INTRODUCTION

One candle can light many more candles without losing its original glow…
-Talmud-

Culture is a shared heritage that is passed on from one generation to another. Culture affects one’s behaviour and structures one’s perception of the world. The same goes for subcultures. Hence, sciences are no more than coherent systems of human learning arising within certain subcultures, represented by groups of people that share many common values, methodologies and ethics, which all enables extensive communication between them while at the same time distinguishes and somewhat separates them from other social particles. So be warned right ahead, whenever an economist writes on economics, globalism or the world affairs, his insightful essay is bound to be fairly biased! But so shall your criticism be as well! And that’s precisely what it is all about in broadest sense of human matters: successful ethical systems tend to deliver subcultures that robustly perpetuate those same ethical systems which made them be. This trivial principle helps to explain the persistent division of people into cacophonic collection of religions, tribes and ideological movements. That’s why only in interculturalism or metaculturalism (if there could be such a thing), only through spectral variety of shared experiences, introspection and mutual respect may we hope to understand ourselves, as well as operandi and direction of the social dynamics we stand for.

Setting aside diplomacy and international politics, reserved for the most fortunate few, it has always been essentially economics (and business) which brought about voluntary international migrations, joint ventures, multicultural-
isment and progress in our lives. Quite undoubtedly, a postwar resurrection and extraordinary rise of the world trade, multinational business and international financial centres have been ignited, fostered and guided primarily by economically utilized technological revolutions, new scientific achievements (economics and finance very much included), as well as efforts of inter-national economic institutions: Bretton-Woods twins, BIS, GATT and more recently, WTO, to mention only few. Obviously, one could hardly exaggerate the influence of political and corporate elites in globalizing both economic activity and our lives. Nonetheless, a great deal of interdisciplinary critiques of multiculturalism, globalisation and other world affairs appears to be directed against international economic organizations, economic profession, even against science itself.

Therefore, *si licet magnis conponere parva*, I shall try to briefly address three grand phenomena of contemporary civilization, namely the issues of morality, multiculturalism and its big (or kid?) sister, globalisation, by pretending that I’m really advocating economics in long-unspoken apology of science as an excellent first approach-imation ethical device for dealing with multicultural, international problem-solving.

**FRIENDS OR FOES?**

*Every science promises only the quest for truth,*
*It has never promised neither peace nor happiness…*

—G. Le Bon—

Globalisation and the increased interdependency among nations, which itself is a function of technological advances, have made possible the easy international movement of information, capital, commodities and people. The supremacy of multi/transnational corporations that readily transfer consumer preferences, production, money, personnel, raw-material and services across national boundaries is testimony to the economic globalisation *sui generis* well under way.

For the most part, international migration and the growth of transnational economies and multicultural societies are generally a highly desirable and rather beneficial process indeed. Path-breaking illuminations of Ricardian relative advantage and wealth-enhancing as well as cost-cutting nature of international trade and global financial markets, productive merits of international division of labour, quality and price repercussions of increased multinational competition, benevolent coordination of economic policies and fighting or exploring the so-called “externalities”, represent but only the few of the vastly important arguments of economics which reinforced the postwar globalisation and immensely
indebted our civilization. Moreover, the principles of capitalizing on the wealth of diversity, investment diversification and risk dispersion, are principles of economics and globalisation par excellence.

However, globalisation is being accused of having also quite a few evidently negative socio-economic consequences. In particular, there are forms of social conflict that are associated with multiculturalism, or problems of people living together in one society whilst belonging to culturally and socially diverse ethnic backgrounds. The fact of ethnic, occupational, operational or scientific diversity does not induce, in itself, multiculturalism, I would argue; the latter may serve as a solution to specific social problems but could also be a sheer construction, and . . . very debatable as such. Multiculturalism, let us not forget, can come in different guises: as dictation, as an ethical myth on the new cultural synthesis, or (ironically) as melting pot and assimilation device. Furthermore, parceling of businesses and states into unitary containers often proves to be only a mask for socially suboptimal transnational interests and dangerous centralisation of decision-making, armed with malevolent globalisation of financial markets and speculative capital movements, antinational disbursement of the high-skilled workforce, of natural resources, even of social values and a way of life …

Plethora of these accusations stand not far from being justified. Many more are partly or patently wrong.

Antiglobalisationist majority of critics is clearly against (“50 Years is enough!”, “Global (environ)mental pollution”, “People over profits”, “Jobs with justice”), yet it may not be quite clear what are they concretely for?! These “tongues” typically preach unfortunately widespread misbelieves about globalisation! Xenophobes among them seemingly cannot or don’t want to comprehend that in maximizing the living standard of the nation, what counts is how well or poorly the assets are managed, not the nationality of asset ownership! Also, it is generally believed that multinational firms adversely affect host countries’ environment, provide incentives to worsen working conditions, pay lower wages than in alternative employment, or repress workers’ rights. The rest of those antiglobalist voices are being constantly raised due to admittedly sky-rocketing inequality between developed and developing world, apparently demanding more and more foreign aid and debt forgiveness for the latter, in order to enable economic and financial relief which would eventually facilitate evenly distributed growth and development of the nations considered. In fact, there is a very large body of empirical evidence indicating that chiefly the opposite is the case. Foreign ownership in emerging markets actually raises environmental concern as well as wages by introducing ecologically clean technologies and by advancing both production standards and labour productivity, by expanding the
scale of production, even by creating new jobs (sometimes even new industries, often environmentally conscious) and, ultimately, FDI steadily improves the conditions of work. Econometric evidence pinpoints that substantial debt relief does somewhat unexpectedly diminish sovereign’s incentives to reform. As for charity transfers (frequently not so charitable at all), not only does the aid very seldom get through to the poor for whom it is intended, but by subsidizing recipient government’s mistakes, it invariably prolongs and exacerbates the poverty itself.

On the other hand, perhaps minority -but rather influential one- of those critics, is strongly internationalist, *id est* desires to back up multiculturalism and globalisation, albeit under different rules. I myself do believe that thus far, the developed countries and the major international economic organizations, especially the IMF and World Bank, have failed to deliver on the promises of globalisation. Matter of factly, the economies of developing countries, in many instances, have become worse off and millions have been pushed further back into poverty as a result of vulgar understanding of free market mechanism of the „Washington Consensus“ (in absence of free, properly operating markets *in vivo*). Indeed, international economics has firmly proved that globalisation can create greater wealth throughout the world and improve everybody’s lives and not just of those all the more equal than others. In a word, globalisation is obviously being poorly managed by not-predominantly-economics people who misused the science predictions and misplaced its crucial assumptions which hasn’t been fully satisfied in developing reality. The IMF and other institutions have been too insistent on pushing their strikingly discriminative lending conditionality while in the same time instituting one-size-fits-all policies such as „orthodox shock therapy stabilization programmes“ to the detriment of those they allegedly intended to help. Hidden agendas of the international economic institutions, alas, were all two often transcorporate&US Treasury led “4-step monetarist mambo”, yet it is fair to say: at times they actually fared either with their own ignorance, or with problems unobserved (or less pressing) from their members point of view, rather than consciously bad intentions.

Nevertheless, many among reputable international economists in fact were the first to propose that ”something’s fishy in the state of Denmark”, that markets working in concert with until now discouraged and dismantled government policies offer a better hope for financial growth and stability in the developing world. Further on, it was economic profession again who put the immoral stigma on leading Western countries for their hypocritical stance of protecting their own industries while urging developing nations to lower trade barriers (although in that sharply asymmetrical case as well, it should be asserted, economic open-
ness often outperforms the autarchy alternative!). Thereafter, the face of economics is kept clean for a while, and the alleys of proper policy-making have been designated, to escort and mitigate the very globalisation process we’re facing with. Whether they shall be implemented or not, is hardly up to an academic economist (even one working for the IMF), much less up to the economics as a moral science. At least that, seems to be clear and widely agreed upon… There is less clarity and agreement, however, on the nature and future contours of the emerging new order being heavily criticized. Although national states would not necessarily disappear, novel forms of hidden agendas, counterdependence, transnational economies and regional co-operations are to rapidly transform the lives of ordinary people and inevitably weave together the fates of societies around the globe.

ECONOMICS OF ETHICS

There are many religions, but only one ethics
-J. Ruskin-

So, ethics we desperately need, but is there a useful purpose for economics at all, is there a moral role to be played by economics in this world, when homo economicus from the forefront of misbegotten globalisation process is being so universally despised? Dissatisfaction quite vaguely comes from economics’ implied neglect of moral and heroic gestures, from largely accepted opinion that trade is somehow dirty and deceitful, that bankers and merchants are somewhat disgusting characters, that economists are at best boring or worse even pitiful misers and coin-counters… But is it really so?! The ancient proverb warns that those of us who desire to unravel the truth, must be ready to accept it. And economics merely accepted positive morality imposed by dominant values of this civilization while more than honourably proclaimed its own normative credo.

Hence, let us focus on economics as a moral science, not solely for every science is bound and ought to be affected by an ethical interest, but because of asking whether economics as it is can be of assistance in resolving multicultural and international ethical disputes.

In order to do so, we have to create a sense of definition regarding scientific morality. A moral, or ethical proposition, is therefore “a statement about a rank order of preference between alternatives”, which is intended to apply to one or more (sub)cultures. A preference which applies to one person only, in econom-
ics is labeled as a “taste”. Economics and the entire human activity all the way from caves to mobiles was driven by taste clashes, erections and destructions in the name of money or some other “ultimate value” commonly worshipped: and the history of economics (as well as mankind) could be described as mutation of preferences. In human society, however, the genetic component of taste formation is certainly negligible, which is why economics cannot possibly afford to neglect the dynamics by which various (sub)cultures are created and preferences being adopted. Our preferences are obviously learned prevalently from those whom we have the most communication with, again by means of mutation-selection process within the indigenous culture at hand.

As I stressed before, scientific subculture is no exception to this rule, in fact it serves as a brilliant micro-example of the much larger reality. Its’ common values and general preferences lie in veracity, curiosity, measurement, quantification and experiment, in “welfrei” conclusions with practical culturally recognized relevance. However, the common values (and rhetorics) of other subcultures such as notorious “Coalition forces”, brutal dictatorship in Iraq, or plutocrats which mastermind the international system may be (for various reasons) considerably different from those of scientific ethical contents. In this sense, scientific subculture has overlapping multicultural valuables and international gap-bridging impact. Therefore, every science possesses an essentially ethical basis.

In terms of economics itself, not only it stood out of moral philosophy chairs, but has established couple of extraordinary ethical principles from the onset of coherent economic reasoning. Among normative ones I’d like to underline the notions of insurance (i.e. solidarity) and of Pareto efficiency (or Pareto optimum), which implies that policy changes are clearly to be recommended if they make some people better off without making anyone else worse off. The Pareto criteria should provide a noncontroversial way to rank alternatives; after all, they amount to little more than the unanimity principle.

These hopefully convincing examples of economic morality at work, bear not merely the convenience of esthetical purity and political correctness: ‘cause economics suggests that actual choices depend not only on preferences but on opportunities (in the case of insurance and solidarity); and furthermore, because propagated knowledge of social sciences becomes a fundamental part of the social system itself, inasmuch as epistemological process of investigating the world moves from pure knowledge towards control, towards creating what it knows, thereby discovering the problem of ethical responsibility and moral imperative of economics (solved either by Pareto efficiency or cost-benefit principle). Despite facticity that common ethical values themselves might differ across societies in which particular scientific subcultures are embedded, as well
as across different sciences, in case of economics their multisection won’t be an empty set.

Economics is the most effective reconciler, it brings together confessions of East and West, it draws attention to truly burning problems, it is corrosive of ideologies and disputes that are not worth their costs, yet above all, it is first and foremost a mirror image of our own behaviour. Its utility functions, cost-benefit calculations and bargaining frameworks serve as useful first approximations for reasonably fair (scarcity-based) pricing and for modeling and moderating a rational economic activity of our age. Positive economics and business practicing is therefore an ethic of being rational, or sensible, rather than selfish and greedy. Hence, don’t blame it on economics, ‘cause in case you hear something ugly, it’s pointless to shoot the messenger…

At last, maybe the noon is high for this civilization to drop off the apocalyptic “cowboy culture”, and finally experience the first friendly grip of a new “cultural synthe-sis” which would sincerely cherish multicultural communication, interdependence, soli-darity, democracy, gender equality and peaceful conflict resolution. Amazingly enough, all the pillars of such a prosperous society that we sleeplessly dream of can be easily traced in just a handful of ethical principles defined by modern economics.

Now, to tell you the truth, I knew very well that economics need not to be under anyone’s aegis. But if it looks a tiny bit more dignified than it was a minute ago:

Let us leave “the cowboys” behind and catch up our future, shall we?
LITERATURA


