



Crisis in a Global Economy – Re-Planning the Journey



Mindful of its responsibility to provide the Holy See with elements that may be useful in the development of its social teaching, the Pontifical Academy of Social Sciences will devote its 2010 Plenary Session to an examination of the current global economic crisis – in its political, cultural, and ethical, as well as economic, dimensions, and as it is manifested in developed and developing countries. An important goal of the meeting is to explore the new challenges the crisis poses for Catholic Social Thought, and the implications of Pope [Benedict XVI](#)'s 2009 social encyclical, [Caritas in Veritate](#), as they relate to those challenges.

Benedict XVI's encyclical returns to the ancient theme of the relation between ethics and economics, a theme as much in need of attention today as it was in the time of Aristotle – for whom economics was naturally connected to the study of ethics and politics – or Adam Smith, who considered that a 'merchant code of ethics', based on honesty, trust and fraternity among peoples, was indispensable for the realization of the benefits of the market.

Academicians and invited experts will begin by exploring, in this light, *Where do we Stand? The Impact of the Crisis on Persons and Institutions*. What are the factors that differentiate it from previous economic crises? How is it affecting people, families, associations and institutions – public and private – in diverse regions of the world? What, in particular, are its effects in the poorest countries?

A second group of sessions will be devoted to analyzing *How Did We Get to this Point? The Decisive Contributing Factors*. In Benedict XVI's opinion, the current crisis confirms the need for a relation between ethics and economics and shows the liability to grave abuse of a model where profit is considered an end in itself and in which the market's ability to self-regulate is uncritically taken for granted. How should we assess the responsibilities and performances of economic

actors, public officials, intermediate associations, and private citizens? What can be learned about the effectiveness of various regulatory systems? About the moral consequences of economic decisions? About the dependence of economic relations, systems, and regulations upon underlying social conditions, e.g., demographic factors, education, cultural habits and attitudes? Finally, the participants will turn to the problem of *How Do We 'Replan the Journey'?* from the present situation. How can we promote the idea that human relationships cover a vast territory that includes grace, gift, reciprocity and the market? How can subsidiarity and solidarity work together to pursue the common good in a globalized world? How can the benefits of the global economy be maximized, while mitigating inequities, and minimizing harmful effects on natural and human ecologies? What needs to be done to shore up the foundations of a healthy economic system? To restore confidence in economic actors? To improve conditions in less developed regions and nations? To address the crisis of the welfare state in developed countries? To deal with the effects of large-scale migration both in countries of origin and destination? What are the implications for present systems of governance? How, in that connection, could Benedict XVI's call for a global political authority be realized while observing his caveat that 'the governance of globalization must be marked by subsidiarity'?

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