The workshop is a continuation of the highly successful international workshop “Economic and Financial Crisis and the Human Person” held at the Von Hügel Institute, St. Edmunds College, University of Cambridge in June 8-9, 2013. (http://www.vonhugel.org.uk/node/147)

The workshop explores Catholic Social Thinking for analysing pressing economic and financial problems of today. Inspired by the spiritual humanism of the European personalist movement and applying the analytical rigour of the Aristotelian-Thomistic tradition the workshop aims to develop new models for business functioning and economic policy serving the spiritual and material flourishing of the human person.

Particularly important issues include

(1) The role of “telos” in the formation of economic choices and actions. (2) Critique of the current assumptions of economic rationality. (3) Reason and reasoning in economic and social life. (4) Common good oriented business and policy making. (5) Civil society participation in the economy.

Abstracts for the workshop

Luk Bouckaert
KU Leuven & European SPES Academy

Do we need a teleological model of economics?

The example par excellence of a teleological approach to economics can be found in the first part of Aristotle’s Politics. He defines economics as the art of creating the material and social conditions for the survival of the oikos or household (oikonomikè technē). Simultaneously, he integrates economics in a social matrix that subordinates economics to politics and ethics. The agenda of Aristotle was conservative and deeply anti-capitalist. For very different reasons his idea of a teleological and anti-capitalist economy inspired Marx as well as Catholic Social Ethicists and more recently, part of the Ecologist movement.

Modern philosophy and economics is anti-Aristotelean and anti-teleological. Teleology is not any longer an ontological order. It is a construction of human freedom or a byproduct of causal necessity. Modern economic actors are supposed to be driven by autonomous preferences and free choices. The market place functions as a causal equilibrium mechanism that promote welfare for everyone as an unintended byproduct. Although Adam Smith interpreted this unintended teleological effect as an ‘invisible hand’, he was one of the first moral philosophers to underpin this order with a non-teleological substratum. After him, the deconstruction of teleology pursued its logic giving way to the idea of economics as a process of ‘creative destruction’ (Schumpeter).

The aim of the paper is to explore how a relational or personalist approach to economics overcomes, at least on a theoretical level, some of the failures of teleological and non-teleological thinking. Thinking economics as a relational dynamic opens a space for
human creativity without losing the embeddedness in an ecological system of meaning and purpose. We will investigate to what extent the encyclical ‘Caritas in Veritate’ of Pope Benedict succeeds in combining economics with a postmodern concept of teleology.

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Luk Bouckaert is emeritus professor of ethics at the Catholic University of Leuven (K.U. Leuven) in Belgium. He is a philosopher and an economist by training. His research and publications fall within the fields of business ethics and spirituality. In 1987 he founded with some colleagues the interdisciplinary Centre for Economics and Ethics at K.U. Leuven. In 2000 he started the SPES Forum (Spirituality in Economics and Society) and some years later the international European SPES Forum. He wrote several books in Dutch. His recent publications in English include: Spirituality as a public good (co-edited with L. Zsolnai, 2007), Frugality. Rebalancing material and spiritual values in economic life (co-edited with H.Opdebeeck and L.Zsolnai, 2008), Imagine Europe (co-edited with J.Eynikel, 2009), Respect and Economic Democracy (co-edited with Pasquale Arena, 2010), The Palgrave Handbook of Spirituality and Business (co-edited with L. Zsolnai, 2011). Website: www.spesforum.be and www.europes.be

John Loughlin
Von Hügel Institute,
St Edmund’s College,
University of Cambridge

The Christian understanding of the human person faced with the new globalisation

Globalization is a word we take for granted and assume that its meaning is clear and unambiguous. There is, however, an important debate within the social sciences about its meaning, whether it signifies something new, and how we should respond to it politically. Sometimes, as in the anti-globalisation movements, it is resisted. At other times, particularly among neo-liberals, it is lauded as bringing human progress and flourishing. This paper will examine these debates from the angle of Catholic Social Teaching and of the human person understood in the fullest sense of the word.

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Professor John Loughlin is a Fellow of St Edmund's College and Director of the Von Hügel Institute in St Edmund's. He is a Senior Fellow and Affiliated Lecturer in the Department of Politics and International Studies. Previously he was Professor of European Politics at Cardiff University (1995-2010) where he is now an Honorary Professor. He currently holds the Chaire Ganshof van der Meersch (2013-14), which was established by the Belgian Wiener-Anspach Foundation to encourage collaboration between the Université Libre de Bruxelles and the Universities of Oxford and Cambridge. He has held Visiting Professorships and Fellowships in many universities. His research has primarily focused on territorial politics, especially in Europe, has published several books and many articles and book chapters on this topic. His latest books are: The Routledge Handbook of Regionalism and Federalism (edited with J.
Laszlo Zsolnai
Corvinus University of Budapest
and
European SPES Forum

Human Reason in the Age of Economic Unreason

In the Financial Times and his Apostolic Exhortation „EVANGELII GAUDIUM” Pope Francis heavily criticizes the idolization of money and the excesses of global capitalism including the „widespread preoccupation with profits and today’s throwaway culture, that enslave the heart and mind of all of us”. (Dinmore and Segreti 2013, Pope Francis 2013)

The doctrine of mainstream economics is greatly responsible for the development of the economics-dominated world today where – in words of John Maynard Keynes – „fair is foul and foul is fair” because „foul is useful and fair is not”. (Keynes 1930)

First the paper analyses the rationality assumptions of mainstream economics and shows that they are empirically misleading and normatively inadequate. It argues that the world ruled by self-interest based rationality of economic actors leads to ‟unreason’ from a wider ecological and human perspective. The paper illuminates that human reason requires a different way of economic functioning which implies a redefinition of the final goal economizing.

It is argued that the main goal of economic activities should not be profit-making but providing right livelihood for people. Amartya Sen (2004) suggests that economic reason can be understood as reasonableness of preferences, choices and actions. Reason requires that economic activities are achieved in ecological, future-respecting and pro-social ways. Intrinsically motivated economic agents who balance their attention and concerns across diverse value-dimensions are able to do this. Organic agriculture, the Slow Food movement, ethical fashion, fair trade initiatives and ethical banking show the viability of true economic reason under the circumstances of present day “rationally foolish” economic world.

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Laszlo Zsolnai is professor and director of the Business Ethics Center at the Corvinus University of Budapest. He is chairman of the Business Ethics Faculty Group of the CEMS (Community of European Management Schools−The Global Alliance in Management Education). With Luk Bouckaert he founded the European SPES Forum in
Re-discovering the personalist philosophy of Jacques Maritain

Searching for new models for business functioning and economic policy without preventing the flourishing of neither the common good nor the human person, invites us to rediscover the personalist philosophy of Jacques Maritain (1882-1973). During the depressingly long years of the past century, personalists like Emmanuel Mounier and Jacques Maritain insisted on the importance of linking our socio-economic system with a spiritual attitude. Emmanuel Mounier, who published his *Manifeste au service du personnalisme* (1936), in the same year as Maritain’s *Humanisme Intégral*, shared his preoccupation for a spiritual renewal but was more receptive for non-Christian forms of spirituality. At the core of Maritain’s *Humanisme Intégral* (Integral Humanism, 1936) is the idea that man is a person: “spiritual in nature, endowed with free will, and thus autonomous in relation to the world” (HI, p.18) especially in relation to the surrounding nature and the state. Maritain departs from the fact that the finality of freedom exists in the natural desire for transcendence i.e. for God. According to Maritain, the neo-Thomist also needs to be open to modern thinking. That is precisely the task that he sets for himself in *Humanisme Intégral*: to integrate the modern body of thought into a renewed Christian synthesis. Derived from Thomism was Maritain’s conviction that the problematization of the modern philosophy of consciousness that placed the subject as central contains an idealistic lapse. For Maritain, this philosophy meant that man was cut off from the transcendental. Hence his return to an independent ontic order of which man makes up a part and through which he is transcended. As Aquinas in line with Augustine, Maritain put forth that man in his personal worth is not tied to a political or economic institution that would lay absolute claims. God alone is sovereign.

Maritain clearly distinguished between the temporal order and the spiritual order. The temporal order relates to culture and civilization. The spiritual order deals with faith and transcends itself from the temporal order. The true meaning of the temporal order lies in the fact that this is simultaneously the kingdom of man and, for a Christian, of God. The world is set free but therefore not yet holy. For a Christian the world is merely moving towards the Kingdom of God. It would be a betrayal of this Kingdom of God if we do not try to bring it into being with all of our power.

Maritain saw three essential aspects for his historical ideal of the temporal order. In the first place, the community aspect was central: the true goal of the temporal order is thus more than the mere tallying up of individual needs. It concerns the good life of the entire community—the common good or *bonum commune*—and this both in the material and moral sense. Consequently this temporal *bonum commune* is not the ultimate goal, but it is subordinate to what transcends temporal welfare of the human person—the attainment
of freedom and spiritual perfection. In the end, this temporal order is never completed. The definitive balance or telos is never obtained—man is always on the path.

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**Hendrik Opdebeeck** is professor of philosophy at the University of Antwerp where he is affiliated with the Centre for Ethics. He studied philosophy and economics at the Universities of Leuven and Ghent where he obtained a PhD with a dissertation on E.F. Schumacher (1911-1977). His research interest is focused on the cultural-philosophical backgrounds and effects of globalization. His publications in English include *The Foundation and Application of Moral Philosophy* (Peeters, Leuven, 2000), *Building Towers, Perspectives on Globalisation* (Ethical Perspectives Monographs Series, Peeters, Leuven, 2002), *Frugality, Rebalancing Material and Spiritual Values in Economic Life* (Peter Lang, Oxford, 2008) and *Responsible Economics* (Peter Lang, Oxford, 2013).

Peter Rona
Blackfriars Hall
University of Oxford

**Economics, Ethics and the Corporation**

The introduction of models as the basic tool of economic inquiry replaced the incommensurate nature of the subject matter of the discipline with a linearly organized and therefore quantifiable surrogate reality. Economics was transformed from a species of practical knowledge to a theoretical one entailing a total rupture with the previous sensibility, eliminating temporal and spatial factors and transforming its protagonist from a morally competent actor, who, through the exercise of free will resolves conflicting considerations and thereby makes morally meaningful decisions to one entirely subject to laws that are impervious to his volition. Economics expunges from its ambit anything it deems to be “value”, and presents the laws as analogous to the laws of the natural sciences, and, as such, beyond the reach of ethical assessment. Following and reflecting this radical shift, the corporation, as the device for severing the unity between the act and responsibility for it is born. Henceforth responsibility is coterminous with legal liability or the management of competing interests among shareholders and other stakeholders.

The paper examines the philosophical foundations of this paradigmatic change and concludes that positivist economic theory, when combined with the function performed by the corporate veil – in effect the institutional device for the removal of ethical considerations from economic decision making apart from those embodied in legally binding norms – destroys the unity between the action, the actor and the moral responsibility for the action with the result that the corporation must do without the basis for a morally authentic life.

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**Peter Róna** was born in Hungary in 1942. He emigrated to the United States in 1956, obtained his B.A. degree in economic history (cum laude) from the University of Pennsylvania in 1964, and his law degree from Oxford University (First Class) in 1964. He was an associate of the Washington D.C: law firm, Arnold & Porter and counsel to
the U:S: Department of Commerce before becoming the personal assistant of Lord Richardson, Governor of the Bank of England. He joined the Schroder Group in 1969 as the General Counsel of its operations in the United States, and became the President and Chief Executive of the IBJ Schroder Bank & Trust co. in 1985. Shortly after the collapse of the Berlin Wall he returned to Hungary, where he managed an investment fund. In 2003 he joined the faculty of Eötvös Lóránd University where he taught public international law. In 2006 he was made an Honorary Professor of the University.

He joined the teaching staff of Blackfriars Hall in 2009, where he teaches an introductory course in economics and a more advanced one on the philosophical foundations of the social sciences. He is a member of the Supervisory Board of the National Bank of Hungary (the country’s central bank). His published articles include a study of the Euro and an examination of the philosophical foundations of economics.

Kevin Jackson
Solvay Brussels School of Economics and Management
Université libre de Bruxelles

Economy of Mutuality

The paper posits the concept of economy of mutuality as an intellectual mediation space for shifts in emphasis between market and social structures within economic theory and practice. As a lead-in, a triad of business archetypes is problematized. In each respective archetype, alternative emphasis goes to elements of profitability and financial independence (market economy) on one hand, and poverty alleviation and solidarity (social economy) on the other.

**Archetype 1:** Business enterprises conducted primarily as for-profit institutions to the end of financial sustainability. Financial self-reliance is a precondition of a firm’s survival and for remaining capable of continuously expanding products or services to new clientele. **Archetype 2:** The social and financial missions of business enterprises are merged; a coordination of social and financial functions is at the heart of the “promise” of the company as a sustainable enterprise. **Archetype 3:** Businesses are run with principal allegiance to social missions – outreach to the poor, environmental rectitude and other facets of sustainability.

The archetypes express alternative strategic orientations for individual business enterprises. Archetype 1 represents the strategic orientation of traditional profit-maximizing corporations (GE in the 1970s). Archetype 2 expresses the strategic direction of sustainability-oriented firms (Novo Nordisk A/S). Archetype 3 captures the strategic direction of some microfinance institutions (Grameen Bank).

Yet, it is argued, the trio of archetypes also serves, taking a wider standpoint, as alternative teleological exemplars of the very purpose and nature of business. Archetype 1 presupposes the essence of business as profit maximization. Under Archetype 2, business is a means for creating varieties of value for a broad range of stakeholders. For Archetype 3, the purpose of business is serving the common good, with profits secondary and derivative.
Economy of mutuality, it is argued, provides an alternative frame of reference to the dichotomy of market economy and social economy, for inquiry about what business is for and what values it presupposes and creates.

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**Kevin Jackson**, J.D., PhD., holds the Daniel Janssen Chair at Solvay Brussels School of Economics and Management, Université libre de Bruxelles (ULB). He is a Senior Fellow at the Witherspoon Institute in Princeton. Author of several books and numerous articles in philosophy, law, and business, he has served on the faculties of Georgetown University, Princeton University, Peking University, and Fordham University.

David W. Miller  
Faith & Work Initiative  
Princeton University

**Princeton University Faith & Work Initiative: A Research Update in light of Teleology and Reason in Economic and Social Affairs**

Founded in 2008, the Princeton University Faith & Work Initiative (PUFWI) has the mission to conduct scholarly research into and develop practical resources for the intersection of faith and work. Our research focuses on the three Abrahamic traditions, but also recognizes the growing role of eastern religions and philosophies.

With attention to the workshop focus on Teleology and Reason in Economic and Social Affairs, I will present relevant aspects of FWI’s major research projects, as well as give an overview of our teaching and public programs.

The research projects include: 1) Sky Pilots in the Workplace: A Critical Study of Workplace Chaplaincy; 2) The Faith-Friendly Company: Manifestations and Measurements via The Integration Box TIB); 2) Business Ethics: In Light of Abrahamic Teachings; 4) The Mountain House Statement; and 5) revised edition of *God at Work: the history and promise of the faith at work movement*.

The primary class I teach, relevant to our workshop theme, is “Business Ethics and Modern Religious Thought: an exploration of Abrahamic resource for today’s marketplace.”

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**David W. Miller**, PhD, is Director of the Princeton University Faith & Work Initiative and Lecturer and Professional Specialist at Princeton University.
How managers understand wisdom and wise leadership: a grounded theory approach

McKenna, Rooney and Liesch (2010) have explained Aristotle’s *phronesis* as ‘social practice wisdom’, a discursive system linking mind and social practice to produce well-being and human flourishing. This paper takes its cue from this fresh and contemporary conceptualisation of *phronesis* and their related metatheoretical construct of five wisdom principles aiming to bring a practical dimension to wise decision-making.

This paper responds to two themes in established leadership and inter-disciplinary management literature. The principle theme is identified as the nature of wisdom in the context of wise leadership. The complementary theme responds to the call for more qualitative inquiry and in particular for grounded theory informed research, into wise leadership. The paper responds to these two complementary themes as follows. It first reviews progress in the understanding of wise leadership within leadership studies and the five principles of wisdom proposed by McKenna, et al. Against this taxonomy it then recontextualises the numerous calls in leadership literature for qualitative, and in particular grounded theory, research. In a third section, it presents, samples and interprets the resulting theory based in original material from interviews with 184 managers generated by the Wisdom Project at the China Europe International Business School 2010-12. It concludes with some contrasting, new, grounded theory insights on the nature of wise leadership and a model to link these insights with the five principles of wisdom.

Dr. Mike Thompson has served alongside entrepreneurs throughout his career. His business academic career has focused on responsible leadership and corporate governance, most recently as a faculty professor with the China Europe International Business School (CEIBS). Mike speaks and writes on sustainable strategy, responsible leadership and corporate governance and his most recent books are: *Wise Management in Organisational Complexity* (edited with David Bevan, 2013) and *Suited Monk Leadership* (with Raf Adams, 2014). Mike serves on the boards of GLO - Good Leaders Online and GoodBrand, the sustainable enterprise consultancy.

Flourishing in the Aristotelian-Thomistic Tradition

The aim of the presentation is to explore the concept of flourishing drawing on two traditions, the Aristotelian – Thomistic virtue ethics tradition, and the new research tradition of positive psychology. Even if these two traditions may seem very different in origin, they have some fundamental similarities. Martin Seligman, one of the founders of this new “happiness” tradition which took off in the 1990s, has summed up human
flourishing using the acronym PERMA, where each letter indicate one element: Positive emotions, Engagements, Relationship, Meaning and Accomplishment. In Seligman’s new book *Flourish* (2011), the weight of meaning and accomplishment has increased. In accordance with Aristotle, the economist Amartya Sen and the psychologist Mihaly Csikszentmihalyi, Seligman emphasize the problems of hedonic pleasure and a simple happyology in order to describe actual behavior. Meaningfulness involves integrating past, present, and future and is linked with purpose. There are many examples of living good and noble life’s even if the individuals are filled with worry, stress, and anxiety. Meaningfulness is therefore linked with being a giver rather than a taker (Baumester et al 2013). The question to be explored is: What may a broad concept of flourishing mean for individuals, modern organizations (schools and business organizations) and society in the perspective of the Aristotelian *eudaimonia*?

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Luigino Bruni
Lumsa University - Rome

**Reclaiming Virtue Ethics for Economics**

Virtue ethics is an important strand of moral philosophy, and a significant body of philosophical work in virtue ethics is associated with a radical critique of the market economy and of economics. Expressed crudely, the charge sheet is this: The market depends on instrumental rationality and extrinsic motivation; market interactions therefore fail to respect the internal value of human practices and the intrinsic motivations of human actors; by using market exchange as its central model, economics normalizes extrinsic motivation, not only in markets but also in social life more generally; therefore economics is complicit in an assault on virtue and on human flourishing. We will argue that this critique is flawed, both as a description of how markets actually work and as a representation of how classical and neoclassical economists have understood the market. We show how the market and economics can be defended against the critique from virtue ethics, and crucially, this defense is constructed using the language and logic of virtue ethics. Using the methods of virtue ethics and with reference to the writings of some major economists, we propose an understanding of the
purpose (telos) of markets as cooperation for mutual benefit, and identify traits that thereby count as virtues for market participants. We conclude that the market need not be seen as a virtue-free zone.

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Luigino Bruni is Professor of Economics at the Lumsa University in Rome, and at the Sophia University of Loppiano (Florence). For the last 15 years his research has covered many areas ranging from Microeconomics, Ethics and Economics, History of Economic Thought, Methodology of Economics, Sociality and Happiness in Economics. Recently, he has demonstrated great interest on the Civil Economy and economic-related categories, such as Reciprocity and Gratuitousness. Luigino’s current research focuses on the role of intrinsic motivation in economic and civil life. His last book is: *The Genesis and the Ethos of the Market*, Palgrave Macmillan, 2012.

Toon Vandevelde
Centre of Economics and Ethics
Institute of Philosophy
KU Leuven

Value and Violence: The Ambivalence of Money

According to anthropologists, the origin of money lies more in the religious and legal sphere than in the economic realm. Money is used in the exchange between men and gods and in order to compensate for manslaughter, rather than for facilitating the satisfaction of material needs. ‘Vergelding’, the conversion of guilt into debt was a means to prevent revenge and violence, but soon, an unease cropped up: the possibility to express everything that is valuable in monetary terms was felt as a form of violence against the soul of men and things. If all things can be exchanged and rendered homogenous, is there still a place for ethical values and for human dignity?

Aristotle has tried to fit money in a teleological view of the world, but he had to face the same ambivalence of money. It was deemed to be good as a device for calculation and as a means of exchange, but it was distrusted as a value reserve. However, I will show that it is impossible to separate the three functions of money, as many utopian reformers of the monetary order have tried to do.

Our contemporary society has also tried to neutralize the ambivalence of money, but still this is impossible. Nowadays we experience the violent potential of money in the coercion to pay back our debts. The economy functions in circles, in circuits of reciprocity. Do ut des. Debts have to be repaid, otherwise the debtor will be destroyed as an autonomous subject. Money is no longer gold or paper, but a set of rules (or a set of sets of rules) organizing the appropriation of signs of wealth, and hence monetary violence. For some agents the rules are more tight than for others. The conflict between various categories of debtors and creditors is the most prominent form of class struggle we face in our society. It is also a clash between various conceptions of distributive justice. It remains a question whether and how a teleological conception of the economy can still be helpful in this ethical debate.
Antoon Vandevelde has studied economics and philosophy. He graduated in 1986 with a PhD on Exchange and Recognition. Currently he is full professor at the Centre for Economics and Ethics of KULeuven. He has been the Dean of the Institute of Philosophy of the University of Leuven between 2006 and 2013. Formerly he has been teaching for a long time at the universities of Antwerp and Rotterdam. He has published many articles, mainly in the field of economic ethics and political philosophy, for instance about philosophy of social security, ethics of migration policy, responsibility for future generations, altruism and the logic of the gift, liberalism and communitarianism. Together with G. Erreygers, he edited a book on Is Inheritance Legitimate? – Ethical and Economic Aspects of Wealth Transfers (Springer, 1997). Another book is on Gifts and Interests (Peeters, 2000). In 2007, together with Thomas Nijs and Yvonne Denier, he published a book on Autonomy and paternalism – Reflections on the Theory and Practice of Health Care, (Peeters, 2007). In 2013, together with Yvonne Denier and Chris Gastmans he edited a book on Justice, Luck and Responsibility in Health Care (Springer).

Johan Verstraeten
Faculty of Theology and Religious Studies
K.U.Leuven

“If rationality were a church, it would be a rather broad church”. Sen’s idea of Justice and Catholic Social Thought

Sen’s book “The Idea of Justice” is not only a most inspiring and reasonable response to Rawls’ theory of justice but also an indispensable challenge for Catholic social thought. As rich tradition of ethical reasoning about social, political and economic problems, Catholic social thought and Sen’s ‘Idea’ of justice have much more in common than one might think.

In my paper I will argue that despite the presumed (over)emphasis on individual freedom in Sen’s capability approach (Séverine Deneulin, Dana Bates), the convergence between his approach and Catholic Social Thought is stronger than the differences. In the first part I will articulate out several points of resemblance: the role of indignation and emotion, the implications of a realistic anthropology (“seeking institutions that promote justice rather than institutions as themselves manifestations of justice”), freedom as responsibility, human rights as rooted in our shared humanity, valuing religious wisdom in justice theory. In the second part I will focus on the link between the catholic concept of justice as radicalized by the preferential option for the poor and Sen’s capability approach. I will do this with a special focus on ‘open impartiality’ as a precondition for valuing the interests and convictions of the poor, as well as on public reasoning and ‘government by discussion’ as a precondition for a genuinely participative (world)society.

My paper aims to demonstrate that both Sen and CST share the hope that ‘justice can rise up and that hope and history will rhyme’ (Seamus Heaney as quoted by Sen). Sen’s magisterial work on justice can be read as an invitation to both Churches and economists to become more ‘catholic’ in the fullest sense of the word, which means: to participate in a careful reasoning about feasible concrete steps to more justice. This requires an open-minded attitude beyond absolute truth claims, reductionist rational
models or parochialism. Indeed “if rationality were a church, it would be a rather broad
church”.

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**Johan Verstraeten** is professor of ethics at the Faculty of Theology and Religious
Studies (Catholic University Leuven); coordinator of the research unit Theological Ethics
and director of the Centre for Catholic Social Thought. Workshop facilitator and lecturer
on ‘leadership and spirituality’ at the Avicenna Academy for Leadership; Comenius
Leadership Programme (University Groningen) and Tilburg Institute of Advanced
Studies.

STD and Ph.D. in Religious Studies (1987) with a dissertation on ‘Between Powerless
Moralism and Amoral Power. The Theological-ethical Plausibility and Political
Adequacy of the Just War Tradition’, MA in Philosophy (1984) from the Catholic
University of Leuven (with a thesis on Thomas Aquinas on War).

From 1982-1987: Research Assistant at the Department of Political Sciences and from
1987-1990 at the Faculty of Economic Sciences (Centre for Economics and Ethics), both
at the Catholic University Leuven.

Visiting professor at University Graz (summer university 2009 till 2013), Trinity College
Dublin (Erasmus exchange programme); Duquesne University (USA) and St. Augustine
College of South Africa.

From 1996-2002: subsequently director and president of the European Ethics Network
and chairman of the First European Ethics Summit (European Parliament, 2002).

Member of the editorial boards of Business Ethics: A European Review, The Journal of
Catholic Social Thought. Editor of Scrutinizing the Signs of the Times in the Light of the
Gospel (Leuven Peeters/University Press, 2005); co-editor of Reading Patristic Texts on
Social Ethics. Issues and Challenges for Twenty-First-Century Christian Social Thought
(Washington, The Catholic University of America Press, 2012); guest editor of a special
issue of Journal of Catholic Social Thought on CST and the Movements (2013) . Recent
articles in Concilium, International Journal of Political Theology and Tijdschrift voor
Theologie.

Kenneth Barnes
Marketplace Institute,
Ridley College, Melbourne
and
Regent’s Park College,
University of Oxford

The Global Financial Crisis: A Christian Perspective

Capitalism works. It works for a wide variety of reasons, but one of its greatest strengths
is that it is not a construct devised by economists to be imposed by governments from the
top down. Instead it is a system that has evolved organically over the centuries, essentially from the bottom up – a kind of “economic Darwinism” that has, through a process of “natural selection” resulted in an extremely efficient mechanism for the creation of wealth. However, as with biological evolution, Capitalism can be capricious, even brutal, especially to those whose participation is less efficient than the most “fit” participants. It is also capable of gross mutations that if left un-checked may seriously affect the entire system. Capitalism can also be manipulated for the benefit of a few at the expense of many. It is an efficient system, but it is not infallible – far from it, as the current global financial crisis (GFC) has made painfully clear. So what, if anything, are Christians supposed to do about Capitalism’s inherent shortfalls? How do we make this brutally efficient system less capricious and more just? In an article published by the New York Times Magazine on September 13, 1970, economist Milt Friedman famously stated that the primary moral responsibility of a corporate executive is to “make as much money as possible while conforming to the basic rules of the society, both those embodied in law and those embodied in ethical custom”. This, along with various precepts laid-out in his 1962 book entitled: Capitalism and Freedom became known collectively as the “Friedman doctrine”. Friedman's understanding of business ethics has dominated business schools and board rooms alike for two generations. In this paper I will examine the events and management decisions made by the executives of New York investment bank Lehman Brothers in the run-up to its demise through the prism of that doctrine and offer an alternative ethic based upon Thomas Aquinas’ "cardinal virtues".

Rev. Dr. Kenneth J. Barnes, FRSA is currently Dean of the Marketplace Institute (Ridley Theological College, Melbourne); Visiting Fellow of the Oxford Centre for Christianity and Culture (Regent’s Park College); Associate Director of the Entrepreneurial Leadership Initiative (Oxford); Tutor in Theology and Religious Studies (Oxford University D.C.E.); and Chaplain to the Oxford Graduate Christian Union.

Prior to embarking on a career in the academy, Ken spent over twenty-five years as a senior executive with several multinational companies, doing business on six continents. He is also an Ordained Minister and holds four advanced degrees in Biblical Studies, Church History and Doctrine and related areas. His main areas of research and teaching are: The Intersections of Theology and Economics / Faith and Work; Old Testament Hermeneutics; Reformed Theology; Reformation History; and Philosophy of Religion.

John Ryan
Von Hügel institute
St. Edmund’s College
University of Cambridge

The Future of the Eurozone and impact scenarios

The Eurozone so far confounded its many critics. Over the last five years an increasingly confident position emerged advocating that the end of the Euro was near. Among the critics were some of the world's leading economists, investors and journalists, many of them based in the United States and the United Kingdom.
From the outset the Euro was a controversial construct. It was known at its inception that
the Eurozone had design flaws, including a lack of fiscal union, and no mechanisms to
deal with asymmetric shocks or diverging competitiveness. However, political factors
trumped economic concerns: a united Europe, and thereby the single currency was at root
a political project.

The future of the Euro can be viewed as six scenarios. Each scenario is fundamentally
different and warrants particular consideration.

1. Monetary expansion
2. Debt Restructuring
3. Greek exit
4. The Eurozone breaks apart
5. The Eurozone survives - but smaller
6. The Eurozone becomes more integrated

There remain many serious challenges to the Eurozone, not least a skeptical public;
 populist political parties and constitutional hurdles such as the German Constitutional
Court ruling on the European Central Bank’s Outright Mechanism transactions
programme in order to reach a more constructive and pro-active solution for the
Eurozone crisis such as debt restructuring compared with the “muddling-through”
approach that has characterized the Eurozone crisis strategy in the last few years.

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Professor John Ryan is Research Associate at the Von Hügel Institute of St Edmund's
College, University of Cambridge and Head of School at SCMS London, an international
campus of SCMS Cochin, India. Professor John Ryan was a fellow at the Centre for
International Studies, LSE and at the EU Integration section of the German Institute for
International and Security Affairs, Berlin, Germany and Centre for Economic Policy
Analysis, University of Venice. Professor Ryan has held senior administrative and
academic positions at various business schools and policy institutes. Professor Ryan
works as a senior adviser for private and public sector organisations. Professor Ryan’s
current areas of research are: Eurozone Crisis, Global Currencies and Credit Rating
Agencies.