

## MACAU RICCI INSTITUTE SYMPOSIUM 2020: TOWARDS AN ECONOMY ORIENTED TOWARDS THE COMMON GOOD

### *Stephan Rothlin: TRIGGERING CHANGE OF THE ECONOMIC PARADIGM THROUGH INSTITUTIONS OF EDUCATION*

#### **Rational**

The Financial Crisis in 2007-2009 has been considered as an opportunity for a wake-up call to change the economic paradigm which seemed to be profoundly rigged towards more sustainable model oriented towards the common good. Moreover, there has also been some hope that the one sided focus on economic growth would finally give way to a more comprehensive view on growth which would consider to mitigate the ecological disaster and abuse of natural resources. It would be misleading to claim that nothing would have been done to change the economic model. This is not the place to list all the valuable initiatives which have been undertaken to implement solidarity and subsidiarity and bring about more Justice. However, it seems to be fair to claim that there wasn't any decisive breakthrough. The COVID-19 crisis and the broad racist unrests all over the world have underscored the uneasiness and pervasive widening gap between the rich and the poor and the persistence of outdated prejudices.

The present three points limit its scope to stress the importance of the development of applied ethics in higher education in shaping new generations which are challenged to experience and analyse social deprivation and shaping a urgently needed new paradigm which enables all actors of society to achieve a more just society based on the principles of dignity of each person which is the basis for developing cultures of solidarity, mutual respect, entrepreneurial drive and subsidiarity.

The three points are based on a long term cooperation with Thomas A. Myers whose key points on "The Investor's Bill of Rights" was published in the Journal of International Business Ethics, volume 5, number 1, 2012, pp.57-58 which stress the institutional dimension of a needed change.

#### 1) **The *humanistic* track:**

Values are shaped through different religious and secular wisdom traditions which have always the tendency to fall into ruins. Therefore there should be a convincing link between a scientific exploration of wisdom traditions with case studies which demonstrate the complex implications at all levels of educational institutions. This training often enters the stage too late and is often not well integrated into the rest of the curriculum. No wonder that this is often dismissed as a useless "soft skill" without any relevance in the market place. From a cynical point of view the humanistic track just risks to be a fig leaf.

#### 2) **The *economic* track:**

To shape professional codes of ethics and ethical branding with a focus on investment programs emphasizing social, governmental and environmental responsibilities as well as curbs on runaway corporate executive salaries through shareholder rights to determine corporate board of directors; progressive taxes on the wealthy as advocated by Warren Buffet. A key element is the reference to wisdom traditions which emphasise the purpose of the economy as oriented to the benefit of the larger society and especially of the most disadvantaged. A cornerstone of a new approach to business and finance education is a social analysis which in a comprehensive way explores the consequence of individual and institutional decisions and challenges professionals, students and professors to conduct field work in destitute contexts in order to get a better grasp about the decisive factors to change a situation for the better.

3) **The *legal track*:**

To create professional legal networks which monitor the implementation of the regulatory reform packages and develop professional in view of creating jobs and helping those left behind; laws to make it especially onerous to defraud a pension plan with triple damages provisions and mandatory criminal sentencing with stringent standards. The harshest punishments including various ways of shaming are reserved for corrupt behavior. However the main goal of the legal track is not in insisting on implementing regulatory reform packages but to explore the legal institutional framework and its related incentives.

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