**“Rethinking Political Economy in the age of crisis”**

**A joint EBEN/SBE Panel on 21st century sustainable development
in the age of crisis**

**Joseph DesJardins, Patricia H. Werhane, Michael S. Aßländer Panel organizers**

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**Joint EBEN/SBE Workshop Series, Friday, 14th of May 2021, 3.00 p.m. – 6.00 p.m. (CET)**

**Zoom-Meeting**

**https://tu-dresden.zoom.us/j/88189142834?pwd=Znp1cjZoa1NNcXVUVFd1eUM2dlpiZz09**

**Meeting-ID: 881 8914 2834**

**Kenncode: 6b\*wDTmP**

Our research question to be considered by this panel is: “What happens to political economy when the growth assumption that was built into classical economics gets replaced by a model of sustainable development?”

Much of the 20th century literature on sustainable development structured that dialogue through a framework of classical economics where sustainable development could be justified only if a cost/benefit analysis of sustainable development programs produced positive financial results. However, since the coronavirus pandemic, we are beginning to see a shift in that thinking. The current economic recession created by global business closures, a retreat from a model of relentless economic growth, the actual improvement of the environment, and reduction of energy use, has forced us into rethinking how development could be sustainable and viable without being dependent on economic growth and the endless pursuit of positive economic returns.

This panel will explore these issues through both revisiting some elements of the history of political economy that form the foundation of classical economics and a more exploratory idea of sustainable development and contemporary analyses of the ethical, political, ecological and financial impacts or pursuing or ignoring sustainable development. While this panel may not reach definitive answers to these issues, it will explore many dimensions of the theme and encourage conversations to add to this dialogue.

Our panelists include:

PRESENTERS:

**Friday, 14th of May 2021, 3.00 – 3.30 p.m. (CET)**

**Professor Joseph DesJardins**, St. Benedict’s University, USA. Professor of philosophy, and author and expert in environmental sustainability. (SBE and co-organizer of this panel.)

ABSTRACT: Political economy, as it evolved during and post- Enlightenment, was an obvious blending of economics and social/political philosophy/ethics growth-based market economies were a natural fit with the ethics and politics of the liberal individualism of constitutional democracies, utilitarianism etc. Economics and political philosophy grew out of the same philosophical roots.  They really were two sides  of the same coin, so of course one should do “political-economy.”

But, if we follow ecological economists like Robert Costanza, Georgescu-Roegen, Herman Daly and replace GROWTH with DEVELOPMENT,  (for example, by emphasizing meeting human needs rather than satisfying consumer preferences as the goal of economic activity), do we risk breaking the bonds between economic development and liberal ethics? And, if so, is that a good thing? Or a bad thing?

i.e., what is the risk that sustainable development becomes a tool of authoritarian regimes?  i.e., must there be a conceptual and ethical connection between the “politics” and the “economics” of “political economy”?

Commentator: ***Professor Pedro Francés-Gómez***, University of Granada, Spain. (EBEN)

**Friday, 14th of May 2021, 3.30 – 4.00 p.m. (CET)**

**Professor David Bevan**, Professor of Management and Sustainable Development, St Martin’s Institute of Higher Education, Malta. (SBE/EBEN)

ABSTRACT: Sustainable finance is both a challenge and a paradox for whatever comes next in the post pandemic, extinction rebellion world. There is much to explore in the tension between the need for *material* growth which as licensed by the ideal of freedom, and the alternative of a sustainable ecologically sound planet. Sustainability has become a categorical imperative dating from somewhere between Rachel Carson and Gro Brundtland, that may requires the categorical constraints posited in “The Tragedy of the Commons”. We can consider models of sustainable finance as a phenomenon that balances both growth and ecological sustainability if such a win/win is plausible.

Commentator: ***Professor Marjo Siltaoja***, Senior Researcher, corporate responsibility, University of Jyvȁskylȁ, Finland. (EBEN)

**Friday, 14th of May 2021, 4.00 – 4.30 p.m. (CET)**

**Professor Michael** **S.** **Aßländer**, International Institute of the Technological University Dresden, History of political economy. (EBEN)

ABSTRACT: The project of enlightenment rests on the idea that society can be organized by its citizens. Based on this idea social institutions should be transformed in a way that enables a maximum of individual freedom for all citizens, respects individual autonomy, and increases the rational capacities of citizens. These political demands became also cornerstones in the economic thinking. In the new emerging economic sciences, these political ideas have been transformed to the ideas of free enterprise, methodological individualism and economic rationality and remain the basis of economic thinking also in the newer 21st century movements for global sustainability. However, the over-emphasis of the above mentioned ideas in economy has started to endanger the project of enlightenment. Thus, the idea of free enterprise has led to borderless competition and the accumulation of economic power often based on economic rationality of neoclassical economics. Forms of methodological individualism have led to a loss of community life and social morality, both necessary for global sustainable development, and economic rationality has started to dominate all sectors of social life. This raises the question of how this economic movement affects our thinking about global sustainable development? That will be one of the challenging questions for discussion in this panel.

Commentator: ***Professor John McCall***, Professor of philosophy and business ethics, St. Joseph University, USA. (SBE)

**4.30 – 5.00 p.m. coffee break (unfortunately not sponsored by the organizers)**

**Friday, 14th of May 2021, 5.00 – 5.30 p.m. (CET)**

**Professor Jacob Dahl Rendtorff**, Philosophy of Management and Sustainability, Roskilde University, Denmark (EBEN)

ABSTRACT: This presentation will discuss the possibility to advance both scholarly and practitioner understanding of sustainability management and the United Nations' Sustainable Development Goals (SDGs). As businesses and society continue to transition towards further sustainable development and corporate social responsibility, the key challenge faced is in rethinking the philosophy of management and business ethics to achieve this change in deep and lasting ways.

Commentator: **Professor Patricia Werhane,** Professor Emeritus, University of Virginia and DePaul University, USA (SBE/EBEN)

**Friday, 14th of May 2021, 5.30 – 6.00 p.m. (CET)**

**Professor Michael** **S.** **Aßländer**, International Institute of the Technological University Dresden, History of political economy. (EBEN); **Miriam Fink** International Institute of the Technological University Dresden, Business Ethics.

ABSRACT: The coronavirus pandemic apparently has become the most pressing challenge of the beginning of the 21st century. The measures undertaken by national governments for containing the COVID-19 pandemic go along with fundamental restrictions of civil rights and constraints of civil liberties with huge restrictions for economic activities, too. In our contribution we want to discuss these restrictions from a liberal point of view as it is outlined in John Stuart Mill’s essay “On Liberty” and draws some conclusions about the legitimacy of the preset restrictions of civil and economic liberties in cases of pandemic diseases.

Commentator: **Professor Geert Demuijnck**, EDHEC Business School, Lille, France (EBEN)

**Friday, 14th of May 2021, 6.00 – 6.30 p.m. (CET)**

**Professor** **Patricia Werhane,** Professor Emeritus, University of Virginia and DePaul University

ABSRACT: The topic for this workshop, ““Rethinking Political Economy in the age of crisis: 21st century sustainable development in the age of crisis” challenges each of us to rethink the future of economic and ecological development. This is a worthwhile theme, and we are reminded that we are living in a global set of political economies, over half of which are faced daily with abject poverty. Many leaders in emerging economies contend until their economy is sustainable, that is, able to deal with poverty alleviation, it is not fair that the economically developed economies demand a focus on ecological sustainability when, indeed, they have not gotten their fair share of economic development. This argument usually frames economic growth versus sustainable development, presenting a seemingly unsolvable dilemma.

However, I shall argue that this is a flawed dilemma based on a worn-out mind set, one often heard in the developed world as well, that a political economy can either focus on economic growth or the environment, since it is alleged, being ecologically “green” is costly and interferes with free enterprise.

But if one reframes that mind set to argue from a One=World global systems perspective, with examples, real-life examples, that economic well-being and ecological sustainability are all a piece—that is, that neither is singularly sustainable in the long-term, because without a healthy economy one cannot ensure ecological protections, and without a clean environment, most commerce, in indeed the whole planet, will fail. This is because we are all participants in a set of global complex adaptive systems whereby, as we experienced with the Covid epidemic, it is impossible to “escape” to nowhere. So the natural environment and its disruptions affects all of us on this planet as do abject poverty and the possibility of global economic well-being.

Commentator: **N.N.**

COMMENTATORS:

Professor Pedro Francés-Góomez, University of Granada, Spain. (EBEN)

Professor John McCall, Professor of philosophy and business ethics, St. Joseph University, USA. (SBE)

Professor Marjo Siltaoja, Senior Researcher, corporate responsibility, University of Jyvȁskylȁ, Finland. (EBEN)

Panel Moderator: Patricia Werhane, Professor Emeritus, University of Virginia and DePaul University; expert in business ethics and history of political economy. (SBE/EBEN)

PANEL ORGANIZERS:

Professor Joseph DesJardins, St. Benedict’s University

Professor Patricia Werhane, Emeritus, University of Virginia and DePaul University

Professor Michael S. Aßländer, Technical University Dresden

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