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“How has the virus crisis affected your basic convictions about economy and society?”

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Thanks for those of our contributors who ventured to react to the first question posed in this DB.



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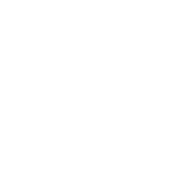
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EDITORIAL

Convictions rarely change... but they get refined

The general answer, often implicit, of contributions to the inaugural question of DB – is “convictions rarely change, but they get refined”.

Thanks for those of our contributors who ventured to react to this first question, bringing the added value to this discussion board, which attempts to combine in a condensed way, diverse disciplines and geographic realities, sharing the attention to the unfolding realities, humility in their expertise and concern for the common good.

The coronavirus pandemic raises fundamental questions about the respective roles of market, State and civil society in addressing the most pressing socioeconomic challenges.

Most our contributors feel comforted in their conviction that the pandemic is another reminder of the necessity to rethink some basic interactions between economy and society. The contributors also point out some important directions.

Mainstream economics tends to look at economic matters independently from the wider social and political context. The pandemic shows how inadequate this approach is. Instead, the lesson many of our contributors draw from the crisis is that the discipline of economics should open itself to other insights and that we need to find another, more integrative model to for economy and society, in which the search of the common good will prevail.

The global health crisis also reveals how deep and complex is the network of economic interdependences, with global value chains running across many sectors. Thus, some predict that the reduction of dependence on foreign sources & markets will be the strategic priority in the post-pandemic world, both for public and private actors. This might be – like it or not - a first step towards « deep deglobalisation » and a more active role for the state. Other contributors stress that the logistic difficulties and spontaneous solidarity movements open « a world of new opportunities for public-private collaboration ». But we are also being recalled the major impact of the crisis on employment, with 3 billions people workers experiencing a major shift in their work experience.

Eventually, a large number of contributors tend to recognize the link between the virus crisis and the environmental challenge we are facing, sometimes arguing that it could be « an opportunity to generate a systemic change in how we manage our countries and the planet ». In contrast, however, some consider that “the crisis is not enough to push us in the right direction”, since we are still deeply influenced by the values and visions we internalized before the crisis. Who’s right? The future will tell.

[Virgile Perret](#) & [Paul H. Dembinski](#)

“... society at large, to which economy is a fiduciary, has been underserved ...”

The virus crisis shows that society at large, to which the economy is a fiduciary, has been underserved. **Developing vitamins means that we radically need to develop and apply a wider spectrum of cross-domain tools from moral philosophy, positive psychology and applied sociology to implement economic concepts holistically to the ultimate benefit of society.** This calls for inclusive, innovative and compassionate leadership, for a reflection on the political, business and education systems and for a continuous debate on solving ever changing wicked problems. Especially for profit-focused organisations, we need to consider how they are measured, what that means for their focus on profit maximisation towards optimisation and what supporting changes need to come from enabling technology and the legal system.



[Eelco Fiole](#)

“... economies don't integrate health issues in their business model ...”

The COVID-19 crisis highlights the current societal issues we face in our modern world. Since now the 80s, finance and shareholder maximization are the alpha and the omega of our society, with economy and society as the adjustment variables to answer this objective. The biodiversity destruction generates pandemics, and finally social consequences, observing that economies don't integrate health issues and public considerations in their business model... **The vision is systemic, and we have to understand that Finance is a just tool serving our economy, and finally the goal of social welfare and biosphere protection, in the sense of Karl Polanyi theory of embeddedness.**



[Christophe Revelli](#)

“... the system urgently need to be re-thought ...”

The virus has not affected my basic convictions about the economy but rather enhanced my belief that the system urgently needs to be re-thought.

By which I mean not only a break with some of the core tenets of liberalism, but also and most importantly the development of a new macroeconomic model. We need to think about the market's equilibrium as a specific common good inserted and dependent on other common goods. This task is urgent. A theoretical framework for such macroeconomic model could be based on thinkers of the so-called “economia civile”. A huge challenge however is to bring these ideas to the level of a descriptive/prescriptive models of the market. This, I would suggest, needs us to understand in more details how commons work and sustain themselves as human commons.



[Mathias Nebel](#)

“... we have to find another model for economy and society ...”

In fact, the Coronavirus has visualized that there is a possibility to break the paths which we follow and start again. Alternative approaches to economics taught me that the economy not embedded in society stays on very shaky foundations (big inequalities, over-consumption on the cost of the nature and famine of other, growth of the financial sector). The conviction of many, that there is no other way but to continue this path, is now, due to Coronavirus, shaken. **It teaches that we have to find another model for economy and society, in which collective needs will be better satisfied (health system, education, public space).**



[Anna Horodecka](#)

“... truth in prices is essential to fairness...”

It has strengthened my convictions.

The value of a person is only remotely related to where they figure in the national accounts.

Truth in prices is essential to fairness. The polluter-pays principle must be strictly applied if we are to preserve the environmental benefits of the pandemic. Capital consumption is a cost.

Life is risky. The risks and benefits of enterprise must be fairly shared. Capital also is at risk. It is part of the job of providers of capital to take that into account ; if they get it wrong, the cost must be theirs. That also is truth in prices.



[Edouard Dommen](#)

“... this is also a complexity crisis...”

This global pandemic lifted the curtain on the best and worst instinct of human nature. People have been clapping on balconies every evening for a month. Others have quickly seized the opportunity to denounce their neighbours. I wrote “other”.... but they can be the same people. Have those who rushed to the store to pile up toilet paper also started support groups to deliver groceries to the elderly ? People are complex. And so is the global economy made of a myriad of different intermediaries located around the globe all dependent upon one another, producing and delivering at a pace that doesn’t allow the smallest misstep. **As in 2008, but now on a much larger scale, this is also a complexity crisis.**



[Philippe Rudaz](#)

“... human actions are interdependent both at local and global level ...”

Currently, individuals and socio-economic organizations suffer an existential jet lag. They have to find their role as the metamorphosis of the world (Ul. Beck) to a liquid interrelations nexus is taking place. It is now well understood that the human actions are interdependent both at local and global level. The Coronavirus crosses the roads -highways and small alleys- we ‘ve made in order to produce, to exchange, to make profit, to relax. **Another thing we ‘ve learned is that fragility, vulnerability, and liquidity became constituting elements in contemporary societies and therefore we have to naturalize them in our economic and political strategies.** A new perception on the acceptable balance between economic and social risks is necessary.



Christos Tsironis

“... the importance of global value chains has been cleared ... “

It has reaffirmed my conviction that society is not the sum of individuals but a community with common sense. We are watching society as a community at work.

Any doubt about the importance of global value chains has been cleared with the paralisation of production in China and its effects on the global line of production. From automobiles to airplanes, pharma chemicals, electronics, and telecommunications, all have stalled as China closed down production in January and February. The future needs to be less unstable and less dependent on one supplier.

The nonsense of running into currency from a country that has no growth and a major financial crisis at hand remains unexplainable. I still do not understand the run to safety into the US dollar.

Oscar Ugarteche

“... a serious reduction of major countries’ dependence on foreign sources...”

As a former UN staff member I shall concentrate on what is likely to be **a serious eventual reduction of at least major countries’ dependence on foreign sources (and thus elaborate supply chains) for goods and services regarded as of high priority.** This will probably be reflected in changes in multilateral rules and guidelines for international commerce in the direction greater national policy autonomy, particularly regarding not only medical items but also agriculture, public procurement, and eventually goods and services associated with the information economy (for the last of which such rules and guidelines are anyway still at an early stage of development).



[Andrew Cornford](#)

“... the State is going to have a more active role...”

In my view, the outbreak of the virus strengthened some trends, both at institutional and individual level.

Institutional: 1) A process of deglobalization in what concerns the supply chain of strategic products and activities. 2) Politics’ return over market fundamentalism in making investment and economics decisions. This would require a reflection on how to steer a “smarter”, “greener”, and “more inclusive” growth. **The State is going to have a more active role in determining which activities promote and which not.** This would also mean a 180 degree shift in public finance decisions: from austerity policies to deficit ones.

Individual: 1) Maybe it’s more an hope than a fact, but this virus can make consumers understand the difference between needs and wants.



[Andrea Roncella](#)

“... a world of new opportunities for public-private collaboration...”

No basic change in convictions! Just a few short thoughts:

Observing the response to the crisis helps to understand how “sticky” the real processes are, with uncountable ‘small’ events invalidating economic “laws”.

Logistic difficulties and spontaneous solidarity movements open a world of new opportunities for public-private collaboration, far from ideological prejudice.

Need for a thorough international debate about priorities and pricing in pharma industries.

Epidemics may lead to rethink strategy of concentrating public health services in a small number of huge hospitals to suit technological economies of scale.

A human economy means many decisions of common sense rather than one grand design. ‘Common good’ as a moving objective, piece by piece.



[Domingo Sugranyes](#)

“... work is central to our lives ...”

Strange you are asking about a change in conviction, in the middle of a deep and profound crisis. Ignatius, our Jesuit founder, reminds us of how important it is to continue our way in times of desolation. **If this desolation brings me back to one conviction, it is that work is central to our lives.** Maybe too central, yes, but this is a fact of our society. Everywhere, we hear about losses, fear of bankruptcy, economic crisis, companies on the verge of collapses, financial market speculation and solvency issues. But first, we should remind ourselves that this is the first crisis which starts with a massive and unprecedented disruption in the labour market. More than 3 billions people workers are experiencing a major shift in their work experience. For us and our societies, this is an important existential experience. The response we shall engage to this crisis will need also to be existential.

[Pierre Martinot-Lagarde sj.](#)

“... **cette crise est un signal que la nature émet...**”

La crise du coronavirus confirme ma conviction selon laquelle la globalisation de l'économie doit être analysée de manière critique. La mondialisation de l'économie est le vecteur de la diffusion accélérée des pandémies. Par ailleurs, **cette crise est un signal que la nature émet**. La chute de la biodiversité et la déforestation accélère l'apparition des épidémies.



[Marc Chesney](#)

“... **an opportunity to generate a systemic change ...**”

The virus crisis has confirmed my views. My convictions are based on research concerning the convergence of three systemic challenges: the environmental catastrophe, the deepening inequality, the financial chaos. The world was already going in the wrong direction. Financial resources must serve our needs, namely sustainable development and economic inclusion. **The present virus crisis interrupted the business as usual approach to the slow-motion catastrophe we are building.** It not only confirmed my views, but in my opinion can be an opportunity to generate a systemic change in how we manage our countries and the planet.



[Ladislau Dowbor](#)

“... the crisis itself is not enough to push us in the right direction ...”

Lies and fake news in politics are not just a little trivial offense, but can kill thousands of lives as we now see as result of irresponsible behavior of leading politicians.

When the own skin and country is in danger, trillions of USD can be mobilized within a few days. When the neighbors skin and country is affected by millions of children dying every year, the same politicians do not find a few billions needed to save them.

The crisis itself is not enough to push us in the right direction. **Only the values we internalized and the visions we developed before the crisis, will lead us now in and later after the crisis.**



[Christoph Stückelberger](#)

“... l’absurdité aide les humains à penser le bon moyen de penser ...”

Mes absurdes pensées de la nuit. Pourquoi absurdes, diriez vous ? **Parce qu’il arrive que dans certains moments de l’Histoire, l’absurdité aide les humains à penser le bon moyen de penser.** Et non seulement. Aussi, parce que toutes les malheurs que l’ange exterminateur est en train de causer dans le monde entier apparaît comme s’il s’agissait d’une calamité absurde. C’est faux ! Il ne s’agit, en effet, comme l’Histoire nous l’apprend, que d’une périodique punition régénératrice tout à fait normale.

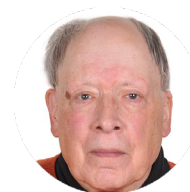
Mon nom est Tirésias: je suis un aveugle qui est capable de voir et cette étrange condition me donne le privilège de voir tout ce qu’on ne voit pas. ... L’ange, en effet, déteste l’imbécillité humaine et les punitions qu’il s’invente jour après jour sont parfois excessives.

[Fabrizio Sabelli](#)

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Michael Derrer has been working as a business consultant for Eastern Europe and Russia for 25 years. He also studies this area from the perspective of economic sociology. Furthermore, he lectures heterodox economic theories at Lucerne University for Applied Sciences and Arts.



Edward Dommen is a specialist in economic ethics, particularly Calvin's. He has been a university professor, a researcher in UNCTAD and president of Geneva's Ecumenical Workshop in Theology (AOT) – an adult-education



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Dr. Eelco Fiole, CFA, LLM is an investment governance expert, board director and adjunct professor of Finance Ethics in Lausanne and Neuchatel. He was a CFOO for almost 10 years in (alternative) investment management and blockchain, and holds advanced degrees in various academic domains. Thriving on idiosyncrasies and deeply international in his outlook, he is increasingly currently focused on social innovation.



Anna Horodecka, PhD is working at Warsaw School Economics in the Collegium of Economic Analysis. She was visiting professor in Northeastern University of Chicago (2012), Victoria University of Wellington (2011) and Universita di Macerata (2019). She received her PhD grade in Economics (2006) and Theology (2008) and since then published various books and papers in the discipline of economics.



Pierre Martinot-Lagarde sj.

Mathias Nebel is professor of social ethics and catholic social teaching at the Universidad Autonoma del Estado de Puebla (UPAEP). He is in charge of the Instituto Promotor del Bien Común, a research center dedicated to bring back operationality to the notion of the common good. He previously was full professor at the Institut Catholique de Paris and the ITAM (Mexico). He was in 2008-2009, research fellow at the Von Hügel Institute, St Edmund's College, University of Cambridge. He also was the founding director of the Caritas in Veritate in Geneva.



Dr. **Virgile Perret** holds a Ph.D in Political Science from the University of Lausanne, for which he was awarded the Prize of the Faculty in 2013. He's specialized in the study of digital currencies and technological innovation from an interdisciplinary perspective. He collaborated with the European Commission, the International Labour Organization (ILO) and the State of Vaud.



Christophe Revelli is associate professor of sustainable finance at Kedge Business School. He founded and manages the 1st European master in sustainable finance (MSc Sustainable Finance) awarded by the 2018 FIR/PRI award in sustainable finance (best pedagogical innovation). He is also head of the CANDRIAM/KEDGE research chair "Finance Reconsidered: Addressing Sustainable Economic Development". He is board member at French Social Investment Forum (French SIF). He holds a PhD from University of Montpellier (awarded by 2012 RIODD-VIGEO award for the best PhD in sustainable finance and SRI).



Andrea Roncella holds a PhD in Economics and Business at the University of Navarra (Pamplona, Spain). He previously worked as Research Fellow at the Markets, Culture and Ethics Research Centre at the Pontifical University of Santa Croce (Rome, Italy). Andrea holds an MSc in Economics and Finance and BSc in Economics and Management both from the LUISS University (Rome, Italy). He was appointed Visiting



Scholar at the Mendoza College of Business (University of Notre Dame, IN, USA); he is member of the Virtue Ethics in Business Research Group of the University of Navarra and actively collaborates with the Fundación Civismo. His research focuses on economics, finance and society.

Philippe Rudaz works as senior consultant at the United Nations Conference on Trade and Development (UNCTAD).



Fabrizio Sabelli

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Domingo Sugranyes Bickel, KCSG. Born 29 April 1945. Spanish national resident in Madrid. Graduated from the University of Fribourg, Switzerland. Secretary General of UNIAPAC (International Christian Union of Business Executives), Brussels, from 1974 to 1981. With MAPFRE international insurance group from 1981, Executive Vice-Chairman until 2008. From 2009 to 2019, Chairman of Vatican-based Foundation CENTESIMUS ANNUS PRO PONTIFICE. Knight Commander of the Pontifical Order of Saint Gregory the Great (April 2019)



Christos N. Tsironis is Assoc. Prof. of Social Theory at the Aristotle University of Thessaloniki. He is member of various research partnerships and associations, member of AIESC and Director of the the Social Research Center for Culture and Religion- AUTH.



Oscar Ugarteche

“FROM VIRUS TO VITAMIN” – JOIN THE DISCUSSION

The Observatoire de la Finance intends to seize this period of pandemic to step back and take a fresh look at our global economic system, dare to ask new questions which the current crisis brings to the fore and propose innovative ways to rebuild a more resilient and sustainable economy and society. In brief, we want to turn the virus into a vitamin for the future.

Our Discussion Board “From Virus to Vitamin” focuses on commenting issues relevant to finance and economy in relations to society, ethics and the environment from a variety of perspectives, of practical experiences and of academic disciplines. It has been designed to share and discuss information and opinions expressed in a short and concise manner.

Contributors ([Discover the list of contributors](#)) are invited to react on a question/issue that is submitted in parallel to a limited group of experts. This happens on a regular basis, through a dedicated mailing list. After the deadline for submission, the reactions are edited and published with signatures in one document on the website of the Observatoire de la finance and on its LinkedIn page. If you would like to join the discussion, you may send an email to the editor, Dr. Virgile Perret <perret@obsfin.ch>.

OF Discussion Board – Questions submitted for debate

- Week 1 : [How has the virus crisis affected your basic convictions about economy and society?](#)