

Promoting The Common Good

Bringing Economics and Theology
Together Again

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AND
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Foreword

BY RICHARD HARRIES, BISHOP OF OXFORD

THERE WAS A TIME when economics was regarded as a branch of theology. Economic factors were intimately linked to what was regarded as just or right and these in their turn were shaped by a Christian understanding of the common good. From the eighteenth century onwards economics became an autonomous discipline and this has clearly enabled a great deal of technical expertise to be developed. Nevertheless in the end economics is about human well-being in society and this cannot be separated from moral, or perhaps in the end, theological considerations. The idea of an economics which is value-free is totally spurious. Nothing in this life is morally neutral. Although of course there will continue to be a range of technical, very often statistical and mathematical factors in economics, in the end the subject cannot be separated from a vision of what it is to be a human being in society.

Globalisation has sharply divided people today. On the one hand there are anti-capitalist, anti-globalisation campaigners and on the other hand those who believe that the process of globalisation will solve the world's economic ills. Both these positions are false. Whether we like it or not globalisation is taking place and will continue to accelerate. The question is whether the forces at work in the process can be harnessed and made to work for the well-being of human society as a whole.

I very much welcome this book and believe that its themes are of crucial importance for the world today.

Abstract

BY KAMRAN MOFID

THE TOPIC which we wish to address here is vast; all we can reasonably hope to do is paint a picture with very broad brushstrokes. We will argue that the marketplace is not just an economic sphere, 'it is a region of the human spirit'. The secrets of a great many economic questions are divine in nature; economics should (in contrast to the way it is practised today) be concerned with the world 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 too.

Today's economists consider their discipline a science, and thus divorced from inconvenient ethical details, the normative passions of right and wrong. They have made their discipline a moral-free zone. Yet the role of virtue in economics had been extolled since Aristotle. Adam Smith, in the eighteenth century, called human society an 'immense machine', and celebrated virtue as the 'fine polish' on its wheels. He excoriated vice as the 'rust' that causes the wheels to 'jar and grate upon one another'. Ethical considerations are central to life, he said, and 'keen and earnest attention to the propriety of our own conduct ... constitutes the real essence of virtue'. Modern economics began as a moral science taught by professors trained in the analysis of ethical contexts and conflicts. Smith's *The Wealth of Nations* (1776) is both a scientific treatise on economic development and a forceful statement about the ethics of markets and distribution of income. Justice

is central to his analysis and recommendations. When he elaborates on how global markets can yield greater efficiency, the issue of 'justice' arises about once every seven pages. In his earlier work, *The Theory of Moral Sentiments* (1759), Smith depicts justice as a moral concept of right and wrong that goes beyond legality. To him, 'Justice ... is the main pillar that upholds the whole edifice. If it is removed, the great, the immense fabric of human society ... must in a moment crumble into atoms.' He accordingly creates a model which allows for the development of moral conscience, and social capital in the form of trust and personal responsibility. This is the now dismissed ethical framework for his famous 'invisible hand'. That oversight is where modern neo-liberal economics has got it so wrong, bringing the world such a bitter harvest.

This study views the problem and challenge of globalisation partly from economic but primarily from ethical, spiritual and theological points of view. How can we order the modern world so that we may all live well and live in peace? Globalisation must combine economic efficiency with human needs to achieve social justice and a sustainable environment.

We moreover argue for the creation of an 'ecumenical space' for dialogue between civilisations, and for the building of community for the common good, by bringing together economics, spirituality and theology.

CHAPTER 4



A reasonable estimate of economic organisation must allow for the fact that, unless industry is to be paralysed by recurrent revolts on the part of outraged human nature, it must satisfy criteria which are not purely economic.

R.H. TAWNEY

To attribute everything to the economic factor is to perpetuate the terrible lie of the Marxist. In addition to the economic is the political and, most important, the cultural. At the heart of the cultural is the moral and spiritual.

RICHARD JOHN NEUHAUS

Economic theory presupposes that each participant is a profit center bent on maximizing profits to the exclusion of all other considerations. But there must remain other values at work to sustain society – indeed human life. I contend that at the present moment market values have assumed an importance that is way beyond anything that is appropriate and sustainable. Markets are not designed to take care of the common interest.

GEORGE SOROS

CHAPTER 4

The Roots of Economics – *And why it has gone so wrong*

BY KAMRAN MOFID

PAUL ORMEROD, former Director of Economics at the Henley Centre for Forecasting, in his book *The Death of Economics* notes that:

Good economists know, from work carried out within their discipline, that the foundations of their subject are virtually non-existent... Conventional economics offer prescriptions for the problems of inflation and unemployment which are at best misleading and at worst dangerously wrong... Despite its powerful influence on public life, its achievements are as limited as those of pre-Newtonian physics ... It is to argue that conventional economics offers a very misleading view of how the world actually operates, and it needs to be replaced.

An equally accomplished economist, Mark Lutz, in his book *Economics for the Common Good* observes that:

Modern economics is the science of self-interest, of how to best accommodate individual behavior by means of markets and the commodification of human relations... In this economic world view, the traditional human faculty of reason gets short-changed and degraded to act as the servant of sensory desires. There is no room for logic of human values and rationally founded ethics. Human aspirations are watered down to skilful shopping behavior and channelled into a stale consumerism. One would think that there must be an alternative way to conceptualise the economy.

So what *is* economics? What are its roots? And why has it gone so wrong? In what follows I shall attempt to shed some light on these questions.

Economics has its origins in ancient Greece and its roots in ethics. Amartya Sen, in his significant study, *On Ethics and Economics*, demonstrates that, in its recent development, a serious distancing between economics and ethics has brought about one of the major deficiencies in contemporary economic theory. Sen argues that modern economics could become more productive by paying greater and more explicit attention to the ethical considerations that shape human behaviour and judgement. He observes a surprising contrast between the self-consciously non-ethical character of modern economics and its historical evolution as an offshoot of ethics.

The ethics-related tradition of economics goes back at least as far as Aristotle. It has been argued that Aristotle deserves recognition as the first economist, two thousand years before Adam Smith. Aristotle distinguished between two different aspects of economics: *oikonomikos* or household trading, which he approved of and thought essential to the working of any even modestly complex society, and *chrematisike*, which is trade for profit. He declared the latter activity wholly devoid of virtue and called those who engaged in such purely selfish practices 'parasites'. His attack on the unsavoury and unproductive practice of usury held force virtually until the fifteenth century, when John Calvin's writings started greatly to influence the study of economics.

The extension of Calvinism to all spheres of human activity was extremely important to a world emerging from an agrarian mediaeval economy into a commercial industrial era. Calvin accepted the newborn capitalism and encouraged trade and production, while, most importantly, opposing the abuses of exploitation and self-indulgence. Industrialisation was stimulated by the concepts of thrift, industry, sobriety and responsibility that Calvin promoted

as being essential to the achievement of the reign of God on earth.

However, in the eighteenth century, with the publication of Adam Smith's masterwork, *The Wealth of Nations*, there was a quantum leap in many aspects of economics. Now *chrematistike* became the driving force and primary virtue of modern society – a point to which I shall return later.

As Sen points out, at the very beginning of *The Nicomachean Ethics* Aristotle relates the subject of economics to human ends, referring to its concern with wealth. He sees politics as 'the master art' which must direct 'the rest of the sciences', including economics, and 'since, again, it legislates as to what we are to abstain from, the end of science must include those of the others, so that this end must be the good for man.'

Furthermore, according to Sen, the study of economics, though directly related to the pursuit of wealth, is at a deeper level linked to other studies which involve the assessment and enhancement of more basic goals. Quoting Aristotle, Sen notes that, 'the life of money-making is one undertaken under compulsion, and wealth is evidently not the good we are seeking; for it is merely useful and for the sake of something else.' Economics relates ultimately to the studies of ethics and politics, a point of view further developed in Aristotle's *Politics*.

The Penguin History of Economics defines economics as 'a science which studies human behaviour as a relationship between ends and scarce means with alternative uses'. I have collected some further definitions from the Web:

The branch of social science that deals with the production and distribution and consumption of goods and services and their management...

www.cogsci.princeton.edu

The science that deals with the production, distribution, and consumption of the worlds resources and the management of state income and expenditures in terms of money. www.sba.gov

Economics is the study of how men and society end up choosing, with or without the use of money, to employ scarce productive resources that could have alternative uses, to produce various commodities and distribute them for consumption, now or in the future, among various people and groups in society. It analyzes the costs and benefits of improving patterns of resource allocation. Economics is the study of the use of scarce resources to satisfy unlimited human wants. hta.uvic.ca

The study of how individuals and societies choose to allocate scarce productive resources among competing alternative uses and to distribute the products from these uses among the members of the society. www.worldbank.org

The study of choice and decision-making in a world with limited resources. pittsford.monroe.edu

The science that deals with the production, distribution, and consumption of wealth, and with the various related problems of labour, finance, taxation, etc. [Webster's New World] www.worldtrans.org

The study of how people use scarce resources to satisfy unlimited wants. www.fiscalagents.com

The study of how scarce resources are allocated among competing uses. www.lobsterconservation.com

The science of the allocation of limited resources for the satisfaction of human wants. www.pvincivilsociety.org

Study of how individuals, businesses and governments use their limited resources to satisfy unlimited wants. www.turnerlearning.com

Economics is the study of ways in which people make a living; it considers the social organisation by means of which people satisfy their wants for scarce goods and services. www.lcsc.edu

Study of how people choose to use scarce resources to satisfy their needs and wants; a study of choice. www.radford.edu

The science that deals with the production, distribution, and consumption of commodities www.fhsu.edu

The study of how persons and society choose resources which have alternative uses, to produce various commodities over time and distribute them for consumption now and in the future, among various people and groups in society.

www.remasescarpment.com

The social science that studies how individuals, firms, governments, and other organizations make choices, and how those choices determine the way the resources of society are used.

wellspring.isinj.com

Economics provides the language, principles and a way of thinking to help people unravel why they have to make choices.

www.cba.uc.edu

The study of supply and demand in markets and how they allocate scarce resources.

www.freebuck.com

The study of how resources are distributed for the production of goods and services within a social system.

www.mhhe.com

The study of how to distribute scarce resources among alternative ends.

higher.ed.mcgraw-hill.com

The study of how limited resources, goods, and services are allocated among competing uses.

www.fs.fed.us

It is clear from the above that economics is perceived as a science concerned with scarcity, competition, production, consumption and the satisfying of unlimited desires. There is no reference to abundance, co-operation, sustainability, justice, compassion, humanity, morality or spirituality. No wonder it has brought us such a bitter harvest!

Economics defines ends and means primarily in material terms – essentially in monetary terms. Non-material, non-monetary values are considered subjective and therefore outside its scope. By stating that economic means are finite and scarce, economic theory accepts a natural element of

competition for these resources. The textbooks tell us that man naturally competes for scarce and limited material resources. Happy is the man who is able to consume these resources, unhappy is the one who is not.

The assumptions underlying the so-called 'economic laws' were developed at a time when religion was being separated from science. The accepted world view was becoming secularised; the sacred was being replaced by a belief in matter. Economic theory was affected by the great scientific discoveries in physics, biology and psychology, and economic laws were presented with the same authority as laws of nature. Newton and Descartes described reality in terms of a more or less fixed number of 'building blocks', of 'things' subject to measurable laws such as gravity smartly put together so that they operated, as it were, mechanically. The world of matter was seen as a mere machine, to be used by man exercising his reason and free will. This world view has come to be known as 'scientific materialism'.

Over the last two centuries these principles have become firmly enshrined in our capitalist legal systems, domestically and internationally. For example, the international laws governing the main multilateral agency for international trade, the World Trade Organization, are based on Ricardo's concept of 'comparative advantage', the idea that nations, by specialising yet keeping their borders open, will benefit from unfettered competition. This idea arose in a seventeenth-century Europe which had invented the nation state to deal with the opportunities provided by colonial expansion.

With the emergence of the nation state, monetary systems and policies were developed based on the notion of a scarce money supply linked to gold and silver, the value of which was controlled by the nation. The artificial measurement of money scarcity, when the churches relaxed their restrictions on interest-bearing lending (denounced as 'usury' for many centuries), introduced an official element

of competition among those in need of funding. Those with money could set the rules governing how scarce resources should be invested. Now enshrined in corporate and banking law (and underpinning what we know as ‘capitalism’), these rules favour those with wealth over those who have nothing. The vast majority, the ‘have nots’, have ever since been locked into a vicious cycle of competition for scarce capital.

National political agendas continue to be determined by interest groups dominated by commerce and industry which are locked into old paradigms. The power of national authorities and national democratic institutions has been gradually eroded by the globalisation of industry, finance, technology and information.

The bodies that rule our global economy today, the G8 (the world’s industrialised countries), the IMF and the World Bank (together known as the ‘Washington consensus’) prescribe for the world a neo-classical recipe of privatisation, decentralisation, deregulation and other market liberalisations, assuming that our common interests are best served by the invisible hand of the market.

Critics of this faith are silenced by powerful arguments that government interference in markets will lead to inefficient and wasteful government bureaucracies. They claim that history has shown that the libertarian or *laissez-faire* approach allows markets to increase wealth, promote innovation and optimise production – at the same time as regulating itself flawlessly. The fact that human beings persist in behaving ‘irrationally and uneconomically’, in terms of the market model, does not, they claim, invalidate that model: we simply have not yet learned to appreciate the benefits of competition.

Yet we can clearly see all around us that our economies are inherently flawed. The gap between rich and poor keeps growing in all societies, and also among the countries of the world. Environmental degradation seems irreversible. The drug trade and new forms of slavery prosper.

Corruption and corporate fraud are widespread; stock markets are turning into global casinos. War is increasingly 'economic', motivated by either the lack of or the protection of wealth. If the global economy does prosper, it is at the expense of the air, the earth, the water, our health and our rights to employment.

A further cause of disquiet is the mathematisation of human behaviour and the desire for predictive models. This is an important point in my argument as the over-reliance upon mathematical formulae is at the root of why economists have become detached from ethics, spirituality and theology in their professional studies. I will try to shed some light on this issue.

The use of mathematics in economics books and articles is very complex, no doubt very impressive. Along with physicists, economists seem to be those who rely most on advanced mathematical models, but there would appear to be a paradox here. Mathematics being synonymous with rigor and precision, how is it that it plays such a role in a discipline where vagueness reigns? The answer probably lies in the roots of this vagueness. Because the economic and social world is so difficult to grasp schematically, to reduce to simple laws, the temptation is to take refuge in fictitious worlds, in models which have little to do with what can actually be observed but which lend themselves to endless mathematical refinement. The most important of life's criteria and its purpose are ignored because economists are unable to fit them into their calculations for measurement.

How did mathematics come to assume such a dominating position in modern economics, with such a disastrous consequences? The blame can fairly and squarely be put at the door of Paul Samuelson.

In 1947 Samuelson, an assistant professor of economics at the Massachusetts Institute of Technology, published *Foundations of Economic Analysis*, a book which is considered to be the seminal work in the integration of mathematics

and economics. While some economists had employed mathematics to some degree prior to this, Samuelson laid the groundwork for the complete 'mathematisation' of economics.

A natural consequence of this was the marginalisation of areas of research that could not be modelled using formal mathematics. By the early 1970s there had appeared a genuine chauvinism that belittled work not deemed to be serious enough, as measured by its mathematical content. This trend attracted increasing numbers of physicists, mathematicians and engineers into economics, which in turn nudged the level of 'mathematicality' up even further. Mathematicians were attracted to economics because it was mathematical in nature, and the field became even more mathematical because of their participation.

As I have said, the adverse effect of this trend is the neglect of fundamental issues by mainstream economists because they are deemed to be incapable of mathematical formalisation. Thus, notions of justice or ethical behaviour, which are not quantifiable, have no role in the current economic framework. The notion that firms seek to maximise profits is a cornerstone of economic analysis (and a sound one, as most firms do behave this way), but it begs the question what firms *ought* to do, based on ethical and moral grounds. Most economists spend no time at all exploring this alternative dimension of economic behaviour simply because it is not mathematically tractable.

To summarise, trends both internal to the discipline (such as the increased reliance on formal mathematics) and external (such as changes in political discourse) have moved the profession away from any attempt to deal with the ethical and moral dimensions of economic issues and policies. This trend has robbed the profession of a rich line of research that we have only recently starting to skirt around in our own research agenda.

It seems clear to me that the time has come for economics to change direction and to find a path which does

not deviate from true human values. The obviously contrived nature of neo-classical economics has begun to attract many calls for change. One of the most vocal has come from university students. This is music to my ears. It is something I would very much like to share with you.

In the spring of 2000 an interesting dichotomy between theory and reality in economics teaching appeared in France when economics students from some of the most prestigious universities, including the Sorbonne, published a petition on the internet urging fellow students to protest against the way economics was being taught. They were against the domination of rationalist theories, the marginalisation of critical and reflective thought and the use of increasingly complex mathematical models. Some argued that the drive to make economics more like physics was flawed, and that it should be wrenched back in line with its more social aspects.

They called the economics they were being taught 'autistic' – divorced from reality – and called for a post-autistic economics that would 'rescue economics from its autistic and socially irresponsible state'. *Autisme-économie*, the Post-Autistic Economics (PAE) movement, was born.

Their letter of petition for change received important recognition when the French government agreed to set up a special commission to investigate its complaints. Below is the text of the petition, originally circulated in France in 2000 and now adopted by many other students in countries around the world.

**Open letter from economics students
to professors and others responsible
for the teaching of this discipline**

We declare ourselves to be generally dissatisfied with the teaching that we receive.

This is so for the following reasons:

1. We wish to escape from imaginary worlds!

Most of us have chosen to study economics so as to acquire a deep understanding of the economic phenomena with which the citizens of today are confronted. But the teaching that is offered, that is to say for the most part neoclassical theory or approaches derived from it, does not generally answer this expectation. Indeed, even when the theory legitimately detaches itself from contingencies in the first instance, it rarely carries out the necessary return to the facts. The empirical side (historical facts, functioning of institutions, and study of the behaviours and strategies of the agents ...) is almost nonexistent. Furthermore, this gap in the teaching, this disregard for concrete realities, poses an enormous problem for those who would like to render themselves useful to economic and social actors.

2. We oppose the uncontrolled use of mathematics!

The instrumental use of mathematics appears necessary. But resort to mathematical formalization when it is not an instrument but rather an end in itself, leads to a true schizophrenia in relation to the real world. Formalization makes it easy to construct exercises and to manipulate models whose significance is limited to finding 'the good result (that is, the logical result following from the initial hypotheses) in order to be able to write 'a good paper'. This custom, under the pretence of being scientific, facilitates assessment and selection, but never responds to the question that we are posing regarding contemporary economic debates.

3. We are for a pluralism of approaches in economics!

Too often the lectures leave no place for reflection. Out of all the approaches to economic questions that exist, generally only one is presented to us. This approach is supposed to explain everything by means of a purely axiomatic process, as if this were THE Economic Truth. We do not accept this dogmatism. We want a pluralism of approaches, adapted to the complexity of the objects and to the uncertainty surrounding most of the big questions in economics (unemployment, inequalities, the place of financial markets, the advantages and disadvantages of free-trade, globalization, economic development, etc).

4. Call to teachers: wake up before it is too late!

We appreciate that our professors are themselves subject to some constraints. Nevertheless, we appeal to all those who understand our claims and who wish for change. If serious reform does not take place rapidly, the risk is great that economics students, whose numbers are already decreasing, will abandon the field en masse, not because they have lost interest, but because they have been cut off from the realities and debates of the contemporary world.

**We no longer want to have this
autistic science
imposed on us.**

**We do not ask for the impossible,
but only that good sense may prevail.
We hope, therefore, to be heard very soon.**

The French students' cries for change were heard by the media. *Le Monde*, in an article of 13th September 2000, asked whether the teaching of economics in universities should not be rethought, and other French newspapers and magazines, as well as TV and radio stations, soon joined in the argument. The number of signatures on the petition rose significantly. The perceived seriousness of the controversy increased when, at the end of June 2000, a group of economics professors published their own a petition, backing the students and offering further analysis and evidence of the need for reform.

As is their wont, the neo-classical establishment – those with most to lose – began to cry foul. They tried to dismiss the petition as a Trotskyite conspiracy, espoused by *Le Monde*. Most of the backlash, as might have been expected, came from the neo-classical establishment in the US. What followed was an attempt to discredit the PAE by implying that the students were anti-intellectuals opposed to the 'scientificity' of neo-classical economics. The accusations, however, did not stick. The dissenters were top students who had done the maths and found it did not add up! This

bankrupt and outdated form of attack, discrediting the messenger because you do not like the message, backfired. After malicious attacks were made at a major conference at the Sorbonne, a large group of economists convened to celebrate the fiftieth anniversary of the mainstream *La Revue Economique* and spontaneously deferred to issues raised by the reformists.

Among many in other countries who were inspired by the French students' rallying call were groups of PhD candidates and other students of economics at Cambridge and Oxford universities, who issued their own manifestos which recommended 'Opening Up Economics'. Similar groups have arisen elsewhere in Europe, the Americas and Australia.

Clearly we have to revisit the old assumptions. Are the laws of economics really uncontrollable? Spiritual teachers tell us that we make up reality; likewise it must be we who make up the economy. For better or for worse, businesses and economies don't function separately from our decisions: without us they wouldn't exist. If we want a better economic system we have to look deeply at who we are and how we live.

As an economist with a wide range of experience, I do appreciate the significance of politics, trade, banking, insurance and commerce – and of globalisation. I understand the importance of wealth-creation – but wealth must be created for a noble reason. I want to have a dialogue with the business and economic community. I want to listen to them and be listened to. Today's business leaders are in a unique position to influence what happens in society for years to come. With this power comes monumental responsibility. They can choose to ignore this responsibility, and thereby exacerbate problems such as economic inequality, environmental degradation and social injustice, but this will compromise their ability to do business in the long run. The world of good business needs a peaceful and just world in which to operate and prosper.

In order to arrive at this peaceful and prosperous destination we need to change the basis of neo-classical economics to take account of the common good. Many of the issues which people grapple with, or which their governments advocate, have economics at their core. The creation of a stable society in today's globalised world should not be ignored in favour of purely economic considerations of cutting costs and maximising profits. There are other fundamental values which must not be put aside.

John Maynard Keynes looked forward to a time when people in advanced economies would step back from traditional economic imperatives and feel free to concentrate on how to live wisely, agreeably and well. The purpose of the economy, according to Keynes, is to control the material basis of a civilised society, enabling its citizens to explore the higher dimensions of human existence, to discover their own full potential. In our world of prosperity for the few, we seem to have got that backwards. Lives are restricted by harsh working conditions and the common assets of a community are degraded in the pursuit of endless economic growth.

Economics must once again find its heart and soul. It must reconnect with its original source and once again become rooted in ethics and morality. The huge controversy which surrounds modern commercial activity arises because it does not adequately address the needs of the global collective, and so marginalises or excludes the powerless. Surely, in the interests of all, this has to change? There needs to be an explicit acknowledgment of universal values such as fairness, altruism, empathy and solidarity if economics is to work for the common good. Economics as practised today cannot by any stretch of the imagination claim to be for the common good. A revolution in values is needed. Economics and the business community must at the same time embrace both material and spiritual values.

Given the state of our world today, with its extremes of progress and poverty, it seems that modern economics, so

elaborate and difficult to comprehend, so saturated with mathematical jargon and abstruse models and theories, has failed to deliver the happiness it promised because it has failed to satisfy people's real, spiritual needs. We have to reverse this. Let us not continue to construct a global society that is materially rich but spiritually poor. Let us work towards a globalisation for the common good by uniting spirituality and theology with economics.

Spiritual Views Rediscovered

AS WE ALL KNOW, spiritual traditions describe reality in terms rather different from those of traditional economic theory. The latter is concerned primarily with a mere fragment of human behaviour, our 'economic' actions, those which can be quantified in terms of money. The spiritual approach is to view reality holistically, to look at all the human actions – and even thoughts – that make up our being and society. Sander Tideman, a founder and executive chairman of Spirit in Business, a network promoting ethics and spirituality in the business world, has written extensively on this issue, and my own reflections below rely on his insights.

In economics textbooks human beings are seen as isolated consumers and producers interacting in markets driven by the pursuit of monetary gain. In spiritual traditions people are viewed as part of a larger whole with which they can communicate by opening their hearts and minds.

The new understanding of reality is systemic, which means that it is based not only on the analysis of material structures but also on the analysis of patterns of relationships among these structures and of the specific processes underlying their formation. This is evident not only in modern physics but also in biology, psychology and the social sciences. The understanding of modern biology is that the process of life essentially is the spontaneous and

self-organising emergence of new order, which is the basis of life's inherent abundance and creativity. Life processes are associated with the cognitive dimension of life, and the emergence of new order includes the emergence of language and consciousness.

Most economic strategies are based on the possession of material things such as land, labour and capital. What counts is how much property we own, how much money we have and how many hours we work. The ideal for many people is to own enough land and capital so that we don't have to sell our time. This strategy, which will be recognised by many of us in developed countries, is based on the assumption that land, labour and capital are all there is, that the real world is a closed-end system. Spiritual traditions and modern sciences claim the opposite. They recognise the unlimited potential of every sentient being, the potential to be whole and enlightened. Our minds create and pervade everything, hence physical reality is accessible to the spiritual.

Let us first examine this 'being' side of our existence. What kind of beings are we? Happy or unhappy? Altruistic or selfish? Compassionate or competitive? Modest or greedy? Driven to seek short-term pleasure or to seek meaning, a higher purpose, a longer-term state of happiness? These are important questions on which economic theory and spiritual traditions hold different views.

Economists have accepted the principles of selfish individualism: the more the individual consumes, the better-off he will be. He consumes out of perpetual needs which, if unmet, will make him innately unhappy. Economic growth is achieved when individuals consume more and more, demand boosting output. There is no room for altruism, where an individual may incur costs for no conceivable benefit to himself. This approach sees co-operation as a mere reciprocal arrangement among individuals. Individual sacrifices on behalf of the community are seen as an insurance policy: they will ensure that the individual will

have a right to be helped by the community in the future.

We can all understand the need for a value such as compassion because of our mutual interdependence in an increasingly diminished and interconnected world, but spiritual traditions point to another, more profound and personal dimension to compassion. They advise us to make altruism the core of our practice, not only because it is the most effective insurance policy for our future, but specifically because the *real* benefit of compassion is that it will bring about a transformation in the mind of the practitioner. It will make us happy.

All religions promote love, compassion, altruism and service. A very good example is Sikhism, as Bhai Sahib Mohinder Singh will show in his Epilogue.

But how can we practise altruism if our real nature is selfish? Compassion can only work if our nature is receptive to an altruistic attitude, if somehow compassion is in harmony with our essence so that we actually *enjoy* being compassionate. If we are inherently selfish, surely any attempt to develop a compassionate attitude would be self-defeating?

Most religions state that mankind's nature is basically good – that our kind is kind. Buddhism explains that there is no independently existing self that is either good or bad. Our selfish motives are based on the illusion of an independent self which separates us from others. We may have selfish traits, they may even dominate us, but they can be removed with practice. And since we are connected to the world, since there is no disconnected self, the practice of compassion is most effective.

Modern scientific disciplines such as biology, psychology and medical science have started to study the effects of empathy on the human mind and body, on our health and relationships. Not surprisingly, they are discovering that compassion is of tremendous help to our sense of well-being. A compassionate frame of mind has a positive effect on our mental and physical health, as well as on our social

life, while the lack of empathy has been found to cause or aggravate serious social, psychological and even physical disorders. Recent research on stress shows that people who seek only short-term pleasure are more prone to stress than those who seek a higher purpose, who seek meaning rather than pleasure.

Meaning generally is derived from actions such as serving others, going beyond immediate selfish needs. The fact that disregarding one's own short-term needs results in longer-term happiness turns the neo-classical economics notion of selfish individualism upside down.

The economist Stanislav Menchikov, as Tideman in *Compassion or Competition* has noted, remarks that:

The standard, neoclassical model is actually in conflict with human nature. It does not reflect prevailing patterns of human behavior ... If you look around carefully, you will see that most people are not really maximisers, but instead what you might call 'satisfiers': they want to satisfy their needs, and that means being in equilibrium with oneself, with other people, with society and with nature. This is reflected in families, where people spend most of their time, and where relations are mostly based on altruism and compassion. So most of our lifetime we are actually altruists and compassionate.

What does all this mean for our economy? Economic thinking is primarily focused on creating systems of arranging matter for optimal intake of consumption. It assumes that the main human impulses are competition and consumption, and it has side-stepped spiritual and moral issues because those would involve qualitative judgments on values and other intangibles that go beyond its initial premises. But, by assuming that the more we consume the happier we are, economists have overlooked the intricate workings of the human mind.

At the root of this belief in the market lies a very fundamental misconception. We have not really understood what makes us happy. Blind faith in economics has led us

to believe that the market will bring us all the things we want. We cling to the notion that contentment is obtained by the senses, by sensual experiences derived from the consumption of material goods. This feeds an appetite of sensual desire. At the same time we are led to view others as our competitors, scrabbling for the same, limited resources as we are. So we experience fear – the fear of losing out, the fear that our desires will not be satisfied.

We can observe that the whole machine of expanding capitalism is fuelled by two very strong emotions: desire and fear. They are so strong that they appear to be permanent features of our condition. Yet many religious traditions have taught us that, since these emotions are based on ignorance, a misconception of reality, they can be removed by the true understanding of reality. According to religion, happiness is an inner or divine experience available to anyone, rich or poor. Fundamentally, there is nothing that we lack. By developing the mind, our inner qualities, we can experience perfect wholeness and contentment. If we share with others, we will find that we are not surrounded by competitors: others depend on us as we depend on them.

We need to recreate economic theory based on an understanding of what a human being really is and what makes him happy. As long as economics is based on a partial or wrong image of man and his reality, it will not produce the results we need.

In a sense, the redesigning of economic theory has already started. In order to explain the persistent tension between economic theory and practice, and recognising that conventional economics does not help us in our pursuit of happiness, old assumptions are being challenged. As a result, certain intangibles – such as values based on our more noble human impulses – are gradually entering the scope of leading thinkers, including historians, social scientists, businessmen and bankers – and even economists.

Nobel Prize-winning economist Douglass North says:

The theory employed, based on the assumption of scarcity and hence competition, is not up to the task. To put it simply, what has been missing [in economic theory] is an understanding of the nature of human coordination and cooperation

The 1998 Nobel Prize in Economics was awarded to Amartya Sen, who defines economic development in terms of the free supply of basic necessities such as education and health care. He contends that as long as the contemporary world denies elementary freedoms to the majority of its populations, planning for economic development is useless. He has thus restored an ethical dimension to the discussion of development. Sen writes, in *Development as Freedom*:

Along with the working of markets, a variety of social institutions contribute to the process of development precisely through their effects on enhancing and sustaining individual freedoms. The formation of values and social ethics are also part of the process of development that needs attention.

The 2003 Nobel Prize in Economics was awarded to Daniel Kahneman and the late Amos Tverski, both leading experts in behavioural finance. The latter challenged the Efficient Market Hypothesis, the dominant paradigm based on a mechanistic world view. As an extension, the nascent field of *neuroeconomics* seeks to ground economic decision-making in the biological substrate of the brain. Recent findings have provided direct empirical and quantitative support for economic models that acknowledge the influence of emotional factors on decision-making behaviour.

This was already clear to the economic historian David Landes when he noted that, 'If we learn anything from the history of economic development, it is that culture makes all the difference.' Just because markets give signals does not mean that people respond timely or well. Some people do so better than others; it depends on their culture. And culture is nothing but the aggregation of values.

CHAPTER 5

Bringing Economics and Theology Together Again

BY MARCUS BRAYBROOKE

THE BASIC AGREEMENT of all religions about core moral values is increasingly being recognised by religious leaders. It is urgent that these values are now translated into practical policies that will reduce the economic inequalities in our world, bring relief to the very poor, protect the environment and reduce the dangers of violence and terrorism. Such policies can only result from detailed co-operation between religious thinkers and economists, politicians, business leaders and members of other relevant disciplines. Interfaith dialogue should also be interdisciplinary dialogue.

Yet the thought of religion interfering with economic and political life will be greeted with alarm and protest by those who are afraid of the influence of extremists in the world of Islam or of conservative evangelicals in the USA.

One of the criticisms levelled at Islam by many Western writers is its failure to draw a separation between Church and State. This separation, however, has contributed to the privatisation of religion and the virtual absence of moral considerations in political, economic and business life. The divorce of ethics from economics and politics is dangerous and some economists and business leaders are now recognising this. *Business Week*'s chief economist has said that 'A New Economy needs a new morality ... there's a moral vacuum at the heart of the New Economy that needs to be filled.'¹ The guru of the World Economic Forum, George

Soros, has said the same, arguing that a purely transactional approach to economic activity governed by the principle of self-interest, which he labels 'market fundamentalism', is in danger of undermining social values and loosening moral constraints.²

This morality, I believe, should not be imposed. It needs to be consensual and it needs to draw upon the moral teaching of all the world religions and indeed should also appeal to those who have no belief in God. Several valuable attempts to articulate what is often called 'a global ethic' have already been made, but inevitably they are expressed in general principles. If they are to have practical influence they need to be applied to economic policy. Such application requires the combined efforts of theologians and economists.

Islam

ALTHOUGH IT IS TRUE that Islam does not distinguish between the secular and the sacred, its position is more nuanced than Western critics allow. Islam affirms that the whole of life is under God's control and that all human behaviour should be in obedience to God's will. A committed Christian might well say the same, but, in the West, secular society has made a distinction between the sacred and the profane. Sociologists have spoken of the 'privatising' of religion in the West, by which they mean that religious adherence has become a leisure-time activity – some people go to church on a Sunday, other people go sailing or shopping. Religion is seen as a personal choice and should not interfere with politics or business. Indeed, a number of Christians seem to 'compartmentalise' their lives. Their religion is for their family life and weekends in leafy suburbs, but is irrelevant to the boardroom or stock market.

Muslims traditionally do not make a distinction between the sacred and the secular. It is the whole community which

should submit to God. This concern for a society that is obedient to God goes back to the Prophet Muhammad himself. At first he met with hostility and ridicule in Mecca, but in 622 CE he was invited to become leader of the neighbouring town of Madina. There he tried to create a community obedient to God and from Madina, in due course, he attacked and captured Mecca, which was to be ruled in accordance with the teaching that had been revealed to him. Muhammad, like Calvin later in Geneva, tried to shape a society that lived in obedience to God's word. The logic of this position is clear. If God is God, then all life should be lived in obedience to God's laws.

The early caliphs inherited Muhammad's role as 'commander of the faithful', but they were not 'messengers of God', as the prophet had been. The early caliphs combined spiritual and temporal leadership – as Christians would understand these terms. Gradually the political rulers of Islam lost their religious aura and the rulers came to be replaced, as the conscience-keepers of the community, by the *ulama* or learned men, who had studied the holy law in depth. In time only the first four caliphs came to be regarded as truly orthodox. The Umayyad dynasty (661-750) was seen as a reversion to secular kingship. The Abbasid caliphs, who ruled in Baghdad from 750 to 1258, had rather more prestige and some called themselves *Khalifat Allah* or God's deputy, or even 'the shadow of God upon earth' – phrases that would have shocked Muhammad. With the loss of effective power by the Abbasids in the tenth century, 'all genuine political authority in the mainstream Muslim tradition', writes Edward Mortimer, 'was secular', although developments in the Shi'ite tradition were rather different.³ In the Sunni world 'virtue and justice', Mortimer adds, 'were no longer regarded as indispensable qualifications of a ruler.'⁴ By the eleventh century most of the *ulama* were teaching that obedience was an absolute duty, even to an unjust ruler, since an unjust ruler was better than none at all.

Radical Muslims today reject these developments and insist that there should be no divorce between State and religion. They are therefore very critical of the lifestyle and secular policies of some Muslim rulers, often thought to be in the pay of the West. They have, with success in some countries, campaigned to replace legal codes, which they inherited from Western imperialist rulers, by the introduction of Shari'a – often in its harshest and most conservative form. (Too often Westerners are unaware that there are four different classic schools of Shari'a law.) As in the early days of Islam, many Muslims want to live in an Islamic state. Moreover, although Muslims, when they are in a minority, are taught to obey the laws of the country where they live, some groups, like the Muslim Parliament in Britain, hope that their country of residence will in due course become Muslim.

The Secular and the Sacred in Christianity

IN SOME WAYS, states where Islamic Shari'a law is rigidly enforced are reminiscent of mediaeval Christian society. 'The order of society' (in mediaeval Christendom), writes David Edwards, 'was at bottom upheld by religion... It was God who decreed the acceptance of the rights and duties of each grade in society. Indeed a sacred order or a "hierarchy" was thought to exist in the whole of God's creation.'⁵ Islamic societies were certainly not so hierarchical as feudal Europe but, just as the laws of Christendom were shaped by the Christian faith, so Shari'a law is based on the teachings of the Qur'an. In Christendom there were, of course, disputes about whether the sovereign or the Church should control society and at the Reformation there were radically different understandings of how to interpret the Christian faith. These differences were a cause of the prolonged religious wars of the sixteenth and seventeenth centuries.

From the seventeenth century, in reaction to these wars of religion, some politicians began to ignore moral constraints and to base their policies on 'reasons of state', which allowed a nation to deviate from the ethical norms required of the individual. Machiavelli (1469-1527) in his *Il Principe* (1513) had already argued for the 'self-preservation of the state with all means and at any price', which was equivalent to the 'suppression of any morality with a transcendent basis from the field of politics'.⁶ But it was under Cardinal Richlieu (1585-1642) that, for the first time, in Hans Küng's words, 'reasons of state guided solely by political interests took the place of confessional interests and ethical considerations.'⁷ Henry Kissinger, who greatly admired Richlieu's 'novel and cold-blooded doctrine', recognised that it 'was deeply offensive to the universalist tradition founded on the primacy of moral law ... In an age still dominated by religious zeal and ideological fanaticism, a dispassionate foreign policy free of moral imperatives stood out like a snow-covered Alp in the desert.'⁸

Reaction to the wars of religion was also one of the factors which led to the separation of Church and State. For example, the United States of America, to which many of the first settlers had come to escape persecution, was, in 1791, the first Western nation to separate Church and State. Even today the teaching of religion in public schools is prohibited, although religious observance in the USA is far higher than in Europe. By contrast, in England there is still an established church – the Church of England. In the nineteenth century, the bishops in the House of Lords used their votes to delay the emancipation of Catholics and 'Dissenters', and of the Jewish people. Today they will often be a voice for the various faith communities but their position is certainly anomalous – but perhaps no more archaic than the House of Lords itself. In some Western European societies, such as The Netherlands, political life is partly moulded by Church allegiance. By contrast, in Communist countries the Church was stripped of political

influence and in some, such as Albania, the practice of religion was illegal.

The situation differs from country to country. In some countries the Church still has considerable influence, but even where this is so it is disputed. It is therefore difficult to generalise about 'secularisation' – a word which itself is used in various senses. The term usually signifies the process by which religion loses social significance, but the emphasis may be on the relationship of Church and State or on the social influence of religion, or used to speak about individual belief and practice.⁹

The Enlightenment, with its assertion of the autonomy of human reason, is also a factor in the process of secularisation. Many of the leaders of the Enlightenment, such as Voltaire, Hume, Gibbon and Lessing, challenged Christianity. 'Dare to be adult and let go of the church's apron strings; trust your own reason and measure revelation against it; be prepared to use your own reason critically in any context,' as Alistair Mason summarises the Enlightenment's challenge to Christianity.¹⁰ In Kant's words, the Enlightenment was 'the emergence of human beings from a tutelage to which they had voluntarily acceded.'¹¹

Hans Küng suggests that the Enlightenment led to the unprecedented progress of the sciences, a completely new social order and a revaluation of the individual.¹² Today the Enlightenment approach is subject to strong criticism, especially from post-modernists, but it helped, for good or ill, to divorce political and economic thinking from a basis in a religious view of life.

But are the only alternatives religious zeal and ideological fanaticism on the one hand, and the absence of moral considerations and political cynicism on the other. Is there a third way? Indeed, Erasmus in the sixteenth century called for an ethically responsible, realistic peace policy, far removed from the mediaeval fanaticism of the Counter-Reformation or the cynicism of modern real politics.¹³

The key question for us, therefore, is whether politics

and economics are autonomous, or whether they should have a basis in a religious or moral view of the world. Is politics just the pursuit of power and national self-interest? Is economics just the attempt to maximise wealth?

This has been a continuing matter of debate. The view that they are not autonomous was clearly put by the nineteenth-century Anglican theologian F.D. Maurice, who said his job as a theologian was 'to dig, to show that the economy and politics have a ground beneath themselves, that society is not to be made anew by arrangements of ours, but is to be regenerated by finding the law and ground of its order and harmony and the only secret of its existence in God.'¹⁴ This has been the view of many church people, perhaps most notably Archbishop William Temple, as Kamran Mofid indicates, and is also expressed in Vatican documents. Such an approach is evident also in Judaism and Islam and among Socially Engaged Buddhists and a growing number of Hindus.

A notable attempt to bring moral values to bear on international politics was President Wilson's peace programme at the end of the First World War, with its famous Fourteen Points. Wilson was, however, defeated by the self-interested cynicism of Clémenceau and Lloyd George, which almost inevitably sowed the seeds of further conflict. Political realism became dominant in the mid-twentieth century and found its classical expression in Hans J. Morgenthau's *Politics Among the Nations*, which was published in 1948. In contrast to what was labelled 'historical optimism', Morgenthau's realist theory rejects the view that 'a rational and moral political order, derived from universally valid principles, can be achieved here and now.'¹⁵ The starting point is that human nature is driven by different contradictory forces and 'this being inherently a world of opposing interests and of conflict among them, moral principles can never be fully realised.'¹⁶

A similar attitude has developed in economic thinking. The 'realist' market theory, developed especially by Milton

Friedman, stresses competition. The market should be autonomous and left to its own self-regulating forces, without State intervention or moral constraints. Essentially, individuals should be allowed to pursue their economic interests freely, whether they choose to do so in a selfish or generous way. In 1970 Friedman chose, as a title for an article in the *New York Times Magazine*, 'The Social Responsibility of Business Is to Increase Its Profits'.¹⁷

F.A. Hayek, who was well aware of the complexity of economic development, also rejected any external moral standard by which economic activity should be judged. Brian Griffiths, summarising Hayek's view with which he does not agree, says that for Hayek

Ethics are not 'immutable and eternal', determined outside of the system, but the result of a process of adaptation to changing circumstances, namely cultural selection. It is precisely because there is no external moral standard that globalisation is considered an autonomous and amoral process, without the need for any system of governance.¹⁸

Hayek sees the growth of capitalism, including its moral systems and institutions, as spontaneous and not related to any external system of morals. Brian Griffiths suggests that Hayek's approach suffers from three weaknesses:

There would be no external standards of what is right and wrong, just and unjust, moral and immoral, by which its results could be judged; there would be no guarantee that, even in the absence of outside intervention, globalization would be a benign process; and there would be no assurance that in a free society, left to itself, we could count on an evolution of moral beliefs to generate values which would continue to underpin the market order.¹⁹

As we have suggested above,²⁰ leading figures in the business and economic world are warning of the danger of a moral vacuum. Religious thinkers, I believe, need to be more vocal in their support of those who affirm the need

for political and economic life to be based on moral principles. They should encourage their followers to apply their moral convictions to the business and political world.

The question then becomes, who provides the values? In the past, most societies have been shaped by a dominant religion – or, in the twentieth century, by an ideology. Where people of more than one religion lived together, there was often a struggle for dominance. The subordinate group – such as the *dhimmi* in the Muslim world or Jews in those countries in mediaeval Europe where they were allowed to live – were tolerated under certain conditions. Indeed in Europe, where one Christian denomination was dominant, other Christians often suffered from discrimination and sometimes persecution.

Increasingly societies in the West are becoming multi-racial and multi-faith. Some in Asia have been so for a long time. If one faith tradition seeks to dominate a multi-faith society, it is a recipe for social tension. Those who are the victims of discrimination will feel alienated and may seek to subvert existing political structures. In some cases they will do this by peaceful protest, sometimes by violent action.

A Global Ethic

IS THERE a third way? Without some shared values, a society falls apart. If there is no concept of truth, business agreements become impossible – and indeed the presence of lawyers at every negotiation today are a sign that trustworthiness has been too much undermined. But even a legal system is an expression of underlying values. A society – and this is also true of our international society – needs values, but in a multi-faith society and world, if they are imposed by one faith community, even if it is the majority faith community, this will be resented and these values are likely to prove divisive. This is why it is urgent that

faith communities articulate the values that they have in common in what is often now called 'a global ethic'.

Many spiritual leaders recognise the need for such a global ethic. Muslims, Buddhists, Jews, Hindus, Jains and others, as well as Christians, have said 'Yes' to a global ethic.²¹ Let Pope John Paul II serve as an example. In 2001, he said:

As humanity embarks upon the process of globalisation, it can no longer do without a common code of ethics ... This does not mean a single dominant socio-economic system or culture which would impose its values and its criteria on ethical reasoning. It is within man as such, within universal humanity sprung from the Creator's hand, that the norms of social life are to be sought. Such a search is indispensable if globalisation is not to be just another name for the absolute relativisation of values and the homogenization of life-styles and cultures. In all the variety of cultural forms, universal human values exist and they must be brought out and emphasised as the guiding force of all development and progress.²²

The best known effort to produce a global ethic is the declaration that was signed by most members of the 1993 Assembly of the Parliament of the World's Religions. At a time of intense conflict in former Yugoslavia, and of communal trouble in India, the Parliament sought to show that religions need not be a cause of division but could unite on basic ethical teachings. Much of the immediate preparatory work for this had been done by Professor Hans Küng, but interfaith organisations for some years had been working to identify the basic agreement of different religions on moral values.²³

It is important to be clear that the global ethic is not intended to be a substitute for the specific moral teaching of particular religions. Hans Küng himself says:

The global ethic is no substitute for the Torah, the Gospels, the Qur'an, the Bhagavad Gita, the Discourses of the Buddha or the Teachings of Confucius and other scriptures. [It is concerned

simply with a] minimal basic consensus relating to binding values, irrevocable standards and moral attitudes which can be affirmed by all religions despite their dogmatic differences and can also be supported by non-believers.²⁴

Certainly the ethical element in a religion has to be understood in the context of the whole. 'The source of vision and motivation for people of religious belief is their experience of the supreme reality, the transcendent, or the divine.'²⁵ Moral concern cannot be separated from inner transformation, but, as twentieth-century religious leaders of several traditions have insisted, such inner transformation also embraces a concern for the well-being of the whole society. Mahatma Gandhi said, 'The only way to find God is to see him in his creation and to be one with it. This can only be done by service of all, *sarvodaya*.'²⁶ The Dalai Lama has also spoken of 'compassion in action' and Rabbi Soetendorp of the Netherlands has spoken of 'prayers with legs'.²⁷

Although for most believers their ethical conduct is part of their whole faith commitment, it is I believe possible to recognise fundamental agreements, which the global ethic attempts to express. Indeed, the Golden Rule is to be found in almost all religious traditions. In the same way, as I argued in the introduction to *Stepping Stones to a Global Ethic*, the contemporary concern for human rights, even if expressed in the thought forms of the Enlightenment, is grounded in faith traditions.²⁸

It may be that attempts so far to articulate universal human rights and to identify a global ethic have been too much expressed in Western thought forms. This does not invalidate the efforts, but it indicates that wider participation is necessary to improve them. Both the books, *For All Life*, which Leonard Swidler edited, and *Testing the Global Ethic*, which Peggy Morgan and I edited, include comments on the global ethic from members of several world religions. The task, as Leonard Swidler makes clear, is not complete:

But when the *Universal Declaration of a Global Ethic* is finally drafted – after multiple consultation, revision and eventual acceptance by the full range of religious and ethical institutions – it will serve as a minimal ethical standard for humankind to live up to, much as the United Nation’s 1948 *Universal Declaration of Human Rights*. Through the former, the moral force of the world’s religions and ethical institutions can be brought to bear especially on those issues which are not susceptible to the legal and political force of the latter.²⁹

Does the global ethic appeal only to those with a religious faith? Hans Küng made clear that the intention was that it should be ‘convincing and practical for all women and men of good will, religious and non-religious’.³⁰ The underlying principle, therefore, was that

... every human being must be treated humanely ... This means that every human being without distinction of age, sex, race, skin colour, physical or mental ability, language, religion, political view, or national or social origin possesses an inalienable and untouchable dignity ... Humans ... must be ends, never mere means, never objects of commercialization and industrialization in economic, politics and media.³¹

For me, as a Christian, this emphasis on treating every human humanely resonates with words attributed to Jesus: ‘I came that they might have life and have it in all its fullness.’³² Augustine said, ‘The glory of God is man fully alive,’ and several Christian writers have claimed that Christianity is the true humanism. Likewise members of other faiths have shown that there is support for the global ethic in their tradition. Certainly the principle ‘treat every human humanely’, which is really the Golden Rule, can be found in most faith traditions, although the scriptural or theological support for this statement will be particular to each faith. It is also a principle that should appeal to many people who have no belief in a transcendent reality.

It is, of course, a very general principle and in the *Declaration Toward a Global Ethic* an attempt was made to give it

more substance. Four 'Irrevocable Directives' were affirmed, based on this fundamental demand that every human being must be treated humanely.

They are:

- 1 Commitment to a culture of non-violence and respect for life.
- 2 Commitment to a culture of solidarity and a just economic order.
- 3 Commitment to a culture of tolerance and a life of truthfulness.
- 4 Commitment to a culture of equal rights and partnership between men and women.

'Commitment to a culture of solidarity and a just economic order' is, of course, still very general. People of faith may disagree sharply about how to implement this. Indeed, this can be seen in current debates on how to make globalisation good. For example, the Hindu reformer Swami Agnivesh puts the dilemma very clearly:

There are two radically different approaches to dealing with the issue of human greed. The first is to put in place checks and balances so that the predatory and exploitative instincts in human nature do not become socially subversive. This approach is centred in law...

The second approach, however, rejects this assumption and assumes that the persistence of greed and its power over individuals and societies stems from a materialistic world view. If lust for material acquisition can be tempered with love for one's fellow human beings and accountability to God, it becomes possible to deal with the problem of greed effectively.³³

This is a question that needs to be discussed together by religious thinkers and economists – especially economists who are themselves people of faith.

There are many other and more practical issues that also need to be discussed by religious thinkers and economists.

Some religious leaders call for those in the affluent world to adopt a simpler lifestyle. But would reduction of consumption in the West, on a large scale, really transfer resources to those who live in poverty, or would it trigger a recession? What is the goal of development? The views of the World Bank and of faith communities are often very different?³⁴

A great deal of study and discussion is taking place, but groups often work in isolation. A centre is needed to ensure that the fruits of these efforts are better co-ordinated and communicated to the faith communities so that they have a real impact on a dangerous and divided world. There is a feeling among some interfaith activists that the 2004 Parliament of World Religions in Barcelona, for all its achievements, missed the opportunity to be the catalyst for this necessary development.

The editors of *Interreligious Insight* ask readers to

Imagine a world in which religious and spiritual communities regularly and creatively engage with other powerful and influential institutions to build a better future for all. Imagine a world in which the deepest wisdom and values of the great spiritual traditions touch the critical questions of the age, and in which religious communities are in deep and thoughtful dialogue with experts on all those critical questions.³⁵

We need to make this vision a reality. If those who believe that economics should serve the good of all people, and should be based on and reflect the moral values upheld by the great religions, are to have a practical impact then religious thinkers and economists need to work together on detailed policies which embody these moral values. It will then be possible, as with the Jubilee 2000 campaign, to focus on specific issues and win popular support. It is time for the global ethic and talk of Globalisation for the Common Good to move from the conference hall to the political agenda.

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