



## Final Statement of the Workshop on Economic growth versus Integral Human Development Post Covid-19 Economics



Globalization, meaning the interdependence of nations through the cross-border ebb and flow of people, market and non-market goods, health care, services, finance, and technology, is not only our present reality, but if carried out properly, also a universal ethical objective at the service of people, Integral Human Development and the common good. Ethical globalization would mean that all countries recognize, respect and implement shared principles of justice and peace based on human dignity, progress and human flourishing. Globalization would promote the encounter with the other, the cultivation of human relations, intercultural and interreligious dialogue, and care for the planet. We are still far from ethical globalization today, but ethical globalization based on the Economy of Francesco should become our political and practical objective. The Covid-19 pandemic, which is claiming more and more lives, is both an opportunity and a challenge to begin anew.

### **Paths and guidelines for ethical globalization**

The voice of the great unarmed prophet, Isaiah, rises beyond the centuries, proposing for the first time an enlightened vision of ethical globalization:

In the last days the mountain of the LORD's temple will be established as chief among the mountains; it will be raised above the hills, and all nations will stream to it. Many peoples will come and say, "Come, let us go up to the mountain of the LORD, to the house of the God of Jacob. He

will teach us his ways, so that we may walk in his paths.” The law will go out from Zion, the word of the LORD from Jerusalem. He shall judge between the nations, and shall arbitrate for many peoples; they shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war any more (Isaiah 2:2-4).

In our own era, suffering nations seeking peace after the tragedy of two world wars took crucial practical steps towards ethical globalization under the auspices of the United Nations, which celebrates its 75th anniversary this year. They were no less inspired by the constant appeals to disarmament and concord of several Popes, their visits and addresses to the UN headquarters, and the presence of a permanent representative of the Holy See to this worthy institution. There are five foundational components of UN-guided ethical globalization, in synergy with the Church’s social teaching:

- The UN Charter, with its four fundamental goals: ending the scourge of war, promoting human rights, establishing international law, and achieving social and economic progress
- The Universal Declaration of Human Rights, affirming that all persons are born free and equal in dignity and rights, including civil, political, economic, social, and cultural rights
- The Sustainable Development Goals, aligning the world’s nations towards the shared objectives of ending poverty, ensuring economic inclusion, and achieving environmental sustainability.
- The UN environmental agreements, including the Paris Climate Agreement and the Convention on Biological Diversity
- The UN disarmament and nuclear weapons agreements, aiming at a nuclear-weapons-free world

The social teachings of the Gospel and Pope Francis’ encyclicals offer a compelling framework for the implementation of ethical globalization, closely aligned with the spirit of the Universal Declaration of Human Rights and the other pillars of the UN multilateral system. These social teachings include:

- The overarching commitment to the Common Good, Justice and Peace (Beatitudes)
- The Universal Destination of Goods and Sustainable Development (Populorum Progressio)
- The Care for the Creation (Laudato Si’)
- Social Fraternity and Friendship to move beyond an individualistic model of the human being, following the example of the Good Samaritan (Fratelli Tutti)

These moral principles can help us to achieve the UN’s global goals, especially in these challenging times marked by the Covid-19 pandemic. For example, the Universal Destination of Goods strongly draws our attention to the moral requirement that the rich transfer part of their bounty to the poor, which as St. Ambrose said, is merely restoring to the poor what is already his own, since the Earth belongs to everyone (Populorum Progressio et al.).

We note that the richest 500 people in the world today have an astounding combined net worth of

\$7 trillion (November 2020). Note the \$7 trillion, if used to endow a Sustainable Development Goals (SDG) Trust Fund with a 5% annual payout, would produce an annual income of \$350 billion, roughly the sum that the International Monetary Fund (IMF) has determined is needed to close the SDG financing gap for the 57 LIDCs (Low-income Developing Countries) with 1.7 billion people. Thus, the wealth of just 500 people could relieve the suffering of 1.7 billion people. Our planet today groans under the burdens of unprecedented inequalities of wealth, which become more and more evident as the Covid-19 pandemic crisis rages.

The world belongs to everyone, not just the rich, and we must act accordingly.

### **Our Present Predicament: The Idolatry of Global Markets**

Globalization as it operates today fails to promote human dignity and integral human development. Modern society has confused means with ends, putting humanity at the mercy of the marketplace (according to the doctrines of neoliberalism) rather than designing markets and other institutions to be in the service of integral human development. Private property, especially corporate capital and vast holdings of individual wealth – many times hidden in tax havens – has become sacrosanct, superseding the needs of the poor, the marginalized, the vulnerable, the excluded, and nature itself. Private goods have displaced public goods including social trust, public health, environmental sustainability, justice, and peace. National and international economic institutions have been distorted to serve primarily the financial interests of multinational capital and the world's wealthiest individuals. An extractivist, technocratic mentality has prevented distinguishing public values (non-market goods, collectively created by a plurality of actors, such as worship) from public goods (that are non rival in consumption and non excludable, such as infrastructures, basic research, public health etc.); private goods have been privileged over public goods; private intellectual property has been privileged over shared knowledge; resource extraction has been privileged over environmental stewardship; and individual behavior, however irresponsible, has been privileged over social responsibility. We see this today when arrogant individuals invoke a false "liberty" to endanger others by shirking the use of face masks and by refusing to obey basic public health guidelines as needed to stop the spread of Covid-19.

The Covid-19 outbreak has not only revealed our false securities, it has also exacerbated the deep fault lines in the global economy, starkly exposing the divisions and inequalities of our current world, generated especially in the last fifty years with the progressive spread of the neoliberal ideology in the West, distorting human dignity and freedom. It has also multiplied and amplified voices, with the spread of the new myths of fake news across all media, and the ostentatious negation of the difference between good and evil and between justice and injustice, producing mistrust in institutions and citizens.

As suggested by the Economy of Francesco, overcoming this deadlock requires a new social compact, based on truth, honesty, transparency, trust, fraternity, individual and social friendship,

recovery of the family, recovery of intellectual and moral education, labor, solidarity, and worthy social and economic institutions such as banks and others, often converted into structures of sin. Along with reestablishing a fair distribution, there is a central challenge to be addressed today, which is to reorganize production. Poverty, inequality, exclusion and insecurity are reproduced and reinforced daily in the course of production, as an immediate by-product of firms' selfish decisions about employment, investment and innovation. Industrial and regional policies that currently center on tax incentives and investment subsidies must be replaced by customized business services and amenities to facilitate maximum job creation.

Improving multilateralism, addressing the global common good, safeguarding the planet and opening up to transcendence should also be priority tasks of the new agenda.

### **The Economy of Francesco**

For these reasons, we urgently and strongly support the call for a new Economy of Francesco, an economy based on the culture of care, true value creation, deep encounters with the other (Fratelli Tutti) and universal fraternity. The Economy of Francesco calls for a new global encounter, where we both think locally – living attentively in our own milieu – and act to pursue global inclusive prosperity. The Economy of Francesco calls for a new economics that treats the common goods of health, environment, water, social trust, peace, and dignity as primary and guiding principles, and private property, individual and corporate, as a secondary good, subordinated and governed by the common good. The world economy is a global common that necessitates of global cooperation, coordination, and multilateralism.

In the new Economy of Francesco, we will move beyond our throwaway culture and globalization of indifference, and beyond capitalism's trickle-down myth, to an economy of care, cultivation of character and virtues, heroism and spiritual values, prioritizing the transcendence of the human person and of God the Creator. The important institutions of the welfare state, which must ensure universal access to social protection, healthcare, education, and basic public services, should be bolstered to promote decent and dignified work for all in the new era of digitalization. The new era of work will promote the values of caregiving; the cultivation of individual capabilities and creativity; the opportunities for leisure and recreation, rejuvenation, and contemplation; and the opportunities through work to express our solidarity with others.

The Economy of Francesco, with its three pillars of Land, Housing and Work, also behooves us to design and promote new metrics of wellbeing. These new metrics should aim to measure that which is truly important for the common good, for integral human development and for happiness, rather than the limited and distorting measures of market returns. In part we can and should correct market pricing so that private financial returns more accurately reflect and align with true social costs and benefits, overcoming the problem of incompleteness of the profit calculation. But we must also move beyond market measurements to new and improved metrics of the real pillars

of wellbeing: dignity, trust, care, relational goods, prudence, decent work, and social security, housing and land, which together constitute the foundations of integral human development and the common good.

### **Resorting to prophecy**

The existential challenges of the pandemic, self-isolation, inequalities, indifference, the loss of biodiversity and global warming suggest exploring the paths proposed by the prophet Isaiah in order to fulfill his prophecy. To achieve ethical globalization and the Economy of Francesco economy, faced with such existential tensions that somewhat overwhelm us and for which we have no easy answers, we can turn to the prophetic tradition of prayer and lament. We believers pray to God with the psalm that Jesus himself invoked during his agony on the cross: "My God, my God, why have you forsaken me?" (Ps., 22 [21], 2). As history teaches us, new graces and possibilities may arise from lament and pain, new acts of love and generosity, new heroism for the health and salvation of our brothers and sisters, new scientific knowledge and social attitudes, new supportive leadership, new perspectives and hopes. And this is already a new beginning.