multi-levelled regulatory system based on principles of solidarity and subsidiarity. The economic sphere “is part and parcel of human activity and precisely because it is human, it must be structured and governed in an ethical manner.” (*CIV #37*)

**8. Civil Market Economy.** The alternative to capitalism Benedict suggests can perhaps be best described as a *civil market economy*, which aims at achieving the common good. Such a civil market economy hopefully would serve the best interests of *all* stake-holders, including the workers, the suppliers, the consumers, the natural

environment, the pensioners and broader society<sup>5</sup>. Each stakeholder should accept their responsibilities (along with their rights); for example, consumers should “realize that purchasing is always a moral and not simply an economic act.” Benedict says: “Economic life undoubtedly require contracts, in order to regulate relations of exchange between goods of equivalent value. But [he adds] it also needs just laws and forms of *redistribution* governed by *politics*, and it needs work redolent of the *spirit of gift* “. (CIV #37). “Alongside profit-oriented private enterprise and the various type of public enterprise, there must be room for commercial entities based on mutualist principles and pursuing social ends to take root and express themselves.(CIV #38). “Economic, social and spiritual development, if it is to be authentically human, needs to make room for the *principle of gratuitousness* as an expression of fraternity.”

**9. This Idea of Gift is a Central One in the Encyclical.** Thus *CIV* revives the idea of *Gift* of self, voluntarism, and authentic fraternity outside of our social obligations that are contractual (an hour’s pay for an hour’s work, for example) or legal. People possess within themselves an instinct for such a *civil market economy*. Profit alone is not enough for the human spirit; people need to give of themselves, and take satisfaction in a job well done<sup>6</sup>. In the United States, for example, when blood donors started to be paid instead of the former system of freely donating blood, the result was that the amount and quality of blood collected seriously declined. People are tired of the *financialization* in recent years not just of every area of the economy, but even of life itself. Gifting oneself is a psychological (and spiritual) necessity for most human beings. “In order to defeat underdevelopment, action is required not only on improving exchanged-based transactions and implanting public welfare structures, but above all on gradually *increasing openness, in a world context, to forms of economic activity marked by quotas of gratuitousness and communion*<sup>6</sup>.” (CIV #39).

**10. Ethics and the Economy.** Benedict writes, “*The economy needs ethics in order to function properly, - not any ethics whatsoever, but an ethics which is people-*

<sup>5</sup> cf. Margaret Archer in *The Tablet*, London, p. 10, 19 July 2009.

<sup>6</sup> cf Clifford Longley’s column in *The Tablet*, London. 15 August 2009.

centered.” The traditionally valid distinction between ‘profit’ and ‘non-profit’ institutions no longer does justice to the reality. “In recent decades a broad intermediate area has emerged between the two types of enterprise. It is made up of traditional companies which nonetheless subscribe to social aid agreements in support of underdeveloped countries, charitable foundations associated with individual companies, groups of companies oriented toward social welfare, and the diversified world of the so-called ‘**civil economy**’ and the ‘**economy of communion.**’ (CIV #46) “‘Ethical financing’ is being developed, especially through micro-credit and, more generally, micro-finance. These processes are praiseworthy and deserve much support. Their positive effects are also being felt in the less developed areas of the world.” (CIV #45). “It is to be hoped that these new kinds of enterprise will succeed in finding a suitable juridical and fiscal structure in every country ... *The very plurality of institutional forms of business gives rise to a market which is not only more civilized but also more competitive.*” (CIV #46)

**11. Reform of the United Nations.** Benedict writes (CIV #67) “In the face of the unrelenting growth of global interdependence, there is a strongly felt need, even in the midst of a global recession, for a reform of the *United Nations Organization*, and likewise of *economic institutions and international finance*, so that the concept of the family of nations can acquire real teeth.” There is also an “urgent need” to protect and give poorer nations [like Bangladesh] an effective voice in shared decision making”. He adds, “It is necessary to cultivate a public conscience that considers food and access to water as universal rights of all human beings, without distinction or discrimination”. For we must recognize that: “Issues such as global warming and the grave duty with regard to the environment cannot be managed by individual nation states.” Benedict thus makes a strong case that the United Nations needs ‘real teeth’ and ‘would need to be universally recognized and to be vested with the effective power to ensure security for all, regard for justice and respect for rights. “There is urgent need of a true world political authority”, says Benedict, “to bring about integral and timely disarmament, food security and peace, to guarantee the protection of the environment, and to regulate migration.” “Such an authority would need to be regulated by law, to observe consistently the principles of subsidiarity and solidarity, to seek to establish the common good, and to make a commitment to

securing authentic integral human development inspired by the values of charity in truth.” (CIV #67).

**12. Sense of transcendence essential.** Pope Benedict warns our very secularized Western world that scientific advances and technical solutions are not enough, that true *integral human development* is impossible without ‘a sense of transcendence’: “When nature, including the human being, is viewed as the result of mere chance or evolutionary determinism, our sense of responsibility wanes.” In the Conclusion to the new Encyclical (CIV #78) Benedict says: “Without God man neither knows which way to go, nor even understands who he is.” In contrast, “Openness to God makes us open toward our brothers and sisters and toward an understanding of life as a joyful task to be accomplished in a spirit of solidarity.” .

---

Let us now move on now to a reflection on what “**Caritas in Veritate**” has to say to a country like Bangladesh. Aspects of the Bangladeshi mind-set, and some fine initiatives these past few years, encourage me to believe that almost instinctively Bangladeshis can and will serve as a model for the successful implementation of applicable ideas and ideals of Benedict’s Encyclical:

**1. Transcendence and hope.** Amidst all of the problems and reverses experienced, almost all Bangladeshis across the board strongly retain a ‘sense of transcendence and hope’. Deeply imbedded in the Bengali mind is *manob dhormo* [‘human religion’ or ‘natural law’], the sense that true religion is to serve your fellow human being. Buddhist and Sufi influences in Bangladesh’s past may be somewhat influential in all this. But we note also, for example, that in January 2010, at the 2<sup>nd</sup> biggest gathering of Muslims in the world, three to four million pilgrims once again participated at the annual *Tablig Ijtima* (‘Preaching Meeting), at Tongi just north of Dhaka, to pray for peace and unity among Muslims, and also for *all* the people of the world. Few non-Muslims of course participate in the *Ijtima*, but those who do are very cordially welcomed, and describe their experience as “Islam at its very best!”. There is still in Bangladesh a strong sense of ‘right’ and ‘wrong’, of sin as a reality in the human condition, a sense now often missing in the West. While desperately poor [we have made progress, but daily average income still amounts only to about \$1.25 a

day], most people in Bangladesh still have good moral values, love their children and families, and seek to do God's holy will and work for the common good. In short, there is an excellent human foundation for *integral human development* in Bangladesh! .

**2. Electoral Voter List: A Fine Example of Cooperation for the Common Good.** During the 2007-2008 Caretaker Government period (following the street violence in late 2006), the preparation of a **very accurate photo voter list**, (which involved registering *81 million* voters electronically, creating a voter database and providing citizens with provisional photo IDs), was an extraordinary achievement. The actors in this achievement were the UN and UNDP representatives, a reconstituted Bangladesh Electoral Commission, the Bangladesh *Army* (which has been outstanding in its effective participation in numerous UN peacekeeping efforts throughout the world) offering its total cooperation and expertise, and highly competent and motivated leadership at the top and in critical positions throughout the country. 'No other country has been able to register so many voters electronically in such a short time period.' The over 81-million voter list allowed free and fair elections in January 2009, and the reinstatement of democratic government in Bangladesh. Certainly there are still problems, but the achievement here is a remarkable one<sup>7</sup>. (cf.). In my opinion, this is a fine example of what is possible when international and national forces work together for the common good.

**3. Socio-economic progress** in Bangladesh in these years of global crisis has continued, and we are weathering the crisis fairly well. Bangladesh's economic growth rate has slowed somewhat, but still stands at 5 to 6% a year, and poverty rates are down. Medical care is improving, and child mortality rates (while still too high) are declining. In education, much remains to be done, since some 50% of the population is still illiterate. But on the other hand, Bangladesh is the only country to achieve gender equality on the primary and secondary education levels. Subsidies to keep children (especially girls) in schools are being tried, and free text books are being provided. BRAC's educational efforts described below represent a remarkable and sustainable effort to provide basic education in rural areas.

---

<sup>7</sup> "The Future of Bangladesh is very hopeful", interview with UN Resident Coordinator Renata Lok Dessallien, *The Daily Star*, Dhaka, p. 11, 18 April 2010.

The ready-made garments' (RMG) industry (non-existent when I came to Bangladesh 30 years' ago) despite some problems has held up well, and employs more than two million people (a majority of them women). More than two million Bangladeshis work overseas (the biggest number in Saudi Arabia and the Gulf States, but also widely elsewhere) and their sending home to their families their foreign exchange earnings has been a great help both for their families and for our foreign exchange exchequer.

The negative effects in Bangladesh of globalization and the present global crisis include matters mentioned in Benedict's Encyclical, for example, that the gap between rich and poor has widened, and there has been 'super-development' among a small privileged class.. Terrible shortages of electric power and water, coupled with pollution and traffic gridlock, cripple our industries and paralyze almost every aspect of daily life, especially in the mega-city (14 million!) which Dhaka has become. . . .

**4. Our National Pride: Dr. Mohammed Yunus.** We are very proud of our Nobel Laureate Mohammad Yunus, founder of the Grameen bank and other micro-credit programs. Dr. Yunus received the Nobel Prize in 2006 for his untiring efforts for the elimination of poverty through micro-credit programs under the aegis of the Grameen Bank which he founded. .The Grameen Bank has created a series of social business enterprises to support the poor with nutrition, health and education services. Dr.Yunus has said many times (for example, at Davos, Switzerland, 2010) that underneath the present economic crisis is a 'crisis of values'. He offers his beautiful concept of 'social business' based on 'selflessness' rather than 'selfishness'. In his latest book, **Building Social Business** (subtitled "The New Kind of Capitalism that Serves Humanity's Most Pressing Needs"), he calls for the creation of an alternative economy of businesses devoted to helping the underprivileged<sup>8</sup>.

Dr. Yunus' work especially has been with very poor women, who have had a remarkable rate of paying back their small loans. Early on, a good initiative of Dr. Yunus and Grameen Bank was to give loans to poor women to purchase mobile phones. Fifteen years ago, there were no mobile phones in Bangladesh. Now, there are an incredible 54.7 million mobile phone subscribers in this country of 160 million people! So remote villages are now interconnected in ways previously unimaginable.

---

<sup>8</sup> Muhammad Yunus, *Building Social Business: The New Kind of Capitalism that Serves Humanity's Most Pressing Needs* (New York: Public Affairs, 2010)

In words that echo those of Pope Benedict, Dr. Yunus says that “Social consciousness-driven theory is totally missing in economics. A profit maximization attitude cannot solve the problems. ... The entire economic theory is based on selfishness<sup>9</sup>”. Dr. Yunus’ work in Bangladesh is certainly a fine example of emphasizing the centrality of the human person, and especially of poor women, for a successful development process.

**5. BRAC (Bangladesh Rural Advancement Committee).** Another splendid and unique institution in Bangladesh is BRAC. It was set up right after the Independence War in 1972, by Sir Fazle Hasan Abed [knighted by Queen Elizabeth February 2010], who has been called one of “that rare genre of committed human beings who love to work for the less fortunate, happily and selflessly<sup>1011</sup>.” Within 30 years, BRAC has become the largest private development organization in the world. BRAC has 65,000 employees, 86,000 health volunteers and 40,000 teachers; and is currently operating in 69,000 villages and providing assistance to around 110 million people. BRAC provides free primary education, essential healthcare, agricultural support, legal services to promote human rights, as well as microfinance and enterprise development. BRAC’s non-formal primary education program, which targets under-privileged children, now has more than 4.1 million children in 38,000 primary schools. Its public healthcare programs provide service for more than 92 million people. “Abed has always given maximum attention to the landless poor, particularly women, who live well below the poverty line and have been consistently denied access to resources or conventional development efforts.”

BRAC started international operations in 2002, when it helped in development efforts in Afghanistan, and its anti-poverty development efforts are going on now in seven other countries: Uganda, Tanzania, Southern Sudan, Pakistan, Sierra Leone, Liberia and Sri Lanka. Out of our own poverty, Bangladesh through institutions like BRAC is gifting the world with wonderful examples for integral human development. And Sir Fazle Hasan Abed also helped found in 2009 the Global Alliance for Banking in Values (GABV) an alliance of 11 global banks and microfinance institutions,

<sup>9</sup> “Social Business a Silver Lining, says Yunus”, *The Daily Star*, Dhaka, p 10, 6 January 2010.

<sup>10</sup> “Rise Sir Fazle Hasan Abed”, article by Syed Muazzem Ali, *The Daily Star*, Dhaka, p. 11, 06 January 2010.

<sup>11</sup> Editorial, ‘Fazle Hasan Amed Honored’, *The Daily Star*, Dhaka, p. 10, 06 January 2010.



which says they believe only in that profit which they need to remain sustainable – profit is not the primary goal. Abed said: “We in the alliance believe in a triple bottom line (people, planet, profit), in order to serve the people who have no access to money. Secondly, we also believe that we need to finance the projects which are green which will help the planet<sup>12</sup>.”

**6. *Do Christians have a role in Bangladesh?*** I very much think we do! Christians constitute less than 5/10ths of 1% of the total Bangladesh population (only about 500,000 in the total population of 160 million). But our contributions to the good of society, especially in education and health care, are very much appreciated and respected. In 30 years of pastoral and seminary work in Bangladesh, my experiences with the Muslim majority and Muslim friends have been totally positive. Bangladesh is outstanding in the Muslim world now for protection of, and the encouragement given to, its religious minorities. We are able to do our work without restrictions, and are moving forward well in the field of inter-religious dialogue and cooperation. As a good example of the creativity now possible in missionary work in a country like Bangladesh, I would like to give a web-link reference to (or even show) a new video on my colleague Maryknoll Father Bob McCahill, who has spent the last 35 years of his life helping the sick and poor in Bangladesh, relying on his bicycle for much of his transportation. – This video takes a look at how he lives and what service he gives: <http://www.maryknollsociety.org/index.php/multimedia?vid=53> .

**Conclusion:** Towards the end of Benedict’s Encyclical, he notes: “Often the development of peoples is considered a matter of financial engineering, the freeing up of markets, the removal of tariffs, investment in production, and institutional reforms – in other words, a purely technical matter. All these factors are of great importance, but ...*Development is impossible without upright men and women, without financiers and politicians whose consciences are finely attuned to the requirements of the common good.* Both professional competence and moral consistency are necessary.” (CIV #71) There is communality in Benedict’s and the best Bangladeshi thinking on justice, the common good and the natural moral law as a basis for reshaping the

---

<sup>12</sup> Sohel Parvez, “Banking for People, Planet, and Profit”, *The Daily Star*, Dhaka, p. B1, 08 March 2010.

foundations and spectrum of development. Bangladesh's inherent assets and track record in overcoming difficulties, give it the capacity to overcome the challenges of today and tomorrow. There is a renewed sense of hope now in Bangladesh! And all this is very much in accord both with Bengali values and with Benedict's Encyclical '*Love in truth*'.

Father William J. McIntire MM is former Secretary General of the Maryknoll Fathers, Maryknoll, New York, U.S.A. He has been assigned as a Catholic missionary to Bangladesh in South Asia since 1979, and presently serves as Secretary to the Mymensingh Catholic Bishop, Vice-Rector of St. Francis Xavier's Intermediate Seminary, Mymensingh, and Chaplain for Sisters in Mymensingh Catholic Diocese, Bangladesh. His address in Bangladesh is: Father William McIntire, Bishop's House, Box 37, Mymensingh 2200, Bangladesh, e-mail [WMcIntire@Maryknoll.org](mailto:WMcIntire@Maryknoll.org). He acknowledges his debt in preparing this paper to excellent articles in *The Tablet*, London, and in *The Daily Star* (Bangladesh's premier English-language daily). He strongly recommends *The Daily Star*'s web-site: [www.thedailystar.net](http://www.thedailystar.net) as the best way for English-speakers to get objective news on Bangladesh.

Endnotes:

(1<sup>st</sup>) Encyclical Letter of the Supreme Pontiff Benedict XVI, CHARITY IN TRUTH, *Caritas in Veritate* (Vatican City: Libreria Editrice Vaticana, 2009).

## **Economics and Economists Engulfed By Crises**

**Dr. Kamran Mofid** – Founder, Globalization for Common Good; Conference Co-chair

**Dr. Steve Szeghi**, Professor of Economics, Wilmington College, Ohio

What Do We Tell the Students?

Kamran Mofid PhD (ECON)

Founder, the Globalization for the Common Good Initiative, Co- Founder/Editor, Journal of Globalization for the Common Good, and Member of the International Coordinating Committee (ICC) World Public Forum, Dialogue of Civilizations

Steve Szeghi PhD (ECON) Professor of Economics, Wilmington College, Wilmington, Ohio Co-Author Right Relationship: Building A Whole Earth Economy

"Education should consist of a series of enchantments, each raising the individual to a higher level of awareness, understanding, and kinship with all living things". Author

Unknown

"It is the supreme art of the teacher to awaken joy in creative expression and knowledge". Albert Einstein

"What is the essence of life? To serve others and to do good".

Aristotle

"Education is the leading of human souls to what is best, and making what is best out of them". John Ruskin

The recent global crisis has lead to questions about whether the kind of economics that is taught in universities was responsible for the crisis itself, or indeed for its widespread failure to predict the timing and magnitude of the events that unfolded in 2008. There are many reasons for such failure. However, whatever the reasons might be, we strongly believe that now is the time for us all to begin to debate this issue and to discover what is it that we should now teach our students.

While the global financial crisis is most surely a significant peril, it is not the most significant problem that human beings or this planet face. There are two larger crises of which it is a part and which grow in immensity and difficulty to solve by the day, and which were in turn caused by many of the same philosophies, misguided ethics, flawed economics and politics that helped to spawn the financial meltdown. These two larger crises, of which we speak, are the crisis of growing inequality, economic

insecurity and social injustice and the crisis of the environment which imperils an abundant diversity of life on earth as well as human survival.

It is our hope that with this paper we may begin an open dialogue with all concerned-colleagues, students and others, so that together we can prescribe a working solution.

It is clear that some serious reflection is in order. Not to stand back and question what has happened and why, would be to compound failure with failure: failure of vision with failure of responsibility. If nothing else these current crises of finance, social injustice and environmental devastation present us with a unique opportunity to address the shortcomings of our profession with total honesty and humility while returning the “dismal science” to its true position: a subject of beauty, wisdom and virtue.

Nowhere can the urgency of this task be better seen than in the eloquent words of the Real-World Economics Review.

"It is accepted fact that the economics profession through its teachings, pronouncements and policy recommendations facilitated the GFC (Global Financial Collapse). We also know that danger signs became visible long before the event and that some economists (those with their eyes on the real-world) gave public warnings which if acted upon would have averted the human disaster.

With other learned professions entrusted with public confidence, such as medicine and engineering, it is inconceivable that their professional bodies would not at the very least censure members who had successfully persuaded governments and public opinion to ignore elementary safety measures, so causing epidemics and widespread building collapses.

To date, however, the world’s major economics associations have declined to censure the major facilitators of these grave crises or even to publicly identify them. This silence, this indifference to the engendering of human suffering, constitutes grave moral failure. It also gives license to those economists who continue to indulge in axiom-happy behaviour. Nor has the economics establishment offered recognition to those economists who were not taken in by fads and fashion and whose competence, if listened to, would have prevented these crises. These two silences reveal a continuing moral crisis within the economics profession”. (See Real-World Economics Review Blog, January 11, 2010)

On the other hand, of course we find it somewhat encouraging that the most recent Nobel Prize in Economics went not to Eugene Fama for his theory of the always

efficient and rational market but rather to two behavioral economists who question the rationality postulate. Coupled with the reception of the Nobel Prize by Paul Krugman last year and Joseph Stiglitz a few years earlier, both advocates of re-regulation of the financial system at the national and global level, there is reason to think that our field as a whole may truly be ready for something new.

The recent financial crisis provides overwhelming evidence that financial markets are lacking in both efficiency and rationality. Even if financial markets are characterized by something as rational as the price of an asset being related to the present value of its future income earnings; that can hardly be all that determines asset prices. Financial markets have always been gripped by heavy doses of irrationality, as well as outright cons and Ponzi schemes. The potential of financial products and markets to create systemic risk and to fall prey to con and Ponzi schemes due to moral hazard, adverse selection, and asymmetrical information, was generally well understood and is why they were heavily regulated, to great success from the 1930's until the time of Thatcher and Reagan.

Since the 1980's, financial markets were increasingly deregulated throughout the world until the current crisis. Following Thatcher and Reagan; Clinton, Bush, Blair, and Brown all continued the deregulatory trend of the Anglo-American financial system. There were many who warned of what was to come, including Robert Kuttner (See Kuttner, Robert, *The Squandering of America*, 2007) and even earlier, such a wise but lonely economist as Hyman Minsky. (See Minsky, Hyman, *Stabilizing An Unstable Economy*, reprinted 2008, McGraw Hill) Yet it was the always efficient market hypothesis of Eugene Fama and others that came out on top in the policy debates of the last three decades in the corridors of power throughout most of the world.

Certainly the failure of the global financial system, as well as the crises of the environment and inequality and economic insecurity can not be solely blamed on standard economic theory. Surely there has been a failure of politics, ethics, spirituality and human culture as well. But standard economic theory is not without blame.

James Buchanan (See Buchanan, James and Tullock, Gordon, *The Calculus of Consent: Logical Foundations of Constitutional Democracy*, 1962) and other Public Choice theorists introduced the concept of government failure to the basic vocabulary

of Economics in the 1970's and 80's. Ever since, policy makers at the national and global levels have been reluctant to aggressively tackle the many cases of market failure which standard economics previously and currently admits, and for which previous theory prescribed government action. Somehow always missing from the list of examples of government failure for the public choice theorists, is the most egregious failure of all and that is the failure to correct for market failures for fear of making a mistake.

At the core of the social attitudes which are engendering the crises of the environment and increasing inequality are both market fundamentalism and standard economics. While standard economics in and of itself is distinct from the rigid ideology of market fundamentalism, too often the profession as a whole has failed to draw the sharp distinctions between standard theory and the claims of market fundamentalists. The silence of much of the economics profession in the face of the political ascendancy of this 'market knows all' ideology has enabled and assisted it.

Market Fundamentalism is the assertion or ideological dogma that markets and private property with little or no role for government, civil society, tradition, and community are capable of solving all human wants, needs, and problems. Standard economic theory of course posits a role for government in correcting for externalities, insuring the provision of public goods, and addressing other forms of market failure such as imperfect competition in order for markets to be efficient. In order for markets to be just, standard economics recognizes a role for government in shaping the income distribution. While much of the economics profession has been eerily quiet in the face of the political ascendancy of market fundamentalism, some economists have in fact resorted to becoming cheerleaders and boosters for it.

As social scientists who study resource allocation there should be no bias in favor of market as opposed to command or tradition in the allocation of resources, just as there should be no bias in favor of private as opposed to communal or state ownership of the means of production. But frequently the enthusiasm of some economists for market allocation and private ownership in any and all circumstances is too obvious, bordering on ideology or religion rather than science and amounts to a flirtation with market fundamentalism if not a full blown affair.

It is certainly tempting in the face of so called gridlock or broken government, or partisan stalemate, to perhaps wish that markets were capable of solving all of our

problems. Collective decision making is a messy business as are relationships generally. Our politics are so divided though, precisely because of the fairly strong view on the part of some, or so it would seem, that markets are capable of solving all problems.

As both Robert Kuttner and Paul Krugman (See Krugman, Paul, *The Conscience of a Liberal*, 2007) suggest, the rough consensus on the proper role for government in a system of managed capitalism which existed in the United States in the 1950's and 60's, and even 70's has broken down. In the context of the present day, the ardent wish for markets to solve all problems is to side with market fundamentalists in the political debate. But, wishing doesn't make it so. Markets can not solve the biggest problems faced by human society. They can not on their own, although they can play a role, in solving the crisis of inequality and the crisis of the environment, nor can they solve the financial crisis.

Markets are simply not capable of solving all problems with little or no role for government, civil society, or tradition. Economic theory shows that markets do in fact fail to be efficient. One failure is of course externalities, another is the case of public goods, both of which have implications in the study of the environment. Markets also need perfect competition to be efficient. In addition, markets give disproportionate influence to the wants of the rich, and theory has never claimed that even when 'efficient' that markets are just or ethical. Many Public Choice theorists, in the tradition of James Buchanan, by suggesting that government is capable of little good in the correction of market failure have become allies, conscious or otherwise, of market fundamentalism.

Leaving it to the market alone, is leaving it to the few, to the rich, to have inordinate say so and disproportionate influence on what is produced and how. Leaving it all, to private property is to fence off the bulk of humanity from the means of life. It means walling off retreats of splendor to wander in, gain solace from and find spiritual sustenance in. Leaving it to the market in the absence of regulation or in the absence of perfect information about the quality of what is being sold (Food, Drugs, Financial Products) is leaving it to a bunch of crooks, where Ponzi schemes proliferate. As Arthur Okun once suggested, "The market needs a place but needs to be kept in its place." The unfettered market is killing the planet upon which our survival depends, even as it also kills relationships between people.

Karl Marx long ago wrote that 'capitalism has torn asunder all familiar relations ...' It

has also torn asunder the traditions that governed the use of the commons and the ties which bound people to one another in community. But Marx was wrong in one respect, these traditions were not torn asunder, not at the time he wrote, certainly not completely, not by capitalism. The best of these traditions survived long after he wrote the Communist Manifesto. But what survived capitalism for centuries may not survive market fundamentalism and a modern economic system where human beings are no longer citizens, only consumers. Where, once we had public spaces called town squares, now we have private spaces within shopping malls, places that have the look and feel of town squares but are not. The town squares of old were places where citizens and members of the community gathered for the common life. The town square replicas inside shopping malls are places where consumers linger for a few moments before venturing forth for the next purchase, even as they are calmed by the shadows of what once was.

Apart from the failure to speak strongly against market fundamentalism, and the enthusiasm of some economists for it, standard theory itself shares some of the blame for other attitudes which have assisted if not engendered the crises of the environment and inequality. Standard theory tends to be obsessed with economic growth, typically GDP growth, viewing it as an automatic remedy for everything from population growth, to inequality, to environmental problems. In addition standard theory has tended to neglect Ecology and the environment, although these are included sometimes for their rather narrow 'economic' benefits and costs. More rarely are the aesthetic human use values of the environment considered, and almost always nature, the earth, and other species are viewed in homocentric terms and not in terms of intrinsic value.

The failure to correct for market failure, accompanied by a deregulatory and privatization frenzy engendered by market fundamentalism directly contributed to the global financial crisis as well as continuing failure to adequately address the crises of Inequality/Economic Insecurity and of the Environment.

Now is the time to acknowledge the failures of standard theory and the narrowness of market fundamentalism. The times demand a revolution in economic thought, as well as new ways of teaching economics. In many respects this means a return to the soil in which economics was initially born, moral philosophy amid issues and questions of broad significance involving the fullness of human existence.

To begin this process, we suggest the following:



### 1-Begin a Journey to Wisdom

We should acknowledge that economics and business should be all about human well-being in society and that this cannot be separated from moral, ethical and spiritual considerations. The idea of an economics which is value-free is totally false. Nothing in life is morally neutral. In the end, economics cannot be separated from a vision of what it is to be a human being in society. In order to arrive at such understanding, our first recommendation is for us to begin a journey to wisdom, by embodying the core values of the Golden Rule (Ethic of Reciprocity): “Do unto others as you would have them to do to you”. This in turn will prompt us on a journey of discovery, giving life to what many consider to be the most consistent moral teaching throughout history. It should be noted that the Golden Rule can be found in many religions, ethical systems, spiritual traditions, indigenous cultures and secular philosophies.

Another necessary step in this journey of self-discovery, which is complimentary to the Golden Rule, is to discover, promote and live for the Common Good.

In short, the principle of the common good reminds us that we are all really responsible for each other – we are our brothers’ and sisters’ keepers - and must work for social conditions which ensure that every person and every group in society is able to meet their needs and realize their potential. It follows that every group in society must take into account the rights and aspirations of other groups, and the well being of the whole human family.

For our purpose and intentions we can define the Common Good as “widely beneficial outcomes that are never preordained but instead arrived at through mindful leadership and active following”. These outcomes involve a “regime of mutual gain; a system of policies, programs, laws, rules, and norms that yield widespread benefits at reasonable costs and taps people’s deepest interest in their own well-being and that of others”.

### 2- Now is the Time for a Revolution in Economic Thought

Here we are in total agreement with Hayek when he wrote:

“An economist who is only an economist cannot be a good economist”. Therefore, the focus of economics should be on the benefit and bounty that the economy produces, on how to let this bounty increase, and how to share the benefits justly among the people for the common good, removing the obstacles that hinder this process. Above

all else the purpose of the economy is to provide basic human needs as well as the means of establishing, maintaining, and nurturing human relationships while dealing justly with future generations (Sustainability) and ethically with all life on earth (Ecological Balance).

Moreover, economic investigation should be accompanied by research into subjects such as anthropology, philosophy, politics, ecology, environmental ethics, and theology, to give insight into our own human mystery, as no economic theory or no economist can say who we are, where have we come from or where we are going to. All human beings and all species must be respected as part of the web of life and not relegated to narrow short term economic interests, commodification, or exploitation, as has been the case for the past few centuries.

Much of humanity thinks itself elevated above the rest of nature via one major difference: the possession of a critical mind. Many think it is through this gift that humans are honoured with a unique ability to influence the direction of our life and the world in which we live. Yet, there is much recent scientific evidence, just as there is much in indigenous spiritual tradition to suggest that humans are not unique in this capacity. Regardless, it is time to put our critical ability to good use and resolve to do our utmost in life for the good of humanity and the entire web of life. In order to be for the common good, we must admit that, there is more to life than economics, more than the so-called rational and efficient market: the market knows it all mentality, which has brought us all such a bitter harvest. We must realise that we should do our utmost by uniting faith and knowledge, love and reason, heart and mind, the human community and the community of nature.

We must undertake the task of building a bridge between East and West. We must encourage a dialogue of civilizations, cultures and faiths. We must encourage a multi-disciplinary approach to problem solving. Above all, our paths must be to unite love and intellect. This, in our view, can be a great path of dialogue between East and West, and between “the modern” and the indigenous or aboriginal. Pursuing such a dialogue will lead to a more relevant and true economic model, in harmony with the deepest human values.

In the West we have mastered the sophisticated art of increasingly complex and complicated and highly mathematical economic models. Our technological achievements of the last few decades and centuries are truly unbelievable to say the least. However, many critics, including us, believe that in the process, as it appears,

we have lost the art of living and loving, along with any sense of what it means to be happy and content, and more. Here, is where the time-honoured Eastern philosophy, mysticism and spirituality may offer a solution to our western market-driven thinking.

In the wise words of a Muslim philosopher and poet, Muhammad Iqbal:

In the West, Intellect is the source of life, In the East, Love is the basis of life.  
Through Love, Intellect grows acquainted with Reality,  
And Intellect gives stability to the work of Love, Arise and lay the foundations of a  
new world, By wedding Intellect to Love

In addition, the so called modern world (both East and West) has much to learn from the spiritual and cultural values of the worlds many indigenous peoples, both past and present. There exists much wisdom among the indigenous, containing lessons in sharing and equality and justice which can help draw ‘modern’ people into engagement with the deeper realities of their own dominant religions. Also, people who live close to the earth, who possess an earth-based spirituality typically view themselves as part of nature, part of the earth, part of a community of species as well as being part of the human community.

Among the indigenous not only do human beings derive tremendous benefits (physical, psychological, and spiritual) from nature, but all the elements of nature, (people, animals, plants, forest, rocks and streams) are regarded as living beings to be respected, revered, and to be in relationship with. These are the types of insights the world needs today in order to construct an environmental ethic which will allow us to enable an abundant flourishing of biodiversity on earth not only because we benefit from such diversity but also because it is right and moral. We take to heart the words of a Laguna poet and author, Leslie Marmon Silko in StoryTeller.

“The earth is your mother, she holds you. The sky is your father, he protects you.  
Sleep, sleep. Rainbow is your sister, she loves you. The winds are your brothers, They  
sing to you. Sleep, sleep. We are together always We are together always There never  
was a time when this was not so.”

In a nut-shell, we believe that we should change our narrow economic obsessive and human centric language, terminology and values, to more inclusive ones. For us, our crises are not economic or monetary only, so to say. If they were, now that we have collectively poured in over 20 trillions of Dollars, Pounds, euros and more, into our economies, then, we should have had Heaven on Earth by now. We have not, because ours is a crisis of spirituality, of ethics, morality and love. Somehow we have lost our

moral, spiritual and loving compass. Therefore, if any economic model, theory or prescription we may offer is going to be a good and useful one, then, it has to address these crises, thus, making the economics good and viable, as a subject under our control and not the other way round.

To achieve this, we suggest that students should be strongly encouraged to reflect upon the following as they begin their formal studies at the university. This will demonstrate how the economy can be made to serve the interests of society, and not the other way around, as it is today.

\* Living happily is “the desire of us all, but our mind is blinded to a clear vision of just what it is that makes life happy”. The root of happiness is ethical behaviour, and thus the ancient idea of moral education and cultivation, is essential to ideal of joyfulness.

\*In modern economics we have reduced humanity to a collection of individual, independent, utility maximizing creatures. And not without consequence, in our society success is too often defined by accumulation of material and financial wealth over a lifetime. We are ensconced in this free market ideology without questioning its morality and ethical foundations. So watermarked is this spirit of economics and capitalism upon our lives that even though our hearts cry for a more meaningful and genuine existence, we are sucked back into the squirrel cage of capitalism, running faster and faster to “keep up with the Jones’s,” lamenting as we inwardly yearn for a simpler, more meaningful, and more genuine life.

\* Economics, from the time of Plato right through to Adam Smith and John Stuart Mill, was as deeply concerned with issues of social justice, ethics and morality as it was with intrinsic economic analysis and questions of price theory. Most economics students today learn that Adam Smith was the ‘father of modern economics’ but not that he was also a moral philosopher. In 1759, sixteen years before his famous *Wealth of Nations*, Smith published *The Theory of Moral Sentiments*, which explored the self-interested nature of man and his ability nevertheless to make moral decisions based on factors other than selfishness, such as empathy and the desire for approval from others.

In *The Wealth of Nations*, Smith laid the early groundwork for economic analysis, but he embedded it in a broader discussion of social justice and the role of government. Students today know only of his analogy of the ‘invisible hand’ and his advocacy of

free markets. They ignore his insight that the pursuit of wealth should not take precedence over social and moral obligations, and his belief that a ‘Divine Being’ gives us ‘the greatest quantity of happiness’. They are taught that the free market as a ‘way of life’ appealed to Adam Smith but not that he distrusted the morality of the market as a morality for society at large. He neither envisioned nor prescribed a capitalist society, but rather a ‘capitalist economy within society, a society held together by communities of non-capitalist and non-market morality’. As it has been noted, morality for Smith included neighbourly love, an obligation to practice justice, a norm of financial support for the government ‘in proportion to [one’s] revenue’, and a tendency in human nature to derive pleasure from the good fortune and happiness of other people.

\*‘Economic rationality’ in the shape of neo-liberal globalization is socially and politically suicidal. Justice and democracy are sacrificed on the altar of a mythical market as forces outside society rather than creations of it. However, free markets do not exist in a vacuum. They require a set of impartiality in government, honesty, justice, and public spiritedness in business. The best safeguard against fraud, theft, and injustice in markets are the cardinal virtues of justice, temperance, fortitude, and prudence, and the theological virtues of faith, hope, and charity.

\*Every apparently economic choice is, in reality, a social choice. We can choose a society of basic rights – education, health, housing, child support and a dignified pension for example – or greed, pandemic inequality, ecological vandalism, civic chaos and social despair. Modern neo-liberal economics ignores the first and promotes the second path as the way to achieve economic efficiency and growth.

\*The moral crises of global economic injustice today are integrally spiritual: they signal something terribly amiss in the relationship between human beings and the mystery of creation, the nature and the environment.

\*It is the belief in collective responsibility and collective endeavour that allows individual freedom to flourish. This can only be realised when we commit ourselves to the common good and begin to serve it.

\*There are four justifications for the common good which are not commonly discussed in economics:

- 1 Human beings need human contact, or sociability. The quality of that interaction is important, quite apart from any material benefits it may bring.
- 2 Human beings are formed in the community – their education and training in

virtue (their preferences) are elements of the common good.

3 A healthy love for the common good is a necessary component of a fully developed personality.

4 The Common Good includes Nature. Human Beings need nature, biodiversity, and ecological balance not only for physical survival but also psychological and spiritual health.

\*The marketplace is not just an economic sphere, 'it is a region of the human spirit'. Profound economic questions are metaphysical and even spiritual in essence; in contrast to what is assumed today. Economics can and should be concerned with the realm of the heart and spirit. Although self-interest is an important source of human motivation, driving the decisions we make in the marketplace every day, those decisions nevertheless have a moral, ethical and spiritual content, because each decision we make affects not only ourselves but others as well. We must combine the need for economic efficiency with the need for social justice and environmental sustainability and ecology.

\*The greatest achievement of modern globalization will eventually be seen as the opening of the possibility to build a humane and spiritually enriched globalised world through the universalising and globalising of compassion. But for 'others' to become 'us', for the world to become intimate with itself, we have to get to know each other better than we do now. Prejudices have to disappear: we have to see that cultural, religious and ethnic differences reflect an ultimate creative principle. For this to happen, the great cultures and religions need to enter into genuine dialogue with each other.

### 3- - Now is the Time for a Revolution in the Teaching of Economics

Much of what students need to learn in Economics courses is actually readily found in standard economic theory. The typical course and textbook tends not to emphasize them however. These concepts include externalities, public goods, imperfect competition, and the absence of information. All of these result in the failure of the market to work well. Theory makes it abundantly clear that, externalities such as pollution and waste result in market failure. Yet, the typical student comes away from their economics course with the notion that markets usually work quite well. Markets though in fact do not actually work so well, as externalities are not only widespread but are quite significant in the production and consumption of most goods and services. Governments usually do not sufficiently tax or otherwise restrict negative

externalities and do not sufficiently subsidize or otherwise enlarge positive externalities.

Public Goods, goods which are non-rivalrous in consumption and non-exclusive are not according to standard theory able to be supplied sufficiently by the market. Public Goods not only include national defense, fire and police protection, but also biodiversity, fighting global warming, clean air, community, and social justice. Public Goods can not be somehow converted into private goods. According to standard theory government must either work to provide public goods or take other steps to insure their provision. The typical Economics student is not sufficiently grounded in this failure of the market.

In the case of imperfect competition, not only monopoly and monopsony but also any market structure where the number of sellers or buyers is less than a large number, standard theory says that the market fails, that a sort of contrived shortage will result. This of course means higher prices and a lower quantity of the good for consumers. In theoretical economics a large number means a number so large that any individual seller or buyer is powerless to affect the market price. If a market were actually perfectly competitive selling firms would have absolutely no need of a marketing department. Imperfect Competition also invites collusion and even more contrived shortage. Imperfect Competition and not Perfect Competition is the usual condition of markets, yet that is not what most students take with them after the Final from their Economics course.

Finally even if human beings were as rational as Standard Economics assumes, markets would fail to be welfare enhancing if consumers really do not know the full range of benefits and costs of the products they are consuming. The full range of costs and benefits would include all manner of health and safety criterion, effects upon human relationships, and even state of mind and spirit. Of course human beings don't know the full range of benefits and costs in the products they buy or in the jobs and labor they partake in. Hence we have another case of markets failing, not just once in a while but in fact almost continuously, yet students typically do not grasp these limitations of the market.

In spite of the ready admission in standard economics that GDP is not a measure of Welfare, not even economic welfare, there is nonetheless a theoretical and policy obsession with GDP and its growth. Mention is of course frequently made of Tobin and Nordhaus and their Measure of Economic Welfare or even Bhutan's Gross

National Happiness but the focus of Macro Economics as well as Growth Theory is inordinately upon GDP and not developing improved alternative measures.

A sustainable and prosperous global economy needs to be for the common good, in which a fair society and the environment accompany profits. The failure of markets, institutions and morality during the current financial crisis has shown that the emergence of global capitalism had brought a new set of risks demanding an ethical, moral and spiritual framework.

Bankers have accused the politicians, politicians have accused the bankers and many have accused the business schools, while the ordinary citizens see the failings of all.

Thus, it is vitally important to teach that humanity flourishes only in a culture of respect for the individual, but that the common good has priority over individual interests. They should teach not only the business models and theories, but also draw on universal principles of respect for life, justice and solidarity, honesty and tolerance, and mutual esteem and partnership.

In short, it is now clear that, capitalism for the 21st century needs a fundamentally renewed morality to underpin it. To achieve this we must ask ourselves again what progress really is. Is it the accumulation of wealth, or is it a broader, more integrated understanding of well-being and quality of life? Surveys consistently show that economic progress has not been accompanied by the expected increase in happiness, and that the price paid by many has been in the quality of human relationships as well as the human connection to the environment. On average, people do not think of themselves as happier or better off, than what their parents were, even though their material standard of living is, in so many societies, unquestionably higher.

There has, in particular, been a marked decline in people's perception of whom they can trust. The collapse in perceived trustworthiness is most marked in relation to the banking sector, but applies to the business world, more broadly, as trust has declined generally within family life and social relationships. As such, it is not surprising that, in the public mind that the system is not working as it should.

The seeds of the next crisis may already be sown and will surely grow to maturity, if we do not learn from the past and the current crises, and if we do not attempt to address the core issues. Given the enormity of the collapse, the usual excuses coupled with a whitewash for the basic structure of the global financial/economic system will not suffice. The House of Neo-liberalism, Washington Consensus and Market Fundamentalism has collapsed. The emperor has no clothes and the public is



becoming quite fond of pointing it out.

What is the main role and function of a "good" business education? Is it to equip students with marketable skills, and to help their countries compete in a global, information-based workplace only? Has this narrow focus perhaps overwhelmed other historically important purposes of education, and thus, short-changed us all?

If there is a shared national purpose for education, should it be oriented only toward enhancing the narrow vision of a country's economic success? Should education be answerable only to a narrowly defined economic bottom line, or do we need to discover a more comprehensive, inclusive bottom line, given the catastrophic crises that we are witnessing all around us? Are the interests of the individuals and selective groups overwhelming the common good that the education system is meant to support?

The current financial crises has given us a golden opportunity to ask ourselves some fundamental questions on the role of economic and business education and our possible contributions to these crises. Soul-searching and self-criticism should not be seen as a source of weakness, but as a source of strength, humility and the search for wisdom. What part have the business schools and business academics played in the implosion of the world's banking system? Lest we forget, hedge funds, private equity, investment banking, venture capital, subprime mortgages, pyramids and more, were the overwhelming preferred job destinations of MBA's.

In order to ensure that our economic and business education, produce graduates and the MBAs capable of rising to the challenges the world faces today, we propose an ongoing comprehensive examination and study of the major attempts to integrate economics with ethics and spirituality, along with an exploration of the theoretical underpinnings of these activities. Our central focus should be on solutions to the global economic crisis, broadly defined and understood. In considering the need for bold economic initiatives, we must keep in mind the deeper questions that rarely find their way into political debate or public discourse; questions that are deeply ethical and spiritual. We need to honestly examine a new set of questions which could begin with the following to pave the way for dialogue.

\*What is the source of true happiness and well-being? \*What is the good life? \*What is the purpose of economic life? \*What does it mean to be a human being living on a spaceship with finite resources? \*How can the global financial system become more

responsive and just? \*What paths can be recommended to shift the current destructive global political-economic order from one of unrestrained economic growth, profit maximisation and cost minimisation, targets and bonuses to one that embraces material wealth creation, yet also preserves and enhances social and ecological well-being and increases human happiness and contentment?\*How should we deal with individual and institutionalized greed?\*What are the requirements of a virtuous economy? \*What role should universities play in building an integrity-based model of business education?

\*What should be the role of the youth? \*How might the training of young executives be directed with the intention of supplying insights into the nature of globalization from its economic, technological and spiritual perspectives, to build supporting relationships among the participants that will lead toward action for the common good within their chosen careers? \*Indeed, is ethical, profitable, efficient and sustainable capitalism possible?

These questions and more need to be reflected upon, debated and ultimately answered and put into policy formation, guiding us to a more humane globalization, enabling us all to live a more fulfilling life.

#### **4- Now is the Time for a new definition of the “Bottom Line” and other specifics in a New Way to Teach Economics**

In contradistinction to the narrow profit only “old” bottom line approach of recent decades for individuals, firms, nations, and the globe, which has so pervaded public policy, social attitudes, and even economics, it was not always so. In the early 1970’s even a conservative American president, Richard Nixon, favored a guaranteed annual income and the creation of the Environmental Protection Agency, while Milton Friedman found no fault with environmental laws

We should acknowledge that the new bottom line must not be all about economic and monetary targets, profit maximisation and cost minimisation, but it should involve spiritual, social and environmental consideration. When practiced under these values, then, the business is real, viable, sustainable, efficient and profitable.

Therefore, the New Bottom Line that we should tell the students now could read as follow:

“Corporations, government policies, our educational, legal and health care practices,

every institution, law, social policy and even our private behaviour should be judged 'rational', 'efficient', or 'productive' not only to the extent that they maximize money and power (The Old Bottom Line) but ALSO to the extent that they maximize love and caring, kindness and generosity, ethical and ecological behaviour, and contribute to our capacity to respond with awe, wonder and radical amazement at the grandeur and mystery of the universe and all being."consistently applied and supported a guaranteed annual income for all.

Before either of them, such an ardent champion of free markets as Frederick Hayek wrote in favor of government social insurance, provision of basic needs for all, and the consistency of environmental, health and safety laws with basic free market principles.

“ ... Nor is there any reason why the state should not assist the individuals in providing for those common hazards of life against which, because of their uncertainty, few individuals can make adequate provision. Where, as in the case of sickness and accident, neither the desire to avoid such calamities nor the efforts to overcome their consequences are as a rule weakened by the provision of assistance – where, in short, we deal with genuinely insurable risks – the case for the state’s helping to organize a comprehensive system of social insurance is very strong.” (See Hayek, *The Road to Serfdom*, 1944, p120)

In all, it is abundantly clear that, there is more to life than the accumulation of wealth for individuals. There is so much that makes us happy and gives meaning beyond wealth, and that would include concern for others and their wellbeing. There is more that truly matters to society than GDP; community, relationships, health, and the environment matter far more. Finally there is more that should concern business than a narrow view of the bottom line. Not so long ago business firms saw themselves as grounded in particular local communities as participants and members. We call for a new bottom line for individuals, for firms, nations, and the globe, a broader view of what truly matters, fully recognizing that it means reversing a trend of narrowness and hard hearted social policies, which has lasted far too long, these last thirty years.

The old narrow bottom line coupled with Neo-Liberalism, Market Fundamentalism, and the Washington Consensus creating a climate at the global and national level which fostered derision of the common good, discouraged social safety nets, merit goods, and public

ownership of public infrastructure. This narrowly obsessive view of the bottom line was taken from firm, to nation, to the globe. It

engendered a policy agenda that has stood in the way of real improvements in the lives of the poor, and in being able to restructure the global economic system, in order to provide basic needs to all of the world's people.

This hard hearted ideology has had far too much influence in recent decades. Born and bred from the seeds of ideas in academic circles, and nurtured by the inadequacies of Economic/Business education, it has infected policy for far too long. The seeds of its perceived inadequacy and demise must also be born and bred in academic circles. We must find a new way to teach Economics and Business in order to be part of the process of global transformation and social healing which simply must occur if we are to avert disaster.

Moreover, we should all answer the call of Albert Einstein, when he challenged us by reminding that,

“A human being is a part of a whole, called by us ‘universe’, a part limited in time and space. He experiences himself, his thoughts and feelings as something separated from the rest... a kind of optical delusion of his consciousness. This delusion is a kind of prison for us, restricting us to our personal desires and to affection for a few persons nearest to us. Our task must be to free ourselves from this prison by widening our circle of compassion to embrace all living creatures and the whole of nature in its beauty.”

Economic/Business education should be built upon the following key pillars in our view. These are pillars it rarely contains today.

\*It should be built on the belief that leadership is based upon a deep understanding of the self and of the core values that drive one's actions. Thus effective leadership requires the development of a compelling personal vision that engages others by offering meaning, dignity, and purpose. The ultimate aim of leadership is the building of more humane relationships, organizations, and societies. Effective leaders need to develop the critical imagination required to embrace individual, organizational, and global change from a stance of hope and courage.

\*The education path must attempt to provide a learning community in which students can develop the personal qualities of self-knowledge, self-acceptance, a restless curiosity, a desire for truth, a mature concern for others, respect for human individuality, and a thirst for justice. The Program of study must promote academic excellence and facilitates the strengthening of conceptual, scholarly, and professional competencies for use in leadership roles that serve others.

The defining of the common good, in the context of personal, organizational, and global leadership, should be an important goal of this education and training.

\*It should address the need for collaborative forms of leadership in a shared-power world. There is an increasing need for interdependent and interrelated solutions to the complex ecological, political, cultural, health, and economic problems facing the people of our planet. These solutions must honor the voices of all global citizens and stakeholders from individuals to small groups to global organizations. These solutions will involve various mixtures of government (global,national, and local), private enterprise, NGO's, as well as labor and environmental organizations.

In all, in a world of rising uncertainty — no matter where we live — the key question before all of us is this: How can the debate on global issues become more inclusive and better informed? How can people develop a better understanding of what connects — and divides — nations, societies and cultures in today's world?

5- - Now is the Time for New Economic Text books

We should acknowledge that economics textbooks, built upon Samuelson's ideology as depicted in his much criticised, Foundations, or Friedman's ideology as depicted in his well known Free To Choose, or Buchanan's Public Choice Theory cannot any longer be the bedrock of economic wisdom that they for so long have disgracefully pretended to be. Economics is historically a pluralism of many multi-dimensional conversations. Today's textbooks are not sufficiently pluralistic. Economics should not be all about pandering to incompressible mathematical jargon and calculus, as well as unrealistic assumptions, including rationality, and market ideology. Economics once was, and is still at its best, far more than these.

As it has been observed, in the mid 1990s about 1.4 million students took principles classes in the United States. All 20 best selling introductory macroeconomics textbooks in the U.S. are basically neoclassical texts. It is unlikely that even 1% of the

students use a non-neoclassical principles text. The study of economics-if it is going to be a useful tool of analysis and understanding- does not begin and end with distillation of Paul Samuelson and Milton Friedman/James Buchanan and only all points in-between. To pretend it does, is to ignore the full range of human instincts, needs, desires, and dreams. It is also quite neglectful of history and anthropology.

Yet, this is the narrow space which mainstream textbooks inhabit. The criticism of Paul Samuelson is well deserved, particularly his obsession with economic growth. He tied full employment to continued economic growth rather than an economy that prioritized basic human needs and guaranteed meaningful employment to all. While Samuelson was preoccupied with Economic Growth, viewing it as the solution to all manner of human problems, (Ben Friedman recently even claimed that economic growth caused increased moral behaviour, See Friedman, Ben, *The Moral Consequences of Economic Growth*, 2005), Milton Friedman/James Buchanan in their almost unrestrained advocacy of free markets shorn of regulation and law, provided much of the intellectual fodder for and helped to enable market fundamentalism.

Mainstream economics textbooks have many weaknesses, it is very hard indeed to know where to stop in listing them. But for the sake of context here are a few examples. So, in no particular order these weaknesses include:

1) The pretence that people are rational and disciplined. 2) The pretence that more things make us happy. 3) The pretence that markets are mostly perfectly competitive. 4) The pretence that the economy can be studied in isolation from other subjects and disciplines. 5) The pretence that history does not matter. 6) The pretence that what matters most is to master mathematics and calculus. 7) The pretence that there exists in nature resources that are free for the taking or are unlimited. 8) The pretence that human welfare is unrelated to the welfare of the planet and other species.

We have arrived at this sorry state of affairs, because, there is a prevailing trend among a number of prominent economists- many these with best selling textbooks, who have become millionaires- which hold that they have a virtual monopoly on understanding economics. Indeed, believing that every field of human endeavour is explainable in economic terms, they have developed a new sub- discipline that interprets all human motivations and relations, including family life, cultural/civilizational dialogue and more in terms of mere cost-benefit analysis. This new hyper-economic school of thought in effect has become a new “fundamentalist”

religion, drunk in its own false importance and pomposity, pretending to believe that all that matters in life functions by market forces and can best be understood as a consumer commodity. In contrast to the rich and diverse moral philosophy that has spun the centuries, how narrow minded and without soul or meaning has economics become!

#### Summary and Conclusion

As trained Economists who love our field and who have taught it for many years, while aware of its shortcomings, we are deeply troubled by the multiple crises that are engulfing the economy as well as Economics and our profession. Yet it is an exciting time for our field, as opportunities for change give us a chance at emerging significant transitions and breakthroughs. We rejoice in the opportunity that our field has now to reground itself in moral philosophy amid the deeper broader questions of human existence, meaning, and happiness, while mindful that humanity is a member of a larger community of multiple species and elements, necessary for our survival and health.

We have described in this paper how the current financial and economic crisis of the last few years is not the sole or even the most important crisis faced by humanity and this planet. The crisis of social injustice, inequality, loss of community and thereby dire economic insecurity for hundreds and hundreds of millions of people shows no sign of ending soon. At the same time the environmental crisis, consisting of climate change, habitat loss, pollution, and waste, grows exponentially, even as human institutions and structures prove themselves both incapable of dealing effectively with the crisis while at the same time standing in the way of needed progress. Many of the same misguided ethics, philosophies, and politics which gave rise to the financial crisis, also gave rise to the crisis of inequality as well as the environmental crisis.

While distinct from Market Fundamentalism, too often Economics and the Economics Profession has been eerily quite in the face of its ascendancy, even as some Economists have enabled this ideology. Standard theory, due to a lack of emphasis upon market failure as well as the limitations of standard theory is also not without blame.

We have asserted in this paper that the purpose of an Economy is threefold. An Economy must provide for basic needs for all of the worlds peoples. It must help to establish, maintain, and nurture human relationships and community. Finally it must be sustainable while allowing for a flourishing of abundant biological diversity on this

planet.

In order to accomplish this, we, as a global human society must set our sights upon the Common Good and this involves four basic realizations:

- 1) Human Beings need contact with other human beings. We need relationships as we are social beings. It is in our relationships that we find genuine happiness and meaning.
- 2) Human Beings need community, apart and distinct from our individual relationships with other human beings. There is a connection to the whole, a belonging to the community which is key to happiness and meaning. Such is manifest in socialization and education among many other aspects of community.
- 3) A love for the Common Good is essential for the psychological and spiritual health of the individual.
- 4) Nature, the web of life, and the integrity of the earth are also part of the Common Good, and neither the human community nor the individual person can be healthy without this aspect of the Common Good.

In order for Economics to be not only part of the transition and change which is so desperately needed, but to play a leading constructive role, of which it is capable we call Economics and Economists to significant change, amid the need for dialogue on specific solutions. We must begin a journey of wisdom. There is a certain beauty in the rigor and splendor of the typical highly mathematical standard model in economics. If we found no beauty in such models, it would have been impossible to have become an Economist.

Yet, there is a need to go well beyond the standard models and the typical assumptions. We must reach more deeply and more broadly for wisdom. We claim that now is the time for a revolution in Economic thinking. There is not only much that can be learned from Western religions and philosophy such as Christianity, but also from Eastern Mysticism and Spirituality, including Islam, Hinduism, and Buddhism, and others. In addition there is great wisdom in the cultural and spiritual values of indigenous peoples, past and present.

Economics must find ways to incorporate all of these lessons in equality, social justice, ecological balance, and respect for the earth, community and relationship into its standard approach. And that incorporation will be the revolution in economic thinking for which we call. We proclaim and demonstrate that now also is the time for a revolution in the teaching of economics. It can not wait. We need to teach students a new bottom line. We have described many specifics on what needs to be taught. Finally we call for new economics textbooks, while citing the deficiencies of those



most popular.

This is an exciting time for our field, for our profession, for our passion. Yet, it is also a troubling time. As we have said, Economics is not without blame for the crises which are engulfing the planet, the economy, and our profession. Economics must change. What we teach students must change. It must change if it is to play a constructive role in solving the multiple and multi-dimensional crises that so engulf our world, our species, the fabric of human community, relationship, and the web of life. We are running out of time. If our field does not change, if the revolution in thinking we have called for does not happen, if we do not revisit the rich and fertile soil in which our field was born, that being moral philosophy amid the broader questions of human existence, meaning, and ecology, then not only will we have retreated from the chance to play a constructive role in solving these crises, we will inherit well deserved scorn and contempt. The opportunity is upon us. Let us seize it. Carpe Diem!

#### Suggested Readings

In order to rescue our subject from the arrogant “fundamentalists”, who have brought us a very bitter harvest, and to move the field beyond the confines and limitations of standard theory, we suggest the following books, amongst others, that must be offered to students as part of their main reading list, not in their optional modules alone, but in their core courses as well:

Anielski, Mark (2007) *The Economics of Happiness- Building Genuine Wealth*, Gabriola Island: New Society Publishers

Blank, Rebecca M (2004) *Is the Market Moral?* Washington, DC: Brookings Institution Press

Bloom, Alan (1987) *The Closing of the American Mind: How Higher Education has Failed Democracy and Impoverished the Soul’s of Today’s Students*, New York: Penguin

Brown, Garver, Helmuth, Howell, and Szeghi (2008) *Right Relationship: Building a Whole Earth Economy*, San Francisco: Berrett-Koehler Publications Inc.

Bunting, Madeline (2005) *Willing Slaves: How the overwork culture is ruining our lives*, London: Harper

Dallmayer, Fred (2007) *In search of the Good Life-A Pedagogy for Troubled Times*, Lexington: The University Press of Kentucky

Daly, Herman (1996) *Beyond Growth*, Washington DC: Beacon Press Elgin, Duane

(1981) Voluntary Simplicity-towards a way of life that is outwardly simple, inwardly rich, New York: William Morrow Frankham, Myron, (2004) World Democratic Federalism: Peace and Justice Indivisible, London: Palgrave-McMillan Fullbrooke, Edward (ed) (2004) A Guide to What's Wrong with Economics, London: Anthem Press Gaffney, Mason and Fred Harrison (1994) The Corruption of Economics, London: Shephard-Walwyn Galbraith, John Kenneth (1958) The Affluent Society, New York: New American Library

\_\_\_\_\_ (1971) Economics Peace & Laughter, New York: New American Library

Gold, Lorna (2004) The Sharing Economy: solidarity Networks Transforming Globalization, Aldershot: Ashgate

Grayling, AC (1998) Moral Values, London: Weidenfield and Nicolson \_\_\_\_\_ (2003) What is Good? London: Weidenfield and Nicolson

Haidt, Jonathan (2007) The Happiness Hypothesis-finding modern truth in ancient wisdom, New York: Basic Books Henderson, Hazel (1999) Beyond Globalization: Shaping a Sustainable Global Economy, Bloomfield: Kumarian Press Jackson, Tim (2009) Prosperity Without Growth-Economics for a Finite Planet, London and New York: Earthscan

Keen, Steve (2001) Debunking Economics: The Naked Emperor of the Social Sciences, Annandale: Pluto Press

Keynes, John Maynard (1930) Economic Possibilities for our Grandchildren, Essays in persuasion, New York: W.W.Norton&Co

Kuttner, Robert (2007) The Squandering of America: How the Failure of Our Politics Imperils Our Prosperity, New York: Alfred Knopf

Krugman, Paul (2007) The Conscience of a Liberal, New York: W. W. Norton

Layard, Richard (2005) Happiness, London: Penguin

Lutz, Mark A (1999) Economics for the Common Good: Two Centuries of Social Economic Thought in the Humanistic Tradition, London and New York: Routledge

Meadows, Donella H, Dennis L. Meadows, Jorgen Randers and William W. Behrens III (1972) The Limits to Growth- A Report for the Club of Rome's project on the Predicament of Mankind, New York: The New American Library

- Mill, John Stuart (1848) (reprinted 2004) *Principles of Political Economy*, Great Minds Series, New York: Prometheus Books
- Milward, Peter (2006) *What is a University?* London: Shephard- Walwyn
- Mofid, Kamran (2002) *Globalization for the Common Good*, London: Shephard-Walwyn
- Mofid, Kamran and Marcus Braybrooke (2005) *Promoting the Common Good-Bringing Economics and Theology Together Again*, London: Shephard-Walwyn
- Nelson, Melissa K. (2008) *Original Instructions: Indigenous Teachings for a Sustainable Future*, Rochester, VT: Bear
- Ormerod, Paul (1994) *The Death of Economics*, London: Faber &Faber \_\_\_\_\_
- (1998) *Butterfly Economics*, London: Faber& Faber
- Porritt, Jonathon (2005) *Capitalism-as if the world matters*, London: Earhscan
- Schumacher, E.F (1973) *Small is Beautiful: Economics as if People Mattered*, London: Bland &Briggs
- \_\_\_\_\_ (1997) *A Guide for the Perplexed*, London: Jonathan Cape
- Sen, Amartya (1998) *On Ethics and Economics*, Oxford: Basil Blackwell
- Smith, Adam (1776) (reprinted 1937) *An Inquiry into the Nature and Causes of the Wealth of Nations*, New York: Modern Library
- Stiglitz, Joseph (2006) *Making Globalization Work*, New York: W. W. Norton
- Szeghi, Steve (2006) *Lessons in Development and Service on the Dine (Navajo) Nation*, *Journal of Economics and Politics*, volumes 17 & 18
- Tawney, R.H (1921) *The Acquisitive Society*, London: G. Bell& Sons \_\_\_\_\_
- (1926) *Religion and the Rise of Capitalism*, London:
- John Murray \_\_\_\_\_ (1931) *Equality*, London: Allen & Unwin
- Wilkinson, Richard and Kate Pickett (2009) *The Spirit Level-why more equal societies almost always do better*, London: Penguin

#### About the Authors

Kamran Mofid is the Founder of the Globalization for the Common Good Initiative (Oxford, 2002) and Co- founder/Editor, *Journal of Globalization for the Common Good*, and member of the International Coordinating Committee (ICC) of the World Public Forum, Dialogue of Civilizations. In 1986 he was awarded his doctorate in economics from the University of Birmingham, UK. In 2001 he received a Certificate in Education in Pastoral Studies at Plater College, Oxford. From 1980 to 2000 he was

Economic Tutor, Lecturer and Senior Lecturer at Universities of Windsor (Canada), Birmingham, Bristol, Wolverhampton, and Coventry (UK). Mofid's work is highly interdisciplinary, drawing on Economics, Politics, International Relations, Theology, Culture, Ecology, Ethics and Spirituality. Mofid's writings have appeared in leading scholarly journals, popular magazines and newspapers. His books include *Development Planning in Iran: From Monarchy to Islamic Republic*, *The Economic Consequences of the Gulf War*, *Globalization for the Common Good*, *Business Ethics, Corporate Social Responsibility and Globalization for the Common Good*, *Promoting the Common Good* (with Rev. Marcus Braybrooke, 2005), and *A non-Violent Path to Conflict Resolution and Peace Building* (Co-authored). [www.globalizationforthecommongood.info](http://www.globalizationforthecommongood.info)

Steve Szeghi, Professor of Economics, at Wilmington College, Ohio, is co-author of *Right Relationship: Building a Whole Earth Economy*. At Wilmington since 1987 he served as Department Chair in Economics and Business, from 1998-2005. Szeghi writes on Social Justice, and Ecology, in relation to the Economy and Economic Theory, highlighting the socio-political economies of indigenous peoples as an alternative system. Mindful of the values and economies of indigenous peoples, Szeghi has grown to question many of the assumptions of standard economic theory. While incorporating these themes into existing courses he developed a popular student study trip class called, *Wilderness, Resources, and Indigenous Peoples of the Southwest*. In his youth, Szeghi worked with Cesar Chavez and the United Farm Workers. Today he supports and consults for Labor Unions, and Environmental Groups. He has worked with American Indian Tribal organizations in support of social change/development favored by indigenous communities.

## **The Role and Significance of Religion and Science in Creating an Integrated Holistic Educational System and Global Civilization**

**Alex Habib Riazati**, MACP and Doctorate graduate student in Counseling psychology. Strategist and Scientist at Boeing Integrated Defense systems.

### A Holistic Perspective

Today's problems are of a complex nature requiring resolution that's both integrative and comprehensive. Religion and science occupy the central role in all aspects of spiritual, intellectual, and the material developments of humankind. Hence, no solution to any problem can be comprehensively effective and sustainable without giving balanced consideration to the roles and the significance of religion and science in creating an ever-advancing civilization.

Alex Habib Riazati Prepared for the 9th Annual International conference on Globalization for the Common Good ( June 06-June 10, 2010) 7/22/2010

Presented at the 9th Annual International conference on Globalization for the Common Good

### Introduction

Today's problems are of a complex nature requiring resolution that's both integrative and comprehensive. Human beings occupy the central role in all aspects of existence. Hence, no solution to any problem can be comprehensively effective and sustainable without giving due consideration to the noble, spiritual aspects and the distinguished station of every individual human being, his/her spiritual destiny; his /her responsibilities and obligations; his/her natural rights as established through social contracts; and his/her ultimate aim and objective of creating an advancing civilization - a civilization that provides a holistic and integrated context in which the natural growth of each individual takes place where the well-being of society as a whole is guaranteed.

### Goals and Objectives

Among the major goals and objectives of this article is the establishment of the fact that the differences of opinions between philosophers, psychologists, socialists, scientists and religionists on whether religion and science are irreconcilable, are mostly subjective and have to do with how symbolic concepts such as God, religion, life, death, heaven or hell are being defined. The variations are not that much about

the existence of a creative/cohesive force/energy or God, but rather how these terms are defined and how the meanings that we assign to these symbolic terms are truly relevant and helpful for the personal, social and spiritual development of humankind at the present stage of its evolution.

Another main objective of this article is to underline the fact that each generation assigns new sets of meanings to universal symbols such as God, religion, heaven/hell, and moral/immoral. What is meaningful to one generation may not have any meaning in the succeeding generations who may consider those old meanings as myths and even dogmas.

Hence, the continuous spiritual evolution of humankind will enable it to create new sets of symbols as well as assigning new sets of meanings to those ancient symbols.

Within this context, this author would consider the issue of the harmony of religion and science and their roles in creating/advancing the global civilization.

The importance of a holistic system of education

The main objective of this paper is to underline the importance of a holistic system of education, the role it plays, and its aims in preserving the human rights and dignities of all who live on the planet. By education is not meant using the wide range of information compiled in our mind without any understanding about its use. Rather by education here is meant a system that provides a nurturing environment in which both the individual and society can prosper. A developmental context which provides the required encouragement and support for enabling and empowering the individual to draw out the hidden jewels (unfulfilled healthy desires, talents, ambitions and dreams) that are potentially within him/her but have not been cultivated to yield a healthy lifestyle for the individual and become the source of social good for others. Each person, regardless of his/her gender, race, nationality, ethnicity or any other cultural background, is the recipient of the grace of God. The role of an educational systems is to provide the means and the support that are needed for individuals to acquire knowledge, insight and the skills so to empower him to live his life freely and attain his realistic goals (Ansbacher &Ansbacher, 1956). These goals and objectives should be beneficial for the generality of humankind and should not be confined only to one's own interests. Within this universal and multicultural context, education could be considered as an active agent of transformation and sustainable change. This may be viewed as a worthy utilization of knowledge. By utilization of knowledge, is

meant, the „end“ that it „serves“ and the benefit that it offers to both the individual as well as the society as a whole. In short, education is primarily concerned with “knowing” and “serving”. These are the twin pillars of the prosperity of humankind. Knowledge without change is like a tree without fruit, and service without vision and insight is like walking in darkness without a guiding light or moving around without a map and clear directions). Knowledge without application (service) leads to boastfulness and pride. Service (actions) without knowledge and recognition will result in rituals, habits, mistaken belief systems, rationalization and justification of one’s theoretical knowledge. A balanced and harmonious relationship between the knowledge, actions and their universal implications may be considered the two wings of the bird of human salvation.

#### Educating and Knowing one’s own self: The Undiscovered Self

The most profound task of one’s life may be what Socrates referred to as “know thyself” and has been echoed by all religious and spiritual movements. In a sense, this may be considered the ultimate objective of one’s life. This knowledge refers to the spiritual and intellectual developments in the individual which is the gradual unfolding of one’s undiscovered true self. When one combines the discovery of one’s own true self with that of being a social creature; the result would be nobility of individual and concern for others in society. Within such a context, the purpose of acquiring knowledge and all of human endeavor is to help individual excellence and the application of theoretical expositions into what is universally beneficial to humankind. Without having a social interest and innate concern for the well-being of others our trainings will create veils of light, and will build thick clouds. These veils and clouds will prevent us from attaining the ultimate goal of any true educational system. The goal is to keep knowledge alive through its external examination and its systemic use for the development of a cohesive society and the global good of humankind. Without this lofty concern for the good of entire human race our knowledge becomes inert and harmful (Whitehead, 1926). By external examination of knowledge is meant finding its relation to the here-and-now. By its relation to Here-and-Now, means being concerned about the requirements of the present age and the present moment in which we live. We examine knowledge through examination of how it raises individual’s consciousness towards becoming a useful member of human society. We judge the effectiveness of an educational system by how it can help us to

gain multicultural competency, and how it can enable and empower us to have sympathy, empathy and unconditional regard for the rights and the wellbeing of others who may think, feel and believe differently than we do. Such an attitude will help us in engaging in arts and sciences that advance the conditions of humans and establish the pillars for true civilization.

The twin components of a true Civilization / Education

A true civilization/education is both religious/spiritual and material/scientific („Abu'l-Baha, 1957). Spiritual education is about providing each individual with the ultimate meaning in life. This meaning motivates and empowers him to live and prosper. The material education is about providing us with the means for a more comforting physical life in which those meanings can be realized. These twin components (spiritual and material) of education are both essential and necessary counterparts of any true civilization. One without the other would result in the abuse of human potentials and violation of its rights as has been witnessed throughout the history.

What is meant by Spiritual education?

By spiritual education does not mean to have religious education or even to be religious, rather by being spiritual means to center all thoughts, feelings and acts towards creating a meaningful life on this planet, becoming the source for a betterment of the society in which we live, and becoming a part of a process of building a better future for all those who come after us. In a sense, by spiritual education, is meant to be in search for the ultimate meaning in life through recognition of God (i.e., the source of all universal good) and try to offer unconditional (free from self interest) service to the whole of humankind. Within such a context, religion and religious feelings may be considered as the environmental variables. Additionally, by religion being viewed as an environmental variable is meant that religious values and belief systems provide an environment for the individuals who on their own and without any imitation, intimidation or pressure from others, have an opportunity to know God through knowing and discovering their own true selves. Within this context, religion can be considered as an instrument and not an end in itself. It is a utility for creating peace in one's life. It is an environmental variable because its aim is to create an environment - the condition of love, faith and hope for the generality of humankind. It is about the development of hearts and minds that can exercise unconditional reverence for free thought and freedom of expression of those thoughts. It is about having authentic regard for every member of the human



race regardless of their natural differences. Religion is to be considered a means and not the end.

What is the meaning and the purpose of Religion?

The word Religion comes from a Latin root which means to re-unite (based on Latin „religare „, to bind back, bind together). Hence, religion is a force that could be used for trying to enable people to live in harmony with each other while at the same time they would appreciate their differences. Religion is an instrument. It is like a double-edged sword. It can be used to tear apart the whole world as it is done today in the form of fundamentalism, fascism, suppression, and oppressions. Additionally, religion can be used to free humankind from the chains of slavery to irrational beliefs and superstitions. It has been used as a means to reach both peaceful and harmful ends. Since it is a means and not the end, naturally, its value should be judged by the ends (i.e., fruits, or results) that it produces. The ends of a true religion are what reunites the individual with his/her own self and what binds the individual with the rest of the human race.

Personal/individual values of Religion

By reunifying the individual we mean his transformation from divided being to that of healthy and whole (holy) being. Hence, religion is meant to be used in enabling and empowering an individual to walk on the path of BECOMING a HOLY person. Becoming a holy person means to become a part of the process of striving to become a WHOLE SELF. This happens when there is a harmony between one's thoughts (beliefs), feelings, actions, and his motivations and objectives. This is the Individual or personal value of religion.

Development of an authentic self

Authenticate means to ascertain whether something is genuine. Authentic means to be genuine. What is meant by becoming an authentic true self is that: one's thoughts and feelings, as well as his behaviors, would need to be in harmony with his goals, and his goals need to be directed towards the ultimate concern for the global social interest. Such an orientation would change the notion that being a religious person means being a part of a mass movement or a creed which gives expression to a definite set of beliefs, to the notion that being a religious is about the reunification with one's own true self via a subjective relationship to a certain metaphysical and extramundane factors (Jung, 1957).

Personal Religious Feelings

This makes religion to be considered as a personal relationship between the individual and the unknowable existence that is often referred to as God. A God within this context is identified as the source of all good for all who exist on earth and not the source of division and exaltation of one group over another. Hence any religious system that teaches division and subjection is either a pseudo religion or the cognitive and psychological distortion of religious ideals by ego-driven religious leaders. This approach may not please a mass man or the collective believer who is used to being indoctrinated by others and becomes so alienated from the ultimate objectives of the true religion that he/she would lose his own autonomy as an individual and loses toleration for any divergent perspective or worldview. It is within these personal and social contexts that the phenomenology of religious fanaticism may be considered.

#### The social values of religion

The social value of religion has to do with its cohesive power to build a just, peaceful, and unified society. If these goodly fruits (ends) are realized, then religion should be considered a praiseworthy means (instrument), otherwise it would not have any practical (useful) relevance and should be ignored. The Good ends are measured by the universal benefits that an idea or an act will have on one's own authentic personal well-being and growth as well as the growth of others. The roles of religious beliefs and values need to be judged in relation to building the inner character of an individual and its collective role in upholding justice and establishing unity and peace for all the members of the human family.

#### Defense against Fundamentalism

When viewed within the social context of human development, each religion exhibits four distinctive but interdependent factors or stages - ritual, emotion, belief and rationalization. There are definite norms and organized procedures; there are definite types of emotional expression; there are definitely expressed beliefs; and there is the adjustment of these beliefs into a system, inherently coherent and consistent with other belief systems (Whitehead, 1926). These factors have emerged gradually in the development of humanity and its belief systems, whether religious or otherwise.

#### Evolving stages of ritual, emotion, belief and rationalization

Today's religions cannot be defined by, or purely confined to, any one of these four factors. When this happens (i.e., religion becomes purely ritualistic, emotional or rational) the social contexts and the germ of fanaticism and fundamentalism is

created.

Moreover, one of the main reasons that people find religion to be irrelevant to their needs HERE-and-NOW and devoid of influence in their personal and social lives may have to do with the fact that most of what we call religion today is made of rituals and/or the emotions that these rituals have generated. When this happens there is no room for freedom of thought and spiritual vitality. This leads to suppression by religious institutions/leaders of believers. Such a fear-based faith has resulted in the culture of repression in the individual and suppression and control in the community and has both encouraged and supported the culture of duality and craftiness in individual believers who try to uphold their public personality rather than refining their inner characters. Such a suppressive state has caused most of traditional religious systems not tolerate or encourage any critical thinking (Valuing the Free Thought in terms of examination of the belief and its impact on human hearts) other than rationalization (rational justification) for the existence of their own belief systems. In other words, reflection from these fear-and-control based religious systems translates to upholding rituals and their associated emotions. Any divergent thought or alternative worldview would be considered the sign of weak faith and the individual believer will be labeled as covenant-breaker or an infidel and may be shunned by the community. This may also provide some social basis and psychological clues for understanding the process which one goes through in making himself vulnerable to infection with the universal disease of fundamentalism and fanaticism, encouraging him/her to choose to engage in terror and destruction of others who may not share his or her perspective on life. This is a process which may be seen as a defense mechanism for dealing with the individual feelings/thoughts of inferiority as well as a systemic generational anxiousness about the survival of the group or the creed.

The goals and objectives of Science and Technology

All that was mentioned in relation to the meaning and the aims of religion can hold true for both science and technology. The ultimate goals, objectives and approaches of science and technology are directed towards creating an ever-advancing civilization. The purpose of science is the discovery of the means (tools) that can be used in order to facilitate the creation of the latest and more convenient environment for humankind to translate the goals of religion into action and work on the development of meaningful human relationships. The science, therefore, should not to be considered as an end in itself. It is also important to note that science can only

ascertain what is, or appears to be, in relation to the cosmic universal laws. The role of religion on the other hand is to deal only with the evaluation of human thoughts and behaviors (Einstein, 1982) in relation to its ultimate goal, which is the establishment of a just, peaceful and unified populous on the planet. To put it in simple terms: Religion concerns itself with the spiritual purpose and the ultimate meaning of individual and society, while science, mainly, if not exclusively, is concerned with discovering and developing the means and tools to better understand the world and its physical operation.

#### The Common objectives of Religion and Science

The ultimate objective of science is, in a way, identical to the ultimate goals of any true religious system: that is, enabling and empowering the individuals who on their own, and by their own decision and volition, move from the less comprehensive, less integrative, less universal, and less meaningful condition (context); to a higher degree of being more comprehensive, more integrative and more universal context. A context that encourages and empower everyone in the society to concentrate on being motivated to unravel his/her own hidden talents (potential gifts and abilities) through his sincerity, hard work and dedication to reduce harm and sufferings of humankind and in doing so become an active agent of change for the future which is constantly in the making. Such a holistic approach results in having every member of the society to consider himself as a vital element of what contributes to the intergenerational process of change. This meaningful, comprehensive and continuous process of organic movement towards the establishment of the common good of humankind may be considered the greatest sign of the maturity of humankind and the common objective of any scientific or religious movement.

#### Progressive unfolding of the same truth: Religion and science are in the Making

Both religion and science should be considered as the twin influential forces of transformation. In the traditional sense religion is none other than a communal experience for preservation of the believer. In a purified religion, the individual is trying to become like God. In the former, the individual is only concerned with his/her own interests. In the latter, the individual is trying and yearning to become the Image of God on earth. By being in the image of God implies that each individual is trying to imitate God's universal goodness by showing goodness to everyone who crosses his path. In other words, each individual has within his/her self all the noble qualities and praiseworthy attributes to make him the image of God. He needs a

holistic and comprehensive system of education to enable and empower him to unravel these noble and God- like gems and develop our true innate character.

Our character is developed according to our faith. Religion is the primary force in creating a transformation of human character. Religion can thus be defined as a system of universal truths which have transforming effects. Our individual characters and conduct will depend upon our sincerity and convictions. Science provides the means to accomplish the lofty goals of true religious faith. Religion uses scientific methods in reaching its objectives (Rabbani, 1938).

Unity in diversity: Wholeness of Religion and Science- An emerging order

Another very beneficial aspect vital to the establishment of a global civilization is the critical examination and insightful comprehension of benefits and strengths as well as the risks/deficits/limitations of both religion and science. Peter Russell's latest work, entitled *The Global Brain* is an influential educational tool for appreciating the values, as well the limitations, of both religion and science. On one hand it helps to appreciate Emanuel Kant's assertion that we need to consider Religion within the limits of reason alone; and, on other hand, it suggests that there is an evolutionary process which reveals to us a greater whole that is more than the sum of its parts (Russel, 1984). This living organism manifests itself through an evolutionary leap within the context of space and time using major developmental stages in the evolution of life. There appears to be "Hidden Orders" in evolution which may or may not be validated by human's limited rational faculty as Kant had rightly suggested (Kant, 1934), nonetheless, each of these new orders represents a major step forward in the evolutionary process, revealing with it new characteristics that could not have been deduced or predicted from the previous stages (Watzlawick, Weakland, & Fisch, 1974). Such an emergent order and its evolutionary development are responsible for the complex changes humankind has witnessed in the diverse fields of religion and science. The complexity in this context refers not only to having many, or infinite parts. In addition to affirming having infinite parts in organic order, the complexity also implies the existence of a system with many interwoven parts. A system characterized by synchronicity (connectivity), organization (goal-directed) and diversity (uniqueness) of its parts. In another word, there is an evolving complexity that represents the Process and Reality. This universal and hidden reality, unknowable in its essence manifests itself through an ever-evolving cohesive and systemic process

of organic relationships between all the created beings.

The more we concentrate on the connectivity between all the elements of the universe, the more we note the attributes and characteristics of an emerging order and an interrelated structure driven by the universal force of cohesion otherwise known as the force of universal love forming our Planetary consciousness.

#### WHOLENESS: UNITY in DIVERSITY

To understand and appreciate the advancement of this evolutionary process, we would need to center our minds and hearts on the holistic (WHOLE) energy generated by the cohesive relationship between all the DIVERSE components of the universe. As humans we can become an active part of this connecting energy. We can do this by considering the dynamics created by our differences in cultures, religions, nationality, race, and gender as the beautiful and required components of an organic, holistic and orderly system. We can do this in this earthly frame by accepting our differences of opinion and orientations as being complementary to one another and not as being contradictory to each other. We need to not confuse SAMENESS with UNITY and instead learn to have authentic regard for those who think and feel differently than us. This will be accomplished through showing unconditional love toward one another. Our unity is our dedication towards our common interests and objective of creating a Free and Just society. We examine the value of any religious or scientific idea by examining their roles in helping us in reaching these lofty goals.

Within this context we would need to examine the goals and objectives of religion and science; the two influential means for bringing about a sustainable, global widespread shift in human consciousness that advances from one generation to the next. Could anyone imagine a loftier goal than this for any true educational system?

#### SYNERGY& SYNCHRONICITY

Defining essential harmony between religion and science

One way to recognize the harmony of religion and science, as well as their complementary contributions towards one another, is to understand and appreciate the twin concepts of SYNERGY and SYNCHRONICITY. Synergy means working together, and synchronicity (an acausal connecting principle) means everything is connected to everything else without having any obvious cause and effect relationship (Jung, 1937). Synergy is about recognition of the fact that humankind, as an organic and holistic system, is constantly evolving and advancing towards higher degrees of

complexity and unity. Synchronicity, on the other hand, is about the realization of the fact that whatever we do as an individual (our thoughts, our feelings and our actions) have direct/indirect impacts on the whole world (system).

Within such synergistic and synchronized framework, everyone supports each other while they also impact and support the functioning of the whole system. In such a spontaneous mutually supportive system, individuals pursue their own unique goals and objectives and there would be little if any intrinsic conflict (Russell, 1984). The best example of such a healthy synergic and synchronized system is the human temple which consists of different parts (organs). Each member of the human body has a distinctive function. It also has relationship with the other members of the body. Both health and illness of one member will impact the health and the function of other members of the body, hence, impacts the health and the well-being of the person (the whole system) (Baha'u'llah, 1952). In a high synergic and synchronized society we see unity in diversity and a lower degree of conflict. In such low context, low conflict societies, each member is yearning for performing his/her best towards building a new and prosperous civilization in which both individuals as well as society as a whole will advance towards higher degrees of perfection and excellence. This will result in a spiritual economy that is essential for ensuring the common good.

The Value of independent Thought in creating a global civilization

Another major objective of any holistic religious or scientific educational system has to do with providing an environment which is instrumental in the creation of individuals (personalities) who acquire an understanding and a feeling for universal values. In other words, it is not enough to teach a person a skill or a specialty. This, at the most, will turn him/her into a very skilled robot that does things according to how it has been programmed. The purpose should be to create a harmoniously developed character or personality who has acquired a vivid sense of the beautiful and of the morally good. The students need to learn to be genuine humans who understand the human sufferings and can empathize with them in order to acquire a proper relationship to individual fellowman and to the community. According to Albert Einstein it is "vital to a valuable education that independent critical thinking be developed in the young human being, a development that is greatly jeopardized by overburdening him with too much and too varied subjects. Overburdening necessarily leads to superficiality. Teaching should be such that what is offered is perceived as a

valuable gift and not as a hard duty” (Einstein, 1982, p.67). Such an attitude towards development of harmonized personalities who think, feel and act independently, will reduce the overemphasis on unhealthy competition and premature specialization on the ground of reaching one’s own self-centered goals and desires.

#### The Role of Educational Institutions in Transferring the Global Values

School should be considered the most important means of transferring the wealth of global values from one generation to the next and not simply as the instrument for transferring knowledge to the growing generation which leads to the death of knowledge.

#### Developing virtues individuals and not community of standardized individuals

The school should be the means where the facilitators and trainers develop in the young individuals those virtues, qualities and capabilities which are of value for the welfare of the entire community without destroying individuality or making him to become a “mere tool of the community. For example, like a bee or an ant for a community of standardized individuals without personal originality and personal aims would be a poor community without possibility for development. On the contrary, the aim must be the training of independently acting and thinking individuals, who, however, see in service of community their highest life problem” (Einstein, 1982, p.60); such a service could be considered the highest form of worship as has been pointed out by Baha’u’llah the founder of the Baha’i Faith (Baha’u’llah, 1978). This is achieved through independent motivation, a world-embracing vision (Baha’u’llah, 1978) and unconditional regard for the commonwealth since any other methods such as fear, force, and artificial authority would only destroy the sincerity and self-confidence of the individuals as well the overall psychological and spiritual health of the entire community by increasing the level of dependency rather than authenticity, hypocrisy rather than honesty, craftiness rather than genuineness, superficial competitions rather than striving for higher excellence in service, and clinging to the position of authority as the means to exert control on others and thereby define the truth, rather than letting the truth define legitimacy and authority.

#### Scientific and Spiritual Evolution of Humankind

Three types of religious experiences: fear, obligation and cosmic love

Humankind has emerged from the ages of infancy, childhood, adolescent and is getting ready for the next stage of its development, that of adulthood. Pitrim Sorokin,



the 19th century social scientist whose challenging critique and insightful examination of the crisis of modern society as it affects our entire way of thought caused him first to be sentenced to death and then exiled from the Soviet Union. He later became the head of Sociology at Harvard University. In his work, „The Crisis of our Age“, he points out the psychological uncertainties and physical tribulations as a result of humankind’s search for new meanings in every field of human endeavor (Sorokin, 1992). These same observations were echoed in the works of Shoghi Rabbani, one of the major figures of the Baha’i Faith, pointing out that humankind is going through crises associated with its adolescent stage (Rabbani, 1938).

Constant Search for Meaning: reaching inner satisfaction and contentment

This constant search of man for new meanings, and his wonder and quest for the ultimate meaning in this life, has occupied the minds of many global thinkers such as Carl Jung (Jung, 1957) and Viktor Frankl (Frankl, 1997). It seems as all that humankind has accomplished so far, or is trying to do have to do with the elimination of fears, pains and sufferings in the hope of reaching inner satisfaction and contentment. Humankind’s perspectives on religion and science have been impacted by his experiences.

Evolutionary process of change from religion of fear to cosmic religion of love

That which contributed to and created religious experiences (thought and feelings) in primitive man was fear. Fear of survival, fear of death, and so on. The mother of these fears was and still is the fear of the unknown. These fears of the unknown were and still are the major factors in creating anxiety and feelings of inferiority in him. According to Einstein a leading 20th Century scientist, this anxiety, combined with ignorance about the causal connections between all which happens, had caused the human mind to create illusory beings who have attributes that are more or less similar to his own self but, nonetheless, are more powerful and who control and direct all that happens to him (Einstein, 1936). These illusory beings were changed with the changes that took place in the minds of those who created them. The main objective of all these illusory beings was to eliminate the fear and anxiety of those who created them and nothing else. To this end, the people would offer sacrifices in order to secure their protections. This is what has been referred to as a religion of fear throughout history. The fear that initiates itself within one’s own self and then extends itself to other

beings (i.e., other human beings, and other supernatural beings called gods). A quick survey of the stories recorded in the religious scriptures of old (e.g., the Old Testament) confirms this notion. Religion of fear was/is to a large degree propagated and maintained by the formation of a special caste which sees itself as the mediator between the people and the beings they fear. These dynamics contributed to the formation of Priesthood in religions. As humankind evolved from its stage of infancy to that of childhood; its knowledge about the events and what caused them to happen increased, its fear, dependency and anxiety decreased as well. This evolutionary process brought with it the evolutionary change in the nature of the religion of fear and the concept of the God as Omnipotent Controller of all things. One thing to note is the fact that such definitions and concepts were useful for the purpose of guiding and protecting humans during the stage of infancy. The age of infancy was followed by the next developmental stage - the childhood of humankind. That which was helpful for the infant proved to be inadequate for the holistic well-being of the childhood period. Hence, the fear-based religion transformed itself to that of a social and moral religion. A moral religion suited for the childhood stages and was based on reward and punishment;. The moral religion operated by the new concept of a vengeful God who punished those who did not obey him and rewarded those who unquestionably/blindly obeyed Him. As we grow in consciousness and evolved more spiritually, both the religion of fear and the social and moral religion proved to pose challenges and hinder the spiritual development of humankind. The next stage was the appearance of the Cosmic Religion in which all things are seen as the direct evidence of a universal reality. Thomas Paine's insightful observations in this regard are worth some reflection: "the Creation we behold is the real and ever-existing word of God, in which we cannot be deceived. It proclaims His power, it demonstrates His wisdom, it manifests His goodness, and beneficence. That the moral duty of man is imitating the moral goodness and beneficence of god, manifested in creation towards all his creatures. That is seeing, as we daily do, the goodness of God to all men" (Paine, 1984).

#### Cosmic Religion: WHOLE, HEALTHY and HOLY

Within such a Cosmic religion, every place and everything in it is considered holy (whole, healthy) as it was a token of a Universal Grace and the manifestation of All Good. Spinoza, Kant, Thomas Paine, Feuerbach, Bertrand Russell, Alfred North

Whitehead, Einstein, Sorokin, Rumi, Hafiz, Bohr, Adler, and Jung were among the philosophers, theologians, scientists, mathematicians, socialists, and psychologists who acknowledged this Cosmic Religion and Unknowable God.

The dawn of genuine religiosity: Progressive evolution of the concepts of Heaven and Hell in this Cosmic religion fear was changed to love; and heaven and hell were changed from being places in space and time; to that of a condition of the human spirit and its relationship to the ultimate source of all good. Heaven and hell are determined by our motives and sincerity of our behaviors. When we are honest with ourselves and others we are in heaven. When we perform an unconditional service to another member of the human race, regardless of gender, color and race, we are in heaven. When we perform service for the sake of reward or the fear of punishment we are in Hell as has been emphasized by the Bab the founder of the Babi religion (Bab, 2005). Within such a perspective, heaven and hell are conditions and not a place as has been pointed out by Baha'u'llah (Baha'u'llah, 1952). It is within this spiritual context that one would find the harmony of the latest stage in our spiritual evolution, with true science associated with the requirements of the day in which we live - here and now.

The further this spiritual evaluation advances, the more certain it becomes to all the religionists and true scientists like Einstein who believed that “the path to genuine religiosity does not lie through the fear of life, and the fear of death, and blind faith, but through striving after rational knowledge, in this sense I believe that the priests must become a teacher if he wishes to do justice to his lofty educational mission” (Einstein, 1982, p. 49).

Are religion and science IRRECONCILABLE? Is God really dead?

This new evolutionary stage in human consciousness manifests a direct link between the psychological and social state of the humans and the God(s) that they worship as both Carl Jung and Albert Einstein had noted. Moreover, this new evolution in the maturity of humankind has provided the opportunity for us to discern the process of crisis and victory that are associated with believing in the concepts offered by the ancient religious systems that had relevance in the previous evolutionary stages of human development, but now, those concepts with the old meanings that they conveyed have no relevance or applications in the present stage of the spiritual development of humankind. Those ideas and meanings have become dogmas at the present stage of an organic evolutionary process. These old concepts and doctrines

have become inadequate and as result they are increasingly discarded, rejected, or condemned as flawed.

#### Opposition against old dogmas

It is within this context that we may be able to understand, relate and even appreciate the oppositions against the old established religious systems by independent thinkers such as Ludwig Feuerbach, who asserted: “Man made god in his own image” (Feuerbach, 1873) aiming to show that God was nothing other than a human projection; and Friedrich Nietzsche’s notion that “God is dead” (Nietzsche, 1882) with the intention of “I mean to tell you. We have killed him, you and I! We are all his murderers!” (Nietzsche, 1883). Sigmund Freud regarded belief in God as “an illusion”, and a personal God as an “exalted father figure” (Freud, 2009). Alfred Adler concurred with Freud that God was a projection but believed that God has been an effective symbol which had been helpful to humanity (Ansbacher & Ansbacher, 1956). Carl Jung considered God as a universal archetype, a psychological truth, experienced subjectively by each person, and when asked by John Freeman in the Face to Face interview whether he believed in God, he replied “I do not have to believe. I know!”, suggesting a subjective concept of God.

#### Oppositions are aiming to reveal the truth

All these statements are justified in this scientific age of reason. Additionally, these seemingly oppositional statements are empathically aiming to reveal the truth about the fact that the conception of man-like God and fear-based religions would not be useful or helpful for the current stage of the spiritual evolution of humankind. “God is dead” was a reference to the man- made God which has exerted fear and anxiety throughout generations. The aim of these oppositions and challenges was to free humankind from the chains of slavery to vain imaginations and child-like fantasies about God, religion and life after death. These oppositions and revolutions should be considered against, “the gods of idol fancies and vain imagining” (Baha’u’llah, 1952) as the founder of the Baha’i Faith, has warned; and not against the God who is unknowable in His essence. These oppositions are caused by the belief in the finality of religious systems - a mistaken notion upheld by the followers of traditional religions. These oppositions are not directed towards those religious followers who believe in the principle that “religious truths are relative and not absolute” (Rabbani, 1938). So, yes, the old concepts of God are dead but not God. By dead, we simply

intend to express that the meanings that we give to these symbols need be transformed so to match the spiritual requirements of humankind in its current stage of its infinite stages of development.

The future of God and Religion!

Today, we would require a new system of harmonious, interdisciplinary education and training about the reality around us. We need a new concept of God; a new universal religion of love which fits the current stage of human development and meets the intellectual, spiritual and scientific (material) needs resulted by its evolution. We need a paradigm shift in our thinking about religious leaders. We may want to gain enough courage to concur with Bertrand Russell that “the evils we have been considering seem inseparable from the existence of a professional priesthood. If religion is not to be harmful in a world of rapid change, it must, like the Society of Friends, be carried on by men who have other occupations during the week, who do their religious work from enthusiasm, without receiving any payment” (Russell, 1986, p. 111). Perhaps we could even consider “abolishing” the class of priesthood altogether as has been done in the Baha’i Faith. Instead of priesthood, we may even want consider changing the roles of priesthood to that of becoming the “educator”, as Albert Einstein suggested. We even want to go further and adopt a new culture and mindset and change the dynamics of our relationships to one another and promote “ a way of thinking, studying, and acting in which all consider themselves as treading a common path of service - supporting one another and advancing together, respectful of the knowledge that each one possesses at any given moment and avoiding the tendency to divide the believers into categories such as deepened and uninformed” as has been suggested as vital alternative by the Universal House of Justice, the governing body of the Baha’i Faith(Universal House of Justice, 2010).

### **Today’s Religion and Science**

The new educational system of today must promote the reality and the validity of both science (reason) and religion (Faith). As such the true religion will and must need to agree with the true science as proclaimed by Abd’ul’Baha, one of the central figures of the Baha’i faith (religion) who considered religion and science like two wings of the same bird (Abdul’Baha, 1997).They operate in two differentiated but not mutually exclusive domains. Religion is addressing human search for the ultimate meaning in life, its fate and destiny. Science is about discovering new tools and avenues to enable and empower human to reach its spiritual objectives. Science is an instrument that can

be used for doing good, and useful activities, or to perform evil things. Science provides possibilities for either construction and/or destruction of the world. Both religion and science are required. In fact, “science without religion is lame, religion without science is blind” (Einstein, 1982, p.46) as was noted by one of the profound thinkers and leading scientists of the 20th Century who while testifying to the fact that “the scientific method can teach us nothing else beyond how facts are related to, and conditioned by, each other” (Einstein, 1982, p.41) and at the same time declared “I cannot conceive of a genuine scientist without that profound faith” (Einstein, 1982, p.46).

#### Conclusion

Religion and the science of love:

Rendering unconditional service to the world of humanity

We need a new educational system that encourages cooperation towards advancing the interests and the unity of entire human race. This universal sentiment is shared by global thinkers and the latest religious systems. Psychologist, Alfred Adler’s words “All social movements, be they party, national, or class movements, should be judge only in accordance with their ability to further interests in our fellow men” (Ansbacher & Ansbacher, 1956, p. 449), Scientist, Albert Einstein’s assertion “the true value of a human being is determined primarily by the measure and the sense in which he has attained liberation from the self” (Einstein, 1982, p.12) Moreover, he adds, “A man’s value to the community depends primarily on how far his feelings, thoughts, and actions are directed toward promoting the good of his fellows” (Einstein, 1982, p.13). All of true religious systems teach the same science of love. This is the fundamental harmony between religion and science. This is the cornerstone for establishing the common good.

#### References

- Abdu'l-Baha, (1957). *The Secret of Divine Civilization*. Wilmette, Ill.: Baha’i Publishing Trust
- Abdu'l-Baha, (1997). *Selection from the Writings of „Abdu'l-Baha*. Wilmette, Ill.: Baha’i Publishing Trust
- Ansbacher, H.L., & Ansbacher, R. R. (Eds.). (1956). *The Individual Psychology of Alfred Adler*. New York, N.Y.: Basic Books.
- Bab, (2005). *Selection from the Writings of the Bab*. Wilmette, Ill.: Baha’i Publishing Trust

- Baha'u'llah, (1952). *Gleanings from the Writings of Baha'u'llah*. Wilmete, Ill. : Baha'i Publishing Trust.
- Baha'u'llah, H.A (1978). *Tablets of Baha'u'llah*. Wilmete, Ill. : Baha'i Publishing Trust.
- Einstein, A. (1951). *The Need for Ethical Culture*. Weltbild, Zurich: Europa Verlag.
- Einstein, A. (1982). *Science and Religion published in Ideas and Opinions..* New York, N.Y.: Crown Publishers, Inc.
- Einstein, A. (1936). *Science and Religion published in Out of My Later Years*. New York, N.Y.: Philosophical Library
- Einstein, A. (1930). *New York Times Magazine*, November 9, 1930 (pp. 1-4) New York, N.Y.: New York Times.
- Feuerbach, L. (1873). *The Essence of Religion*. New York, N.Y.: Asak Butts.
- Frankl, V.E. (1997). *Man's Search for Ultimate Meaning*. New York, N.Y.: Plenum Press
- Freud, Sigmund (2009). *The Future of an Illusion*. New York, N.Y.: Classic House Books
- Jung, C. G. (1973). *Synchronicity: An Acausal Connecting Principle* ( translated by R.F.C. Hull) New York, NY.: Bollingen foundation
- Jung, C.G. (1957). *The Undiscovered Self* ( translated by R.F.C. Hull) New York, NY.: The New American Library, Inc.
- Kant, Immanuel (1934). *Religion Within The Limits Of Reason Alone*. New York, N.Y.: Open Court Publishing
- Nietzsche, F. (1882). *The Gay Science*. New York, NY.: Penguin Group
- Nietzsche, F. (1883). *Thus Spake Zarathustra*. New York, NY.: Penguin Group
- Rabbani, S. (1938). *World Order of Baha'u'llah*. Wilmette, Ill.: Baha'i Publishing Trust
- Russell, B. (1986). *Religion and the churches, Bertrand Russell on God and Religion* Buffalo, NY.: Prometheus Books
- Russell, P. (1984). *The Global Brian*. Los Angeles, Ca,: J.P. Taraher, Inc.
- Paine, T. (1984). *The Age of Reason*. Buffalo, New York: Prometheus Books.
- 15
- Sorokin, P. (1992). *The Crisis of Our Age*. Chetham, NY.: One World Publication.
- Universal House of Justice (2010) . *The 2010 Ridvan message*. Haifa, Israel: Baha'i World Centre.
- Watzalwick, P.; Weakland, J., & Fisch. R (1974). *Change: The principles of problem formation and problem resloution*. New York, N.Y.:W.W Norton & Company, Inc.
- Whitehead, A.N. (1929). *The Aims of Education*. New York, N.Y.: Macmillan Company
- Whitehaed, A.N. (1926) . *Religion in the Making*. New York, N.Y.: Macmillan Company

#### About The Author

Alex Habib Riazati has a MA degree in Counseling Psychology/MFT Therapy (MACP/MFT) and a B.S. degree in Computer Science.

Mr. Riazati is has been conducting monthly youth seminars on various social, religious and psychological issues throughout Southern California; he has been conducting group seminars on topics related to anxiety, depression, Spiritual Health, and Motivational recovery at Harbor View Mental Health Services in San Pedro, California.

Mr. Riazati has been working as a strategist and scientist for Boeing Integrated Defense System in Los Angeles for the past 23 years.

Mr. Riazati is currently working on writing a book titled:

*Fundamentalism, Fanaticism and Terrorism: Its Roots and Remedies - A Comprehensive Pespective.*



## **Social Justice for an Ethical Ecological Economics**

**Dr. Steve Szeghi**, Professor of Economics, Wilmington College, Ohio

I will examine the social justice implications of a robustly ethical ecological economics.

The lack of social justice in the economic system coupled with the scant attention paid to social justice in standard economics is an obstacle to a sane environmental policy both conceptually and in implementation. As we hopefully become more holistic in our thinking about the economic system, viewing it as a subset of a larger natural or earth system, the need to think and act on social justice becomes far more imperative. Socially unjust societies are likely to exact heavier ecological impacts. Relying upon more and more economic growth to somehow bring about an end to poverty and unacceptable levels of inequality has not only proven largely futile but is also environmentally inefficient. The lack of social justice makes forward ecological movement more difficult, just as constraining the scope and scale of the human economy, bringing it into balance with nature, for the sake of the earth and other species, makes fair and just distribution between humans more critical.

What are the social justice implications of ecological economics? Lessons are plentiful in the wisdom of indigenous peoples. Ecology at its core is about balance and harmony. Among the Dine (Navajo), there is a word called *hozho*. It means not just balance, beauty, and harmony between people and the natural world, but also between peoples and people. Social Justice and Ecology must be seen as a single conception, a single reality.

Driving towards Los Angeles through the desert, the Mojave) I marveled at the scenic mountains en route. But upon entering the greater Los Angeles area the mountains disappeared from sight. They were still out there, all around but I couldn't see them. It caused me to wonder if all one thousand oaks plus more were burning. Of course what was really burning was the fossil fuel use of millions and millions of people in Southern California. What is the point of all of these million dollar homes, the manicured lawns, the cultivated vegetation, and hundreds of billions of GDP, if one

can no longer see the mountains. There is something substantially wrong with a human economic system that scars the earth, even while a substantial portion of humanity lacks basic necessities. While it may be possible to substantially lessen the human impact upon the environment without sacrificing GDP, many of us would be quite willing to sacrifice GDP, were it necessary to be able to see the mountains. If we build a society and economy grounded in social justice many more would be willing to make the environmental changes needed even if it might mean less GDP.

From the Pilgrims in New England to Spanish Priests in the Southwest many a European marveled at the sharing and community spirit of the indigenous peoples of the Americas. Yet even as they marveled at the lack of selfishness of the native peoples, many Europeans also considered that very quality to be a sign of backwardness and savagery.

In the 1890's Henry Dawes found fault with the Lakota, the Dakota, and the Cheyenne for not being selfish, and for not having a sense of private property. He thought those who lacked greed lacked ambition, and those who lacked ambition lacked civilization. Dawes considered selfishness to be at the core of civilization, the very foundation that civilization was erected upon. How is it possible that the American political and economic system, by the late 1800's while viewing itself as so rooted in Christianity, came to see selfishness as being its very foundation? Not only did the believers in the Acts of the Apostles 'hold all things in common' but the early Fathers of the Church such as Basil considered private property to be theft. "Nature made common property; robbery created private property."

Slowly over time, the type of economic system and the relationships which flow from it can cause people to lose both their natural connection to the earth as well as their natural connection to one another. Certainly the modern global economic system lacks such connection. Indigenous communities had and still largely have that connection both with one another and with the larger community of the earth and other species.

Yet the political obstacles that stand in the way of needed change are many and can be illustrated with a story. Many years ago in a medium size city in the United States, the local fire department was prevented from enforcing regulations to prevent

flammable conditions in private homes and businesses. The fire department was so enjoined on the grounds that regulations are intrusive to citizens and burdensome and costly to business, and that citizens and business should be free from interference from the fire department. In addition the fire department budget was cut and half of all positions were lost.

Several years later both the quantity and intensity of the fires in this medium size city increased significantly. Yet instead of blaming the lack of enforcement of regulations and the budget cuts to the fire department, the people of this medium size city instead blamed the fire department. The increase in fires and their intensity was offered as further evidence that the fire department could do nothing right. Some even called for the abolition of the fire department. Not only was the fire department blamed for not doing anything about the build up of inflammatory conditions, they were also blamed for not getting their old equipment and reduced staff to the fires more quickly. Those who advocated the prevention of fire regulation enforcement and the budget cuts to the fire department now advocated even more deregulation and budget cuts and were treated as heroes by the local population.

This is not really a story about a medium size city in the United States, nor is it a story about the fire department. It is rather a story about government and the entire United States. Over the past thirty years many have advocated deregulation in varied sectors of the economy from banking and finance, to oil, to telecommunications, even to mercenaries. Many with great influence and power promulgated a philosophy that the market knows best and can somehow take care of all of our problems. They have enjoyed great success in capturing public policy, yet when the market screws up as in the recent financial crisis and as in the oil spill in the gulf of Mexico, somehow the failures of the private sector become through clever propaganda and illogical twists the failure of the public sector, when the only fault of the public sector was in letting the market work which it was supposed to do, but which it did not.

I am less optimistic today than I was just a year ago, on both the direction in which social justice and ecological balance are moving. Just as somehow the failures of the private sector have been hung around the neck of government in the view of much of the populace, the number of people who understand the significance and cause of

global warming has been diminishing. We are quite simply losing debates that we should be winning. The forces allied against us, allied to resist needed change are powerful, cunning, and deceitful. And they are so rarely called on their deceit. We must recognize that it is an interconnected alliance that we face, an alliance that can be defeated only if we strike at the nexus that holds it together. Our opponents may understand better than we do the connection between inequality and economic insecurity on the one hand and environmental devastation on the other. Only by aiming simultaneously and uniformly at both will we be able to reduce each. Only then can we defeat those who stand against needful change.

We must repudiate the idea of separately considering an ecological economy on the one hand and a socially just economy on the other. They must merge into a single conception, a single reality for such they are.. There can be no daylight between them. Without social justice there can not be an ecological economy. Without ecological balance there can not be an economy of social justice. At its core, ecology is about balance, about access to the means of life for all the species of life. It is about fairness and that demands a certain fairness, equality, and balance between human beings. A human economy which produces a vast array of luxuries for the rich, even while many human beings in that economy lack basic needs, is an economy that is out of balance and is therefore not ecological. At its core social justice is about fairness, equality, and all with the means to life. Future generations are part of social justice and therefore a non-sustainable economy can not be a socially just economy no matter how equal the current members of society may be. Other species are also part of society and part of social justice. All of the species of earth and all the elements of nature are part of a larger earth community or society. No matter how sustainable or equal a human economy may be, if it is not grounded in respect for the earth and for the needs of other species, it can not be a socially just economy. So let us claim a socially just economy and an ecological economy as a single conception, both for the sake of theoretical precision as well as for the sake of political success.

With that in mind, let me examine the social justice implications of a robust ecological economics.

**Let us start with three basic principles or implications.**

1, Other species are part of the larger earth society or community, so fairness to them must be considered part of social justice.

Since Ecological Economics correctly demonstrates that what is valuable to humans is bigger than GDP, and that includes the entire web of life and all of the elements of nature, and that all of this represents a community of species and elements of nature, and that people derive enormous benefits from the natural world, then two clear social justice implications emerge rooted in environmental and ecological justice

2, Equal protection from pollution and freedom from a degraded environment, should be unaffected by economic status, racial or ethnic group.

3, Equal access to wilderness, biodiversity, public lands, and to a natural and clean environment should be available to all.

**Given that ecological economics demands fairness to other species as well as environmental justice, and given other political and economic realities there are additional social justice implications.**

4, Although largely unsuccessful anyway, the notion that economic growth is a necessary and sufficient condition for the provision of basic needs for all the worlds people has to be called into question. Economic growth has not been that successful in the provision of basic needs to the poor, but given the constraints of this planet and ecological realities, continued economic growth, particularly of the type which relies upon carbon emitting gases may not be possible. We must therefore look to other ways to provide basic needs if we desire an ecological economy.

5, The provision of basic human needs (food, health care, shelter, clothing, and heat) must be given the highest priority in the human economy. In order for that to happen, the political economy must be restructured, (elements of command, tradition, and merit goods) that regardless of prices that resources are moved to provide basic human needs over other goods and services.

6, Goods and services, that provide for social cohesion, a sense of community, and belonging, must be given second priority, second only to basic needs. These would include education, transport systems, and telecommunications.

7, Given, the dislocation (lost jobs) which will necessarily result in the course of restructuring the economy to be in balance with the earth and to prioritize basic needs and relationships, a meaningful livelihood must come to be seen as a basic human right guaranteed by society. This would likely mean the government stands ready to be the employer of last resort for all who desire to work.

8, In addition to the right to meaningful labor, a strong social safety net is essential, consisting of the right to health care, to adequate food, shelter, clothing, and heat. A strong social safety net would include unemployment and disability compensation, old age pensions, a generous provision of merit goods and services, including day care, and may also include some type of negative income tax or guaranteed annual income.

9. If we are to consider ecological balance of greater importance than economic growth, then as a mere practical consideration, we desperately need a full flowering of social justice between human beings as well as the economic security of right relationship and community. Without economic security and right relationship the fires of consumerism and materialism will continue to burn in the human heart. It is the lack of economic security and community that engenders consumerism and materialism, as they are a groping after some sense of security (false though it be) in a world where people live lives of material and social isolation. It is consumerism and materialism which in turn propel growth obsession on the part of policy makers and politicians.

10, We must recognize the power of a culture of advertising (commercials, television shows, movies, magazines) which also propels consumerism, materialism, and growth obsession. This advertising culture feeds upon the economic insecurity, social isolation, and inadequacies people feel as a result of living in a society ungrounded in right relationship and community. In order to get a handle on the advertising culture and limit its deleterious impacts, it may be necessary to reconsider whether or not

corporations should have the free speech rights of persons or whether commercial speech should even be included in the concept of free speech.

We must work on social justice and building an economy in harmony with the earth as a single conception, as a single work. Ecology in the hands of conservatives or market fundamentalists (and yes there are some who care about Ecology) would not be an occasion for great joy. At best, it would mean ecology without social justice. That is not much to celebrate. And ecology without social justice can not work, not over the long term politically. The market fundamentalist resistance to using any command and control techniques and to government regulation, coupled with their hostility towards public ownership makes success even on the theoretical ecological level dubious at best. Yet, even if their program could somehow succeed on the ecological level, the lack of attention to prioritizing a redistribution of society's resources would mean that the transitional costs of adjusting to an ecological economy would fall disproportionately upon the poor and working class. That in turn would increase economic insecurity, which will in turn create a political barrier to the needed ecological change.

On some level it is encouraging when conservative politicians like David Cameron seem to embrace ecological principles, but given the full range of tools (market, command and control, regulation, and public ownership) which must be used to stem the crises we face, coupled with the need for social justice both for its own sake as well as to make needed ecological change sustainable politically, it is encouragement on the surface only. We need more social justice and economic security in order to have right relationship with one another. Transitioning to an ecological economy will create economic dislocation and increased economic insecurity, and that is likely to fall disproportionately upon the poor and working class. Therefore building an economy in harmony with the earth makes social justice all the more important. Finally, without social justice the whole idea of ecology at its core (balance and equality) would remain incomplete, besides being politically unsustainable.

The market is incapable, on its own of producing either right relationship between people or right relationship with the earth. The field of economics has long recognized that markets can not be counted upon to yield social justice. Therefore

questions involving fairness or justice were cast aside from positive consideration and fell outside the efficiency standard. The concepts of externalities and public goods aptly demonstrate why markets fail to consider the value of the environment to human beings. Even if markets somehow could consider the value of the environment to humans, we would still be far from right relationship with the earth as polar bears, wolves, and the forest cast no votes in the marketplace. Collective action, community and culture must augment the marketplace and the political economy if we are to weave a socially just and ecological economy.

There can be no true ecology without social justice. Environmentalism without social justice is more often than not just a rich white man's country club. Likewise, there can be no social justice without ecology, for that would be homocentric, unjust, and unethical. Right Relationship within humanity without Right Relationship with nature is non-sustainable, ignores the tremendous psychic/spiritual benefits of nature to people, and is deeply flawed morally in its failure to be just to other forms of life. Right Relationship with nature without Right Relationship within humanity perpetuates and deepens social injustice and inequality and ultimately is not sustainable politically.

Surely it is self evident that if the bulk of humanity were given at this moment in time, an era without great social economic security, a choice between the environment on the one hand and 'the economy' as in GDP on the other, that the environment is going to lose. In any environment economy tradeoff the environment is going to lose when people must fear for their jobs and usually therefore their means of subsistence whenever GDP growth falters. But if people had economic security, then it might just be possible for the environment to win in such a tradeoff. Consistent with FDR's freedom from want and freedom from fear and consistent with his proposal for a second Bill of Rights, the right of everyone to meaningful labor (that the provision of meaningful employment is an obligation of society) could be the basis of the economic security which is needed. With economic security and social justice the perceived cost for the typical worker of protecting the environment would decline. Therefore the typical worker would become much more likely to favor environmental protection. A lack of social justice amid an absence of economic security is a great impediment to progress on the environment. It is undoubtedly why



Europe, with a greater social safety net has been able to make more substantial progress ecologically than the US.

Beware of those who try to drive a wedge between social justice and the environment. Those who try to drive that wedge actually care for neither the environment or for social justice, but they are clever and cunning in trying to drive this wedge and their voices are everywhere. They claim that if we start producing healthier more nutritious food that is produced cruelty free with socially just wages that then food will cost substantially more. They then insist that their concern is for the poor after the price of food rises, that not everyone can afford such a price rise. On the other hand they will claim that if the poor receive greater justice and a larger share of the pie, that this will tax ecological budgets and place more stress on other species. We must not allow this wedge to be driven between social justice and environmental concerns. We must insist upon both simultaneously.

If we want an ecological economy then we must fight for it simultaneously with an effort to establish social justice and vastly improve economic security for all the world's peoples. No longer can these be viewed as two separate struggles, but they must be seen as a singular effort. We simultaneously need Right Relationship within the Human Community and Right Relationship between the human community and the rest of nature. Nothing less will work. Nothing less will serve our needs.

## **Homo Economicus Lost: Recovering the Virtuous Economy**

**Dr. Nathan Tierney**, Professor of Philosophy, Member of Conference Executive Committee, California Lutheran University, USA

A brief look at the corporate scandals of the last dozen years is enough to convince many that our normal ways of viewing economic activity and corporate behavior are in serious need of revision. There is the falsification of balance sheets by Enron, Tyco, WorldCom, Quest, Fannie May and AIG, illegal and/or unethical trading practices by Charles Schwab, Morgan Stanley and many others, delayed recalls of faulty automobile mechanisms by Bridgestone-Firestone and Toyota, environmental disasters caused by Exxon and British Petroleum. There is lying to investors, insider trading, conflict of interest, unfair discrimination, employee mistreatment and abuse, bribery, waste and corruption on a large scale. The cost of these abuses, as our present economic crises indicate, is often immense. It is becoming more and more difficult to dismiss these ethical failures as isolated aberrations, nor simply as the inevitable cost of doing business with flawed human beings. They are the result of a mistaken understanding of the place of economic activity in relation to the broader social and environmental context. In many ways the locus of this mistake is the elevation of a model of economic rationality dubbed *homo economicus* to both a first principle of economic theory and the final arbiter of economic decision-making.

In this short paper, I would like to address three questions: (1) Who is *homo economicus*? (2) Why is *homo economicus* lost? (3) Will *homo economicus* become extinct, or can he evolve to find a home in a more virtuous economy?

### *1. Who is homo economicus (and where does he live)?*

*Homo economicus* is the child of the marriage of neoclassical microeconomic theory and rational choice theory. He had relatively humble origins. In the eighteenth century Adam Smith in *The Wealth of Nations* made note of him with the quite sensible remark that “it is not from the benevolence of the butcher, the brewer or the baker that we expect our dinner, but from their regard to their own interest.” During the nineteenth century he became an increasing focus of debates among economists, and in 1906 the Italian sociologist and economist Vilfredo Pareto gave him his Latin title. From the end of the Second World War he has grown in stature to become the

paradigm of rationality in mainstream microeconomic theory, a position that he has held without challenge until quite recently.

*Homo economicus* is a remarkable artifact. He is perfectly rational, purely self-interested, optimally knowledgeable, and completely averse to unnecessary effort. Before any action he carefully weighs up costs and benefits, assigns marginal utility functions and chooses that course which optimizes his advantage. He has no overriding loyalties, and no friends or family that we know of. He trusts no one, never allows emotion to cloud his reason, and never allows his conscience, if he has one, to interfere with the maximization of his utility.

*Homo economicus*, of course, does not live in the real world; people just aren't like that. He lives in the abstract world of econometric theory, where he continues to flourish to this day, and his virtues are still taught in most economics 101 classes. Critics have argued that his isolated and remote existence makes him rather useless as a model of economic rationality, but his distance from reality does not seem to greatly dismay his supporters. Milton Friedman, for example, has argued that his job is not to explain real-world economic behavior, let alone guide or evaluate it, but merely to make empirical predictions concerning prices and quantities exchanged in markets. It is very unclear, however, whether in the messy world of real economic activity he can perform even this narrow function at all well (see 2002 Nobel Prize winner Daniel Kahneman who argued that people do not decide probabilistically but in terms of prospects for losing what they already have).

## 2. *Why is homo economicus lost?*

One of the fundamental tenets of mainstream economics is the distinction between positive economics and normative economics. Positive economics employs *homo economicus* in the attempt to describe how humans will in fact act in market situations: they postulate that, on the whole, humans will seek to optimize their individual economic advantage. Normative economics – until recently a much neglected field – seeks to prescribe how human beings ought to engage in economic activity. Can *homo economicus* find a home in this latter field? Apparently not, if one listens to most economists. Microeconomists protest, perhaps a little too loudly, that moral values are irrelevant to the question of optimal economic outcomes, and that their introduction into market decisions distorts the proper social function of the market and hinders the development of economics as an objective science.

Macroeconomists, on the other hand, particularly government-oriented Keynesians (i.e. those who believe that the government should actively intervene in the economy to stimulate investment and employment through budgetary policy), see little room in policy decisions for the normative advice from our homunculus that we will all be optimally better off as a society if each of us seeks individually to be optimally better off. Not only, they say, does this face well-known problems of aggregation, and ignores the question of public goods, but it is demonstrably contradicted by a host of recent scandals and economic failures. A fiscal policy grounded in the advice of *homo economicus* would be like appointing Bernie Madoff as the Chairman of the Federal Reserve.

So, banished from macroeconomics, *homo economicus* seeks to find a home in positive microeconomics as a purely descriptive being. But even here his position is unstable, for two reasons. First, his actual value as a predictor of how individuals and firms will behave is quite weak. When people act in ways that do not optimize their self interest which, given the complexity of both markets and human beings, is a rather frequent occurrence, the defenders of *homo economicus* declare that his predictions were only true *ceteris paribus* (other things being equal). It turns out, in fact, that no actual behavior can falsify his predictions, which makes his claim to scientific standing rather dubious. Second, and more importantly, the separation between positive and normative economics is in many ways a sham. Peoples' reasons for acting are shaped by their values, and their values are in part determined by how they believe people are. Acting to optimize one's self-interest is itself a value, and there is usually a strong recommendation in business schools that this how one ought to behave if one is to be successful. It is little wonder that perpetrators of unethical actions in business, when discovered, so often declare that they did nothing wrong: ex-CEO of Enron Jeff Skilling, for example, repeatedly and vehemently declared his absolute innocence and that his actions were standard business practice.

The question then is not whether economic behavior is value-laden. Of course it is. The question is what values do our economic actions exemplify, and which ones ought they to exemplify.

3. *Will homo economicus become extinct, or can he evolve to find a home in a more virtuous economy?*

A great deal of economic activity depends on the presence of trust, reciprocity and cooperation. Markets cannot operate without them, and long-term successful businesses nurture them as much as they foster competitiveness and a profit-orientation. Further, the moral justification of the market is insufficiently justified by the claim that millions of little *homo economicoi*, each seeking their own gain, will be led by some invisible hand to produce the overall social good. The facts just don't bear this out. Society demands more from its markets. What it seeks from its economic sector is for it to be the engine of prosperity by making useful, desirable and safe products of high quality at a reasonable price and in a virtuous manner, without sacrificing important values in other areas of social life.

As both abstract model of economic rationality and as normative guide to economic action, *homo economicus* has had his day. To quote in a different context a motto much loved by business entrepreneurs, he must grow or die – but now we mean that he must grow in a moral and social way. He needs to evolve into *homo socioeconomicus* (See Thomas Nitsch and Siegwart Lindenberg). *Homo Socioeconomicus* is a new representation of actual and desirable economic action. Unlike his predecessor he is both individual and social, both “autonomous and dependent, self-centered and other-centered, self-made and culture bound... utility maximizing and utility satisfying, privacy-protecting and company-seeking, commodity-acquiring and gift-giving.”<sup>i</sup> He values his freedom but recognizes his moral accountability to others for the choices that he makes. He is rational but also emotional. He seeks profit but also goodness, truth and beauty. He wants his firm to prosper, but to do so in a socially responsible way and in manner in which he can take pride. He values profit as the extrinsic reward of economic activity, but he also values the intrinsic rewards of a job well done both in quality and in service to others. Most importantly, he is an empirical concept. He lives in the real world rather than the abstractions of economic theory. He is, in fact, a lot like us - at least at our best. In the social sciences, as well as in the humanities, stripped-down abstractions such as *homo-economicus*, while they increase scientificity and protect disciplinary borders, also increase unreality and create theoretical ideologies which can have toxic social effects. Economic theory needs to take a step down to the real world, and be willing to invite insights from other disciplines such as psychology, sociology, and moral and political philosophy. Business schools need to teach more broadly too, so that students respect the dignity of economic activity and its place in the larger social

world. Finally, corporations themselves must seek out and promote leaders who are both economically and ethically competent. Many are already doing this, but many more are not.

Homo economicus may not yet be extinct – there is a little bit of him in all of us, and a lot of him in some of us. But we can encourage his passing by working together for a more virtuous economy.

## **Biographies of Presenters**

- **Meena Ahmadzai**, Independent Marketing consultant, Chicago, USA

*Meena Ahmadzai is an independent marketing communications consultant based in Chicago, Illinois. She has more than 10 years of experience with proven marketing communications skills in branding, messaging, product launches, employee communications and project management. Her recent clients and past work have taken her through a broad spectrum of industries, including financial services and insurance, engineering and architecture, advertising, project management, healthcare, energy services, nonprofits and consulting. Meena has a Master's in Communications from Purdue University Calumet, as well as a Bachelor's in Journalism from Loyola University Chicago.*

- **Dr. Payal Arora**, Assistant Professor in International Communication and Media, Erasmus University, the Netherlands

*Payal Arora, Assistant Professor in International Communication and Media at Erasmus University in the Netherlands. Her interests lie in social computing, informatics, new media, ethnography, and international development. Her work has been published in several peer reviewed scholarly journals including the British Journal of Educational Technology (BJET), Information Society Journal, Information Communication and Ethics in Society (ICES), International Journal of Cultural Studies (IJCS), Education Philosophy and Theory Journal (EPTJ), and the like. Her upcoming book by Ashgate Publishing, Dot Com Mantra: Social Computing in the Central Himalayas entails an exploration of social practice with computers and the Net in Almora, India, including the analysis of key ICT initiatives at the ground level. She has a Doctorate in Language, Literacy and Technology from Columbia University, Teachers College in New York, a Masters degree in International Policy from Harvard University, and a Teaching Certificate from the University of Cambridge. For more details, visit her website: [www.payalarora.com](http://www.payalarora.com)*

- **Swami Shiva Atmatattwananda**, Vedanta, Ramakrishna Order of India. (Swami Atmatattwananda prefers to keep his Bio simple, in the tradition of a swami.)

- **Laura Berry**, Executive Director, Interfaith Center on Corporate Responsibility, New York, USA



- **Sukrita Boonjindasup**, Member, Dharmakaya Temple Youth group

*Sukrita Boonjindasup is an active member of the Dharmakaya Temple Youth group. She leads discussions on spirituality and positive change in the group as well as doing outreach to bring more youth in to mediation practices.*

- **Dr. Peter G. Brown**, Professor, McGill School of Environment McGill University, Canada

*Peter G. Brown is a professor in the School of Environment at McGill University. Before coming to McGill, he was Professor of Public Policy at the University of Maryland's graduate School of Public Policy. At the University of Maryland, he founded the Institute for Philosophy and Public Policy, the School of Public Policy itself, and the School's Environmental Policy Programs. He graduated from Haverford College, holds a Master's Degree in the Philosophy of Religion from Union Theological Seminary and Columbia University, and a Ph.D. from Columbia in Philosophy. He is the author of *Restoring the Public Trust: A Fresh Vision for Progressive Government in America* (Beacon Press, 1994), and *Ethics, Economics and International Relations: Transparent Sovereignty in the Commonwealth of Life, Second Edition* (Edinburgh University Press, 2008). It is published in North America as *The Commonwealth of Life: Economics for a Flourishing Earth, Second Edition* (Black Rose Books, 2008). He is a co-author of *Right Relationship: Building A Whole Earth Economy* (Berrett-Koehler, 2009) He is actively involved in conservation efforts in the James Bay and Southern regions of Quebec, and in Maryland. He operates tree farms in Maryland and Quebec and is a Certified Quebec Forest Producer, and in 1995 was Tree Farmer of the Year in Garrett County, Maryland. He is a member of the Religious Society of Friends.*

- **Dr. Joanildo A Burity**, Director - Faith and Globalization Program, School of Government and International Affairs/Department of Theology and Religion, Durham University, UK

- **Noor-Malika Chishti** is an authorized Representative of Pir Zia Inayat Khan, President of the Sufi Order International. She serves as a Cheraga, or “Minister of

Light,” in the Universal Worship Service, a ceremony created by the Founder of the Sufi Order, Hazrat Inayat Khan. In 2007 Noor-Malika founded Musallah Tauhid, a Muslim community of Sunni and Shiite members of different tarîqa, or Sufi Orders. They are part of an Abrahamic alliance with the congregations of Village Church and Ahavat Torah. The three communities work towards coming to know one another.

- **Imoh Colins**, Executive Director of Centre for Human Development and Social Transformation, Port Harcourt, Nigeria

*Colins Imoh currently serves as the Executive Director of Centre for Human Development and Social Transformation in Port Harcourt, Nigeria. He received his M.Phil in Environmental Mgmt., and is currently working on an M.A. in Conflict Transformation. He has been active in many spiritually centered youth empowerment and peace-building programs and initiatives.*

- **Lisa Connell**, PhD Candidate, Victoria University, Melbourne, Australia

*With a background in health and international development, Ms Connell returned to academia seeking to build a firmer theoretical base from which to more effectively contribute to social policy making. After completing a Masters Degree in Public Advocacy in 2007, she is now engaged in Doctoral research on Human Trafficking.*

- **Dr. Phil Connell**, Founder and Editor, Futuring Gardens, Los Angeles, USA

*After leaving the active ministry, Phil Connell first sought a position as Consultant for Organizational Change. After positions in public service, the last being as a psychologist in a (NY) state mental hospital, he moved to California and a license as a Marriage and Family Therapist. His practice gradually led to consulting and teaching, ultimately in 30 countries, this was under the aegis of Azusa Pacific U., after 10 years in the CLU MBA program, He is currently completing a Glidebook on "Futuring Leaders".*

- **Michael Conniff**, Director, Global Studies, College of Social science, San Jose State University, USA

• **Dr. K.T. Connor** Specialized in Organizational development, Axiologist and also the Vice-President for Applied Axiology for the Robert. S. Hartman Institute.

*K.T. Connor, PhD is a specialist in Organization Development, having worked with business and non-profit agencies around the world for the past 30 years. She is also an Axiologist, a practitioner in the field of Value Science, applying the structure of this science to determining how people think and how to help leaders leverage the thinking and valuing of their people. She manages a virtual network of over 20 consultants worldwide whom she has trained to this end. Connor received her M.A. from Case Western University and her PhD from the University of Southern California. She has taught at USC, Cal State Fullerton, Pepperdine, and Cal Lutheran universities, and at D'Youville College in Buffalo, NY. Her client list includes IBM, GTE, Merrill Lynch, AT&T, Rich Products Corporation, the Centers for Disease Control, Hospital Corporation of America, and many, many more. She has addressed groups in Shanghai, Singapore, South Africa, Ireland, the U.K., and the Philippines, as well as across the US. She is Vice President for Applied Axiology for the Robert S. Hartman Institute, a Director of the Product Development and Management Association, a former President of the Creative Education Foundation, and former national Vice President of the American Society for Training and Development. A former Catholic nun, she is currently a Lay Associate of her order, the Grey Nuns of the Sacred Heart.*

• **Dr. Peggy Cunningham**, Dean, Faculty of Management, School of Business Administration, Dalhousie University, Canada

*Peggy Cunningham is the Dean of the Faculty of Management and R A Jodrey Chair at Dalhousie University. She joined Dalhousie University in January 2009. Before joining Dalhousie, she was a professor at Queen's School of Business for 19 years. Professor Cunningham holds a PhD from Texas A&M University. Her teaching and research focus on ethics, corporate social responsibility and partnerships within the field of marketing. While these may seem like totally divergent areas of study, they are linked by their focus on the concepts of trust, respect, integrity, and commitment which are the core elements to both ethical, responsible behavior and successful partnership behavior. Professor Cunningham's research is published in a number of journals including the Journal of the Academy of Marketing Science, the Journal of*

*Public Policy and Marketing, the California Management Review, the Journal of Business Ethics, and the Journal of International Marketing.*

*Professor Cunningham is also an acclaimed teacher. Her awards include the PriceWaterhouseCoopers Leaders in Management Education award, the Academy of Marketing Science's Outstanding Teacher and the Frank Knox Award for Teaching Excellence. She has written over 40 cases, and she is the co-author of three marketing textbooks that have been widely praised for their focus on ethical marketing practices. Dr. Cunningham also possesses considerable international experience having worked in the U.K., Germany, China, and the U.S.*

• **Dr. Bahman Dadgostar**, Director Hope Consulting Institute, Licensed Clinical Psychologist

*Bahman Dadgostar, Ph.D. is a licensed clinical psychologist specializing in stress, pain management and behavioral medicine, former professor of psychology and medicine at Esfahan University, Iran, visiting professor of psychology at the University of Michigan, Ann Arbor, MI, USA and now the director of Hope Consulting Institute. Ann Hallock, L.C.S.W. is a licensed clinical social worker in private practice, former professor of behavioral medicine at Michigan State University, East Lansing, MI, U.S.A and an associate of Hope Consulting Institute.*

• **Dr. Jamshid Damooei** – Professor of Economics, Co-chair for the Globalization for Common Good

*Economic research (with special emphasis on international economics, industrial organization and development economics) is Dr. Damooei's subject of choice. As the former Director General of the Ministry of Economic Affairs and Finance in Iran and later as a senior economist of the United Nations Development Program(UNDP), he conducted a number of studies on the economies of developing countries such as Iran, Somalia and countries in the Horn of Africa. Dr. Damooei has traveled widely and is an international consultant for the UNDP.*

• **Dr. Martine Durier-Copp**, Public Administration Coordinator of the Training in Economic Management Project in Cuba, a project in its second phase funded by the Canadian International Development Agency, Canada

*Martine Durier-Copp has many years of senior management experience in the public,*

*non-governmental and private sectors. She has held senior executive positions with the Canadian Red Cross, the American Red Cross and the International Red Cross Societies in the management (planning, program development, implementation and evaluation) of international health and humanitarian relief projects. She designed and managed projects in South America, the Middle East, Central and Eastern Europe, Central Asia and the South Pacific regions. From 1988-90, she served as Executive Director of the Nova Scotia Royal Commission on Health Care. She is the co-founder of the North South Group, Inc., a federally-incorporated company that provides health policy and management advice to various provinces and to large international consulting projects for the World Health Organization, the World Bank, and CIDA among others. North South Group has managed projects in Bolivia, Lithuania, Latvia, Estonia, Romania, Armenia, and currently manages the Health Policy Reform Russia Project, a \$3.8 million project in the Russian Federation. Dr. Durier-Copp is the Public Administration Coordinator the Training in Economic Management Project in Cuba, a bilateral project in its second phase funded by the Canadian International Development Agency.*

- **Roy Earnest**, California Program Officer of US Corporation for National and Community Service, USA

- **Dr. R. Guy Erwin**, Professor of Religion/Belgium Chair, Chair of Department of Languages, Member of Conference Executive Committee, California Lutheran University, USA

*Dr. Guy Erwin, who joined the CLU faculty in the summer of 2000, is the first full-time holder of CLU's first endowed chair, the Gerhard and Olga J. Belgium Chair of Lutheran Confessional Theology. He also serves as Director of the Segerhammar Center for Faith and Culture. In the 2004-05 and 2005-06 academic years he served as CLU faculty chair. As holder of the Belgium Chair, he serves as a member of the CLU Office of University Ministries, coordinating the work of the Chair, the Segerhammar Center, Campus Ministry, and Church Relations. At present he also serves on the University's Educational Policies and Planning Committee and as first chair of CLU's new Department of Languages and Cultures.*

• **Dr. Keyvan Geula**, MFCC, Executive Director of Center for Global Integrated Education, Inc.,  
*Licensed Marriage, Family, and Child Counselor in private practice in California since 1993. She specializes in the integration of cognitive behavioral therapy and spiritual teachings of the Bahá'í Faith. She has been: The Host and producer of a Bahá'í inspired TV series called "Transforming Human Consciousness," from 1991-1999. Consultant, trainer, and presenter on transformative mediation, consultation, conflict resolution, multicultural awareness to educators, schools, businesses and peace organizations such as Amnesty International, Southern California Mediation Association, Human Relations Councils, etc. Founder and Executive Director of Center for Global Integrated Education, Inc. (CGIE), [www.cgie.org](http://www.cgie.org), a nonprofit 501 C educational organization. CGIE introduces the mind-body-spirit approach to education and explores the wisdom of the spiritual and mystical heritage of humanity in harmony with the latest discoveries in science; psychology and neuroscience in character education, and pursuit of an ever-advancing civilization. Editor and author of Drawing the Circle of Unity project and [www.kidsidebyside.org](http://www.kidsidebyside.org) blog in defense of justice and the human rights of Bahá'í children in Iran.*

• **Honorable Dennis Gillette** – Mayor of Thousand Oaks, California

• **Dr. Herbert. E. Gooch III**, Professor of Political Science, California Lutheran University, California, USA  
*Dr. Gooch is the Director of the Masters in Public Policy and Administration Program at California Lutheran University. He is a Professor of Political Science and also serves as the Assistant Provost for Graduate Studies at CLU. A graduate of U.C. Berkeley in History, he holds an M.B.A in Management and both Master's and doctoral degrees in Political Science from U.C.L.A. He has written extensively and is a frequent commentator on political affairs locally and statewide. He has been at CLU since 1987 and lives in Newbury Park with his wife and son who attends CLU. His interests include politics, film and travel.*

- **Doug Green**, Steering Committee, Social Justice Fund for Ventura County

*Doug Green teaches nonprofit management at Pepperdine University and California Lutheran University and consults for nonprofit organizations in Southern California. Doug led the nonprofit agency AIDS Care in the 1990s. He has created nonprofit consulting programs for the Nonprofit Support Center of Santa Barbara County and the Ventura County Community Foundation. A doctoral candidate in Pepperdine University's Organizational Leadership program, Doug resides in Santa Paula.*

- **Geoff Green**, Social Justice Fund for Ventura County

*Geoff Green is the Executive Director of the Fund for Santa Barbara where he has served in various capacities since 1997. The Fund is an activist-led community foundation that supports organizations working for social, economic, environmental & political change in Santa Barbara County. A native of the San Francisco Bay area, Geoff came to Santa Barbara in 1990 where he began work in community organizing. Geoff's professional work included positions with the UCSB Office of Residential Life, Office of the Vice Chancellor of Student Affairs, and the Associated Students where he served as President in 1993-94. After serving as a ranger-naturalist in Yosemite National Park for several years, Geoff returned to Santa Barbara in 1997. Geoff's other community work includes more than ten years of public affairs radio programming on KCSB, local elected office, and as a campaign field organizer. Geoff served on the Leadership Council that drafted Santa Barbara County's 10-Year Plan to End Chronic Homelessness in 2006-2007 and in September 2008 he was appointed as a Commissioner of the Housing Authority of the City of Santa Barbara. Geoff also runs an independent consulting business and advises nonprofit organizations, public agencies, labor organizations and foundations in the areas of organizational development, coalition-building, board development, strategic planning, lobbying and advocacy, effective use of media, fundraising, public speaking, executive searches, conference planning (local, regional and national), and meeting facilitation.*

- **Dr. Linda Groff**, Professor, Political Science & Future Studies, and Coordinator, Behavioral Science Undergraduate Program, California State University, Dominguez Hills; and Director, Global Options and Evolutionary Futures Consulting. Linda

teaches, writes, consults, and gives talks/workshops, to a wide range of professional & community groups, in the USA and globally, on global futures/evolution, peace/conflict resolution, intercultural/interreligious, and spiritual/ consciousness topics. She has published 50+ articles on related topics, with books in process. She has been involved with different interfaith groups for many years, including Parliament of the World's Religions, United Religions Initiative, and three UNESCO Conferences on Religion and Peace. She was on the Board of the International Peace Research Association (IPRA) six years and Chair or Co-Chair of the Religion and Peace Commission of IPRA ten years.

- **Marita Grudzen**, Deputy Director, Stanford Geriatric Education Center, Stanford University Medical School, USA

- **Dr. Gerald Grudzen**, Professor, Philosophy faculty, San Jose City College, USA

- **Dr. Randa Ali Hamdy**, Assistant Professor of Management and Strategy, Kairo, Egypt

- **Dr. Richard Janda**, Associate Professor, Faculty of Law McGill University, Canada

- **Dr. Yahya R. Kamalipour**, Professor and Head, Department of Communication and Creative Arts, Director, Center for Global Studies, Purdue University Calumet, USA  
*Yahya R. Kamalipour is professor of mass and international communication, head of the Department of Communication and Creative Arts, and Director of the Center for Global Studies, Purdue University Calumet, Indiana, USA. His areas of interest and research include globalization, media impact, international communication, advertising, cultural diversity, stereotyping, Middle East media, and new communication technologies. He has delivered invited speeches in every continent, interviewed by numerous global media, and published 14 books, including Global Communication and a forthcoming volume on the controversial 2009 Iranian elections. In addition to serving on the advisory and editorial boards of a number of prominent communication journals and professional organizations, Kamalipour is the*



*founder and managing editor of Global Media Journal, co-founder and co-editor of Journal of Globalization for the Common Good, and founder of the Global Communication Association. He earned his Ph.D. in Communication at the University of Missouri-Columbia; MA in Mass Media from the University of Wisconsin-Superior, and BA in Mass Communication from the Minnesota State University. With 30 years of teaching and administrative experience, he has been at Purdue University Calumet since 1986. For additional information, visit [www.kamalipour.com](http://www.kamalipour.com).*

- **Dr. Douglas Kellner**, George Kneller Chair in the Philosophy of Education, University of California, Los Angeles (UCLA), USA  
*Douglas Kellner, George Kneller Chair in the Philosophy of Education at University of California, Los Angeles, and author of many books on social theory, politics, history, and culture, including Camera Politica: The Politics and Ideology of Contemporary Hollywood Film, coauthored with Michael Ryan and an Emile de Antonio Reader co-edited with Dan Streible. Other works include Critical Theory, Marxism, and Modernity; Jean Baudrillard: From Marxism to Postmodernism and Beyond; works in cultural studies such as Media Culture and Media Spectacle; a trilogy of books on postmodern theory with Steve Best; and a trilogy of books on the media and the Bush administration, encompassing Grand Theft 2000, From 9/11 to Terror War, and Media Spectacle and the Crisis of Democracy. Author of Herbert Marcuse and the Crisis of Marxism, Kellner is editing collected papers of Herbert Marcuse, four volumes of which have appeared with Routledge. Kellner's Guys and Guns Amok: Domestic Terrorism and School Shootings from the Oklahoma City Bombings to the Virginia Tech Massacre won the 2008 AESA award as the best book on education. Forthcoming in 2010 with Blackwell is Kellner's Cinema Wars: Hollywood Film and Politics in the Bush/Cheney Era*  
*Additional information: <http://www.gseis.ucla.edu/faculty/kellner/kellner.html>.*

- **Dr. Jena Khadem Khodadad**, Emeritus Faculty, Rush Medical College, Rush University, Chicago  
*Jena Khadem Khodadad holds a doctorate in Biological Sciences from Northwestern University (Evanston Campus). She was awarded two years of Fellowship by the Northwestern University and completed two years of Postdoctoral Fellowship at the*

*Department of Pathology, Rush Medical College. Her academic career at Rush Medical College and Rush Graduate College has included administration and teaching of medical and graduate students in the disciplines of cell biology and neuroscience, Course Directorship as well as research in the area of the molecular organization of biological membranes. Her non-academic affiliations include Chairmanship of the Bahá'í National Teaching Committee (1996-2001), membership of the Regional Bahá'í Council of the Central States (1997- Current) and its Chairmanship (2002- 2007). Dr. Khodadad is the current President of the Winnetka Interfaith Council. She has given presentations at national and international meetings on her field of research as well as on several other topics of her interest, including: "Harmony of Science and Religion", "Philosophy of Science", "Philosophy of History", "The Course of Human History and Unified History of Humankind" "Toward a Global Civilization," and "Globalization: an Interfaith Perspective".*

• **Dr. Chris Kimball**, President, California Lutheran University, USA.

*The former Provost and Dean of the Faculty at Augsburg College in Minneapolis, Minn., Kimball joined the CLU administration as Provost and Vice President for Academic Affairs in 2006. With a distinguished career as a teacher, scholar and academic leader, he is a widely published author and speaker on higher education. His scholarly work is in the field of American history, with a specialization in social history and the history of sport. Along with serving as Provost, he is also a member of the History Department.*

*An alumnus of McGill University, Kimball received his Ph.D. from the University of Chicago.*

• **Dr. Hans Köchler**, Professor, University of Innsbruck, and President, International Progress Organization (IPO), Vienna, Austria

*Hans Köchler holds the chair of Political Philosophy and Philosophical Anthropology at the University of Innsbruck (Austria) and is Visiting Professor at the Polytechnic University of the Philippines (Manila). He is founder and President of the International Progress Organization (I.P.O.), an international NGO in consultative status with the United Nations, and Co-President of the International Academy for*

*Philosophy. Köchler is author or editor of more than 400 articles and books in over a dozen languages, including Cultural Self-comprehension of Nations; The New International Economic Order: Philosophical and Socio-cultural Implications; Democracy and the International Rule of Law; Global Justice or Global Revenge?; Civilizations: Conflict or Dialogue?; Globality versus Democracy? The Changing Nature of International Relations in the Era of Globalization; Philosophie – Recht – Politik (Philosophy - Law - Politics); World Order: Vision and Reality. He is also a member of the Editorial Board of the international academic journal Hekmat va Falsafeh (Wisdom and Philosophy) (Tehran) and of the Indian Journal of Politics (New Delhi). Köchler has been the organizer of numerous conferences and expert meetings in the field of international relations, in particular on United Nations reform, intercultural co-operation and the dialogue among civilizations, and is member of the International Co-ordinating Committee of the World Public Forum “Dialogue of Civilizations” (Moscow-Vienna). In March 1974, he delivered a lecture at Jordan’s Royal Scientific Society in Amman, outlining his theory of inter-cultural dialogue; in the same year, he organized the first international conference in Innsbruck (Austria) on “The Cultural Self-comprehension of Nations.” Köchler is the recipient of numerous honours and awards such as the doctor degree sub auspiciis praesidentis rei publicae (“under the auspices of the President of the Republic” / Austria); a doctor degree honoris causa from Mindanao State University (Philippines); an honorary professorship of Pamukkale University (Turkey); the badge of honour of the Austrian College Society; the award “Apostle of International Understanding” (India); the Honorary Medal of the International Peace Bureau (Geneva); and the Grand Medal of David the Invincible (Armenian Academy of Philosophy).*

- **Chris Kosovich**, founder and chief web communication strategist, Kosovich Media Group LLC, USA

*Chris Kosovich is the founder and chief web communication strategist at the private media consulting company called Kosovich Media Group LLC. His media group provides strategic consultation, development, and deployment of technological media solutions often involving web content management systems, learning management systems, and other web-based communication applications. Chris is a certified "Enterprise Web 2.0 Practitioner" by the Association for Information and Image*

*Management, and is a professional member of the Information Architecture Institute. Before launching his own company, Chris worked at Purdue University Calumet as a Web/Communication Specialist. Chris has more than thirteen years of media experience that range from running the campus newspaper as Editor-in-Chief while an undergraduate in college to professional video production with Comcast Cable and also private consulting opportunities providing custom web development solutions for businesses in a variety of industries. He holds a Master of Arts degree in Communication at Purdue University Calumet's Department of Communication and Creative Arts. For more details visit: <http://www.kosovich.com>.*

- **Dr. Michael Kuehlwein**, Chair of Department of Economics, Pomona College, Claremont, USA

*Michael Kuehlwein is the George E. and Nancy O. Moss Professor of Economics at Pomona College in Claremont, California. He is also currently Chair of the Economics Department. He received his Ph.D from MIT and has served as a visiting professor at Stanford University, UC Irvine, and Claremont Graduate University. His major fields are macroeconomics and growth.*

- **Richard Lehun**, Ph.D Candidate, Faculty of Law McGill University, Canada

- **Dr. Charles Maxey**, Professor and Dean of School of Business, Co-Director of the Center for Leadership and Values, California Lutheran University, USA

*Charles Maxey is Professor of Business Administration and Dean of the School of Business at California Lutheran University in Thousand Oaks, CA. He earned his Ph.D. in Labor and Industrial Relations from the University of Illinois in 1982. Prior to joining the faculty at CLU in 1991, he held academic appointments at Northwestern University, Loyola University of Chicago, and the University of Southern California, where he served as Senior Associate Dean of the Graduate School of Business Administration. He also served as Visiting Professor of Human Resource Management at the Sasin Graduate School of Business in Bangkok Thailand.*

*Dr. Maxey has numerous publications in both academic and practitioner journals. His recent research activities involve economic and workforce development issues in*

*the Ventura County region of southern California and assessments of the quality of life in that region.*

- **Rev. Melissa Maxwell-Doherty**, Campus Minister, Campus Ministry, Member of Conference Executive Committee, California Lutheran University, USA

*Reverend Maxwell-Doherty is a Graduate of California Lutheran College (B. S. Psychology) and Pacific Lutheran Theological Seminary (Master of Divinity). Served as Pastor at Calvary Lutheran Church, Grand Forks, ND; Prince of Peace Lutheran Church, Phoenix, AZ; Salem Lutheran Church, Glendale, CA.*

- **Father William McIntire**, former Secretary-General, Maryknoll Fathers, chaplain to Mother of Theresa's Sisters in India and Bangladesh for the past two decades, USA/Bangladesh

- **Kate McLean**, Steering Committee, Social Justice Fund for Ventura county  
*Kate McLean, MBA provides consulting services to nonprofit organizations and foundations in areas including executive coaching, feasibility studies, strategic planning, community assessment, Board development and program design. Kate helped create Ventura County's most comprehensive child family social services agency where she served as Executive Director for 18 years. For 13 years, Kate was the President of the Ventura County Community Foundation where she developed innovative programs such as the Women's Legacy Fund; a fund focused on Latino philanthropy and the Civic Alliance. Kate has been a member of a number of founding boards of directors including: California Child, Youth, Family Coalition; the Ventura County Planned Giving Council; KCLU-Ventura County's National Public Radio Station; Ventura County AIDS Partnership and the Ventura County Leadership Academy.*

*Kate is a past Regent of California Lutheran University; and currently on the Board of Directors of the Dr. Susan Love Research Foundation, the Social Justice Fund and the Martin V. and Martha K. Smith Foundation.*

- **Dr. Nina Meyerhof**, Founder and Executive Director of Children of the Earth (COE), USA

• **Dr. Kamran Mofid – Founder, Globalization for Common Good; Conference Co-chair**

*Kamran Mofid is the Founder of the Globalization for the Common Good Initiative (Oxford, 2002) and Co-founder/Editor, Journal of Globalization for the Common Good, and member of the International Coordinating Committee (ICC) of the World Public Forum, Dialogue of Civilizations. In 1986 he was awarded his doctorate in economics from the University of Birmingham, UK. In 2001 he received a Certificate in Education in Pastoral Studies at Plater College, Oxford. From 1980 to 2000 he was Economic Tutor, Lecturer and Senior Lecturer at Universities of Windsor (Canada), Birmingham, Bristol, Wolverhampton, and Coventry (UK). Mofid's work is highly interdisciplinary, drawing on Economics, Politics, International Relations, Theology, Culture, Ecology, Ethics and Spirituality. Mofid's writings have appeared in leading scholarly journals, popular magazines and newspapers. His books include Development Planning in Iran: From Monarchy to Islamic Republic, The Economic Consequences of the Gulf war, Globalization for the Common Good, Business Ethics, Corporate Social Responsibility and Globalization for the Common Good, Promoting the Common Good (with Rev. Marcus Braybrooke, 2005), and A non-Violent Path to Conflict Resolution and Peace Building (Co-authored).*

[www.globalizationforthecommongood.info](http://www.globalizationforthecommongood.info)

• **Enrique Molina**, Chief Executive Officer, Ciudades Luz (For a Life with Dignity), Guatemala

• **Dr. James Mulherin**, Research Associate, University of California, Santa Cruz, visiting professor at UCSC, SJCC, Monmouth University, Business classes for Golden Gate University, USA

*Dr. James Mulherin is a Research Associate at the University of California, Santa Cruz. He taught Social Sciences for UCSC, SJCC, Monmouth University, Business classes for Golden Gate University, and software data analysis classes for engineers and scientists as a contractor for SAS Institute, a large software firm. He also has worked as a data analysis consultant for UCSC and for private clients. He is active in the American Sociological Association, the International Sociological Association, the Pacific Sociological Association, and the Society for the Scientific Study of Social*

*Problems among others. His relative focus gradually changed, starting in 2001, from primarily Work and Organizations, Quality Management, and Labor studies, to a primary focus on the Climate and Energy Crises. He is currently working to encourage a more informed and cohesive group of citizens, academics, nonprofit organizations, government actors and for profit businesses in addressing the challenges we face around energy issues and the issues of global warming in an integrated way that increases equity and the common good.*

- **Dr. Hassan M. Nejad**, Moderator & Presenter, Dean, School of American and International Studies, Professor of Political Science and International Studies. Ramapo College Mahwah, New Jersey

- **Dr. Leanne Neilson** – Provost and V.P Academic Affairs, California Lutheran University, USA

*Leanne Neilson was named Provost and Vice President for Academic Affairs in March 2009 after serving as Interim Provost for nearly a year. Prior to this, she had been Associate Provost for Graduate and Adult Programs and Accreditation since 2004. As a member of the Psychology Department, Dr. Neilson taught courses in human cognition, assessment and organization development. She has conducted research and published articles related to the cognitive functioning of adults diagnosed with schizophrenia.*

- **R. Gustav Niebuhr**, Associate Professor in Religion and the Media, Syracuse University; former religion writer for *The New York Times*, *The Washington Post* and *The Wall Street Journal*; author of *Beyond Tolerance: How People Across America are Building Bridges Between Faiths* (2008)

- **Renee de Palma**, Professional film Director, Producer, Writer, Editor, multi-media developer, university lecturer and award winning documentary filmmaker.

- **Dr. Joseph Prabhu** is Professor of Philosophy and Religion at California State University, Los Angeles, and a Martin Marty Senior Fellow at the University of Chicago. He is the co-editor of *The Interfaith Challenge of Raimon Panikkar*, and

Indian Ethics, and the forthcoming *Liberating Gandhi*. He is the current President of the Society of Asian and Comparative Philosophy and the Program Chair of the Melbourne Parliament of the World's Religions Global Conference, December 2009. A native of India, he has long been active in interfaith and peace work.

- **Heba El-Rafey**, Director, Dialogue Forum, Bibliotheca Alexandria, Egypt

- **Kelly G. Ramer**; WSYC Youth Action Coordinator. Pursuing Masters of Public Policy, with a concentration in International Peace building.

- **Alex Habib Riazati**, MACP and Doctorate graduate student in counseling psychology. Strategist and Scientist at Boeing Integrated Defense systems. *Alex Habib Riazati is a MACP and doctorate graduate student in the field of counseling psychology. Mr. Riazati has been working as a strategist and scientist for Boeing Integrated Defense System in Los Angeles for the past 23 years. He has been conducting group seminars on Spiritual Health; Motivational Procovery based on individual and social psychology at Harbor View Mental Health Services in San Pedro, California. Mr. Riazati is also conducting youth seminars on various social, religious and psychological issues throughout Southern California. Mr. Riazati is currently working on a book titled: Fundamentalism, Fanaticism and Terrorism: its roots and remedies- A comprehensive perspectives.*

- **Dr. Philip Rosson**, Professor Emeritus, School of Business Administration, Dalhousie University, Canada

*Philip Rosson is Professor Emeritus at the School of Business Administration at Dalhousie University, specializing in marketing and international business. He held the Killam Chair of Technology, Innovation and Marketing from 2002 to 2006. Between 1999 and 2002, he served as co-editor of the Canadian Journal of Administrative Sciences. From 1994 to 1999, Dr. Rosson was Dean of the Faculty of Management at Dalhousie University. He has published widely, with a special emphasis on the expansion strategies of small and medium-sized companies, particularly in foreign markets. Dr. Rosson was educated in England where he earned MA (Lancaster) and PhD (Bath) degrees.*



• **Ruth Brody Sharone**, filmmaker and journalist, is also a community organizer, a motivational speaker, and teacher of interfaith peace building. She travels frequently to college campuses and communities around the country to present her prize-winning film, *God and Allah Need to Talk*. She is a Partner Cities Associate for the Parliament of the World's Religions, convener of the largest interfaith gatherings in the world, and she also serves as Co-Chair for the Southern California Committee for the Parliament in Los Angeles. Her new book, *MINEFIELDS AND MIRACLES: My Global Adventures in Interfaith*, will be published in 2010.

[www.filmsthatmatter.com](http://www.filmsthatmatter.com)

• **Dr. Christoph Stückelberger**, Professor of Ethics, Founder and Director of Globethics.net, Geneva, Switzerland

*Dr. Christoph Stückelberger is Founder and Executive Director of the global network on ethics Globethics.net, based in Geneva/Switzerland. He is part-time Professor of Ethics at the University of Basel. He got his PhD with a doctoral thesis on Peace Ethics and his habilitation on Environmental Ethics. His main fields of research are economic ethics, finance ethics, political ethics, development ethics and environmental ethics. He is regularly visiting professor in developing countries (Africa and Asia). He was founder and president of Transparency International Switzerland, member of the Commission for International Cooperation of the Swiss Government, member of the Swiss Ethics Committee on Non-human Biotechnology of the Swiss Government, director of the Development Organization "Bread for all". He published many books and articles, in seven languages, among others on Responsible Leadership, Global Trade Ethics, peace ethics, consumer ethics, work ethics, corruption, interreligious ethics.*

• **Dr. Steve Szeghi**, Professor of Economics, Wilmington College, Ohio

*Steve Szeghi is a Co-Author of Right Relationship and is Professor of Economics at Wilmington College, in Wilmington, Ohio, where he has been on the faculty since 1987. He received his Ph.D. from the University of Cincinnati, with a dissertation "The Effects of Legal Barriers to Entry Upon Yardsticks of Efficiency, Equity, and Appropriate Technology in Developing Countries." He served as Department Head and as Area Coordinator respectively for the Department and the Area of Accounting,*

*Business Administration, and Economics, from 1998 until 2005. Professor Szeghi has research interests which have long focused upon Social Justice, Fair Distribution, Environmental Justice, and Ecology, in relation to both the Economy and Economic Theory. In recent years he has cultivated a keen interest in the socio-political economies of indigenous peoples as an alternative to the prevailing or dominant system. While concentrating upon the cultural values and economic systems of the indigenous peoples of the American Southwest, Szeghi has invoked the economic values of indigenous peoples more generally to question many of the usually invoked assumptions of standard economic theory. He has developed a student study trip class called "Wilderness, Resources, and Indigenous Peoples of the Southwest," just recently completing the course for the second consecutive year. He is presently building and developing relationships with several American Indian Tribal governments and organizations to support the types of social change favored by indigenous communities, change which respects tradition, allowing for cultural survival and endurance, in the midst of a larger American Economic System all too determined to crush alternatives. He is an activist for social and economic change, from working with Cesar Chavez and the United Farm Workers in his teens and twenties, to today in supporting and consulting for labor unions, environmental organizations, and indigenous cultural survival groups.*

- **Dr. Jonathan Taplin**, Professor at the Annenberg School for Communication, University of Southern California, USA

*Jonathan Taplin, Professor at the Annenberg School for Communication at the University of Southern California. His areas of specialization are in international communication management and the field of digital media economics. He blogs about the convergence of digital media and politics at [www.jontaplin.com](http://www.jontaplin.com). Taplin began his entertainment career in 1969 as Tour Manager for Bob Dylan and The Band. In 1973, he produced Martin Scorsese's first feature film, Mean Streets, which was selected for the Cannes Film Festival. Between 1974 and 1996, Taplin produced 26 hours of television documentaries and 12 feature films. Taplin graduated from Princeton University. He is a member of the Academy Of Motion Picture Arts and Sciences and sits on the International Advisory Board of the Singapore Media Authority and the Board of Directors of Public Knowledge. He was appointed by Governor Arnold Schwarzenegger to the California Broadband Task Force in*

*January of 2007.*

- **Dr. Nathan Tierney**, Professor of Philosophy, Member of Conference Executive Committee, California Lutheran University, USA

*Dr. Tierney's main area of interest is ethics. Among other courses, he teaches ethical theory and social ethics in the undergraduate program and business ethics in the MBA program. He is the author of several papers on ethics and the book Imagination and Ethical Ideals. He is currently writing a book titled War and Global Justice. He serves on the board of directors of the Global Ethics and Religion Forum and is a partner in the ethics consulting service, Philosophy in the Real World.*

- **Dr. Peter Timmerman**, Associate Professor, Faculty of Environmental Studies, York University

- **Dr. Marcos Vargas**, Steering Committee, Social Justice Fund for Ventura County

*Dr. Vargas is the founding Executive Director of the Central Coast Alliance United for a Sustainable Economy (CAUSE), a community planning and policy research center serving Ventura and Santa Barbara Counties. Founded in 2001, CAUSE has led numerous successful advocacy and community organizing campaigns addressing regional social, economic and environmental justice issues (www.coastalliance.com). Vargas' experience in the non-profit sector includes Executive Director of El Concilio del Condado de Ventura (1986-1995) and the Director of Planning for the United Way of Ventura County (1984-1986). He currently serves on numerous boards, including the McCune Foundation, the Ventura County Workforce Investment Board, US Partnership for Working Families and the Common Counsel Foundation.*

- **Susanna Wolds**, Travel Writer – Evolve magazine. B.A. in International Spanish for professions

*Susanna Wolds received her B.A. in International Spanish for the Professions. This program shifted her mentality about business, as she came to realize that local and global commerce can have a profoundly positive impact on people when it takes into account a bottom line beyond simply profit. This understanding has brought her to*

*sustainable tourism and conscious travel, which she explores as a travel writer for Evolve magazine.*

- **Fred E Woods**, Richard L. Evans Chair of Religious Understanding, Brigham Young University, Utah, USA

- **Dr. Pipat Yodprudtikan**, Director, Thaipat Institute, Committee of Mobilizing Sufficiency Economy, Thai Chamber of Commerce

---