PART One

A New Paradigm

The time of international crisis in the financial markets; the ongoing food shortage triggering riots among the extreme poor; the failure of the Doha Round and the inability of the World Trade Organization to sell a framework of multilateral agreements in which the European Union and the United States are not willing to give up their agricultural subsidies; the questioned role of the International Monetary Fund; the politicization of the World Bank in the post-Wolfensohn era; and the increase of inequality and extreme poverty numbers on a global scale put us in a scenario in which a new economic paradigm is necessary—a new consensus able to substitute the old-fashioned and virtually dead Washington Consensus.

It is time to embrace the problems of today, of our generation, and to remind our politicians that extreme poverty and hunger are behind many of the relevant issues they have to deal with today in their foreign policy agendas. Chapters 1 to 5 propose a new consensus and explain what a paradigm shift should involve. They also explain, in detail, the impact of globalization on poverty, the reality of aid, and recent trends in income inequality and income distribution, as well as introduce Global Redistribution as a first step prior to the creation of Global Public Goods and a Universal Welfare.

After reading Part I, the reader should understand why a New Economic Architecture is necessary in today's environment. A New Economic Architecture involves reforming six key areas that originate and perpetuate poverty. Without reform, the North and the South will never be on the same page. Before we start writing the History of Tomorrow, it is essential to depart from a Page One that is representative of everyone on the globe.

Artwork by Richard Cole.

CHAPTER 1

Bretton Woods and the Washington Consensus

To have one's name not known at all is to confront a barrier that can be broken through only with much effort and luck. To become known, on the other hand, too widely—to become known, in particular, as having something to offer that a great many people want—is to step out onto the slippery path that leads to fragmentation of effort, hyperactivity and—eventually—sterility.

—George F. Kennan, *Memoirs 1950–1963*

Seven hundred and fifty delegates from 44 nations met in Bretton Woods, New Hampshire (United States), in July 1944. The meeting designed a new international financial architecture that could help reconstruct a devastated Europe and foster world trade after the protectionism that emerged in the interwar period 1918 to 1939, and more precisely in the Great Depression that followed Black Monday of 1929.

The Bretton Woods summit was the successful beginning of a phenomenal creation process that designed from scratch the International Bank for Reconstruction and Development, which would later become the World Bank, and the International Monetary Fund (IMF); resurrected the League of Nations to create the United Nations (San Francisco, 1946); and started the General Agreement on Tariffs and Trade (GATT 1947) that would later become the World Trade Organization. The Bretton Woods summit also fostered an environment in the United States in which the Economic Recovery Program for European Reconstruction (Marshall Plan) could be widely agreed upon by the political elite and explained to the American electorate.

The World Bank and the International Monetary Fund awarded a majority vote to the economic powers of the time. The voting power has not shifted ever since. Today, Belgium has more representative power than India in the World Bank. The United States has veto power in the International Monetary Fund. Both institutions are based in Washington, DC, and subject to political bias and interference of the U.S. administration.

The president of the World Bank has traditionally been an American. The managing director of the International Monetary Fund has traditionally been a European. The United States and Europe have monopolized the institutions since their

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creation. The presidents and managing directors of both institutions have exerted their personal operating approaches to development aid from the institutions they represent. Well-known World Bank presidents Robert McNamara (1968 to 1981) and James Wolfehnson (1995 to 2005) fought poverty in different, relatively successful ways. World Bank presidents in the 1980s and early 1990s applied lending policies that were biased by the ongoing Cold War between the United States and the Soviet Union. They fostered economic regime changes from socialism to capitalism in many developing countries triggering episodes of negative growth and exacerbating conflicts between Marxist and right-wing guerrillas.

The term Washington Consensus was coined by the economist John Williamson. Williamson is now promoting a revised version of his consensus, hoping to leave behind "the stale ideological rhetoric of the 1990s" (Clift 2004). In a 2002 speech entitled "Did the Washington Consensus Fail?" Williamson, an economist at the Peterson Institute for International Economics, enumerated "the ten reforms that I originally presented as a summary of what most people in Washington believed Latin America ought to be undertaking as of 1989": fiscal discipline, reordering public expenditure priorities, tax reform, liberalizing interest rates, a competitive exchange rate, trade liberalization, liberalization of inward foreign direct investment, privatization, deregulation, and property rights (Williamson 2002).

In an op-ed published on the International Monetary Fund's *Review of Finance and Development*, Jeremy Clift (2004) summarized his vision beyond the Washington Consensus. Clift reckons that the term Washington Consensus "became a lightning rod for those disenchanted with globalization and neoliberalism or with the perceived diktats of the U.S. Treasury." Clift adds, "Around the world 10 middle-income developing countries experienced major financial crises between 1994 and 1999 that damaged living standards and, in some cases, toppled governments and left millions worse off." The bailout packages of the IMF proved unsuccessful in repeated instances. The macroeconomic conditionality attached to many bailout packages of the IMF and certain loans of the World Bank only deepened the poverty trap of many developing countries.

In 1996, Michael Camdessus, who then headed the IMF as managing director, pointed out, "Even though the monetary system had changed since 1944 the goals of Bretton Woods were as valid today as they had been in the past" (Dammasch 2000). The fellow French native Dominique Strauss-Kahn was appointed managing director of the IMF in 2007 with the support of French President Nicolas Sarkozy. Unlike the French visionaries of the 1950s, Robert Schuman and Jean Monnet, Camdessus and Strauss-Kahn seem to be determined to perpetuate the current status quo.

According to J. Barkley Rosser and Marina Vcherashnaya Rosser of James Madison University, the Washington Consensus took for granted that inequality would be fundamentally positive for economic growth and prosperity. Inequality was to be promoted in the post-Soviet world that followed the fall of the Berlin Wall in 1989 as an expected yet desired outcome. The James Madison scholars conclude, "We also now see that income inequality itself may well play a role in increasing the size of the underground economy through social alienation and general dislocation, especially in conjunction with macroeconomic instability" (Rosser and Rosser 2001).

The Bretton Woods institutions are in serious need of reform. The Washington Consensus is virtually nonexistent. Out of Williamson's 10 requirements, fiscal discipline and property rights are the only two that would hold sway in today's

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environment, although fiscal discipline has been undermined by Western democracies that have run exorbitant deficits in the aftermath of the 2008 economic crisis during the Great Recession. Since 2000, a handful of goals, rounds, and consensuses have proliferated in the international arena, but none have become the new de facto approach to be embraced by both the developing and the developed world. The variety of consensuses is presented hereafter.

THE MILLENNIUM DEVELOPMENT GOALS

In 2000, the 189 members of the United Nations unanimously approved the Millennium Development Goals (MDGs), a set of eight goals primarily related to education and health. The men behind the definition and successful approval of the eight development goals were Kofi Annan, a native of Ghana and former secretary general of the United Nations, and Jeffrey Sachs, an American professor of economics at the Earth Institute of Columbia University.

The eight goals are ambitious and set a 2015 deadline for fulfillment. Generally speaking the goals were on their road to completion in most areas of the world prior to the 2008–2009 economic crisis, with the exception of sub-Saharan Africa, where not only were many countries not approaching fulfillment of the goals, but they were actually worsening it. The economic crisis slowed down the progress. The goals are financed by an increase in the allocation of foreign aid through innovative financial instruments such as debt relief to the Heavily Indebted Poor Countries (HIPC) or investment vehicles such as the Global Fund for AIDS, Malaria, and Tuberculosis.

According to the report *Millennium Development Goals at Midpoint*, global progress has been outstanding on income poverty thanks to the high performance of mostly Asian countries. The global income poverty target should, thus, be reached. Other regions in the world are either less concerned by the MDGs, possibly because they are made up of mostly middle-income countries, or performed poorly, most notably sub-Saharan Africa (Bourguignon, Benassy-Quere, et al., 2008).

The MDGs are arguably a result of the development conferences in the 1990s. For Karen A. Mingst and Margaret P. Karns, "Those conferences stimulated research, introduced new ideas and approaches, and energized Civil Society on human development issues." The authors conclude, "Consensus on the need for new forms of cooperation and partnerships does not guarantee success of the effort" (Karns and Mingst 2007).

There are two question marks regarding the MDGs. First, they demand an increase in aid without increasing the monitoring of its spending, nor the accountability on behalf of both the donors and recipients. Second, they do not seek to eliminate the roots of extreme poverty, which often require reform in the industrialized countries. The roots of extreme poverty are explained in Part II of this book (The Axis of Feeble). However, the MDGs are only a first step in the right direction. They represent a noteworthy accomplishment that puts developed and developing countries on the same page and acknowledge the urgency of tackling the shortage of education and health-care coverage in a majority of extreme poor countries.

It is unlikely that the MDGs will be accomplished by 2015 in the current state of affairs. The development community is in need of new ideas that may contribute to the fulfillment of the goals and reach further faster.

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THE MONTERREY CONSENSUS

On March 21 to 22, 2002, the heads of state met in Monterrey (Mexico) to move forward in the financing for development agenda. The original purpose of the summit is summarized by the second paragraph of the summit memorandum (United Nations 2002):

> *We the heads of State and Government, gathered in Monterrey, Mexico, on 21 and 22 March 2002, have resolved to address the challenges of financing for development around the world, particularly in developing countries. Our goal is to eradicate poverty, achieve sustained economic growth and promote sustainable development as we advance to a fully inclusive and equitable global economic system.*

In a subsequent joint summary paper, the World Bank and the IMF concluded, "Overall the results of the conference are quite positive, creating a powerful momentum to put development at the center of the global agenda and arguably reinvigorated an international partnership for development" (IMF 2002).

The Monterrey summit proposed leading actions that included the following (United Nations 2002): (a) mobilizing domestic financial resources for development; (b) mobilizing international resources for development (foreign direct investment and other private flows); (c) enhancing international trade as an engine for development; (d) increasing international financial and technical cooperation for development; and (e) reducing external debt.

A 2005 report by the World Economic Forum entitled "Building on the Monterrey Consensus" (WEF 2005) examines "how public-private partnerships can best be harnessed to extend the reach and effectiveness of aid to address international and national development challenges," exploring the cooperation between the public and the private initiatives in the provision of basic services such as Water or Sanitation. A majority of poor countries are still largely underserved in the areas of water and sanitation, a gap that public-private partnerships have been incapable of filling effectively.

In October 2007, the United Nations Economic Commission for Africa released a report entitled *Perspectives of African Countries on the Monterrey Consensus* (UNECA 2007). The survey sent 106 questionnaires to African policy-makers, out of which 57 were returned from 32 countries in Africa's five sub regions. According to the survey: "Respondents identified the mobilization of international resources and domestic resource mobilization as areas where progress has been very limited" (UNECA 2007).

Six years later, the participants in the Monterrey summit met in Doha (Qatar) between November 29 and December 2, 2008. The *Doha Declaration on Funding for Development* aimed at following up on the progress built up by the Monterrey Consensus (United Nations 2008a). The Doha summit took place only three weeks after G20 countries met in Washington, DC, on November 15, 2008, to discuss financial reform. The conclusions of the Doha summit reaffirm the Monterrey Consensus "in its entirety, in its integrity and holistic approach, and recognize that mobilizing financial resources for development and the effective use of all those resources are

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central to the global partnership for sustainable development, including the support of the achievement of the internationally agreed development goals, including the Millennium Development Goals" (United Nations 2008a).

Susanne Soederberg, an associate professor of global political economy at Queens University, points out, "The basic assumption of the Monterrey consensus, substantial poverty reduction, is more about disciplining the poor to accept the dictates of neoliberal domination than creating a more just world" (Soederberg 2004). Failed agendas, lack of economic reform, and inability to engage the Civil Society, are all symptoms of a backward-looking perspective, which does not foster an environment that facilitates the adoption of new economic principles. The recent history of the development community is a concatenation of summits and conferences that issue the same diagnosis, emphasizing the same economic indicators, and that use the same economic jargon. All are indicative of a lack of willingness on behalf of the Lobbies and Elites, the better off. All are further indicative of a lack of imagination on behalf of the policy-makers of our time.

THE FAILED DOHA ROUND

The *General Agreement on Tariffs and Trade* (GATT) was signed in 1947 in the constructive environment that was started at the Bretton Woods conference. GATT's main purpose was to foster international trade after the protectionism that emerged in the 1930s. In 1995, GATT became the World Trade Organization (WTO).

Subsequent trade rounds have embraced an agenda that pushes for the elimination of barriers to trade or tariffs. Trade theory shows that producers and consumers maximize their economic benefit if tariffs are eliminated. But tariffs are also used as a political and economic weapon in the developed and developing worlds with a variety of goals such as protecting national agriculture, farming, or the manufacturing industries.

Trade agreements can be bilateral or multilateral. The WTO has stressed the importance of negotiating multilateral trade agreements, in which all WTO members are subject to the same conditions. Bilateral trade agreements include the well-known notion of most favored nation, in which an importer country, for instance the United States, decides to lower tariffs on the products or services imported from an exporting country, such as Colombia.

Since the formation of GATT, the world has undergone nine trade negotiation rounds. In each trade round, WTO members meet to reach agreement on the elimination of tariffs aiming at increasing international trade. The first negotiation round took place in Geneva in 1947. The longest negotiation round, the Uruguay Round, lasted from 1986 to 1994. The last negotiation round, known as the Doha Round, collapsed in 2008.

The Doha Round failed to reach consensus in key areas related to the elimination of tariffs in agricultural and farming produce. Developing countries refused to continue discussing the reduction and elimination of tariffs on agricultural and farming produce if the European Union and the United States maintained their subsidies. Subsidies are a de facto trade barrier, acting as a deterrent to the produce originated in the developing world, whose price, in spite of being more competitive, cannot compete with the subsidized European or U.S.-based food staples.

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Within the European Union, the ongoing battle to defend or attack agricultural subsidies has involved the French president Nicolas Sarkozy and the European Union's former trade commissioner Peter Mandelson. Sarkozy is an advocate of subsidies, which he justifies based on the protection of the French countryside that, some argue, would literally disappear if subsidies were eliminated. Some policy-makers in Brussels talk about food security, increasing the priority of raising crops locally to avoid food shortages that could endanger the provision of food staples within the European Union's borders. Peter Mandelson, along with the French WTO director general, Pascal Lamy, has strongly argued for trade liberalization based on the advantages claimed by trade economists.

The European Union spends 40 percent of its budget (about 1 percent of Europe's gross domestic product) in subsidizing agriculture and farming. This amount is a multiple of the overall funding available for development in the developing world. In the meantime, the reality of international trade is turning sour. Developed and developing nations are more and more protecting their own markets, forsaking David Ricardo's theories that discovered the wonders of specialization.

We forgot to grant an opportunity to the products that are competitive in many low-income countries. Eliminating agricultural subsidies would carry a huge political cost, which French politicians are not ready to assume. The rice lobbies in the United States are powerful and well connected and would put tremendous pressure on the Obama Administration and its trade representative if subsidies were reduced or eliminated.

Trade theory works on paper, but does not work in reality. The United States bailed out its auto sector to protect its uncompetitive car industry. For years, U.S. automakers forgot to focus on fuel efficiency and continued to manufacture popular SUVs that could continue to run on cheap oil. In 2009, thousands of workers in Michigan risked losing their jobs. Based on trade theory, the United States should focus on sectors in which it is more competitive, including biotechnology, communications, and education. But it will not because forsaking its autoworkers carries a collateral damage of incalculable cost, which economists forgot to incorporate with their models.

This book is about incorporating the collateral damage of Western policies and determining their impact. This book is about reforming in key areas that carry much collateral damage, originating and perpetuating an avoidable poverty trap.

International trade is important. But human dignity and the respect of the environment are more important. David Ricardo and Adam Smith were right three hundred years ago. Their constrained views[1] ought to be left behind or complemented, in a globalized world that facilitates financial and trade flows, but forsakes migration flows of unskilled labor, which would flood Europe and the United States with millions of individuals, and harm the social fabric of many developed countries.

THE COPENHAGEN CONSENSUS

In March 2004, the British Magazine *The Economist* published an article that raised the following question: "*What would be the best ways to spend additional resources on helping the developing countries?*" (*Economist*, 2004a). The article reviewed the effort led by Danish economist Bjorn Lomborg, author of two best-selling books

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that include *The Skeptical Environmentalist* (2001) and *Solutions for the World's Biggest Problems* (2007).

Lomborg's argumentation is known as Copenhagen Consensus. Williamson's Washington Consensus focused on 10 key areas back in 1989. Lomborg's key areas include air pollution, conflicts, diseases, education, global warming, malnutrition and hunger, sanitation and water, subsidies and trade barriers, terrorism, and women and development.

Every additional consensus departs from where the previous one left off. Lomborg's Copenhagen Consensus includes déjà-vu areas such as education and health care. Jeffrey Sachs' Millennium Development Goals already incorporate disease prevention and treatment, education, malnutrition and hunger, water and sanitation, and women and development. The diagnosis of the problem is more often shared by experts, who continue to fail to propose policies that can then translate into action and be implemented. The value chain of the idea is broken halfway because of a lack of innovation, a lack of persuasion, or the unwillingness of our political elites to embrace new and creative policy-making.

The punch line of *The Economist*'s article stresses the importance of smart spending. "How should a limited amount of new money for development initiatives, say an extra $50 billion, be spent?" the article asks (*Economist* 2004a). The Copenhagen Consensus' panel of experts proposes new ideas in the aforementioned key areas that are then evaluated by a team of referees.

Pablo Rodríguez-Suanzes summarizes the conclusions of the second edition of the Copenhagen Consensus. Rodríguez-Suanzes interviews one of the referees of the ideas put forth by Lomborg's panel of experts. Nobel Prize winner Thomas Schelling argues, "It would be a mistake that each of these challenges and its solution be considered separately." Schelling adds, "A good nutrition does not only avoid deaths, but brings about a good health thanks to which children can attend school and avoid a fatal fate" (Rodríguez-Suanzes 2008).

According to Rodríguez-Suanzes, the Copenhagen Consensus proposes market-based policies in nutrition, health, and education. On the topic of nutrition, the panel of experts proposes to concentrate on the quality and not the quantity of food, emphasizing the use of iron or iodum micronutrients. In health, the panel of experts suggests that low-cost treatment in malaria and tuberculosis could help save millions of lives. The treatment should incorporate the use of inexpensive drugs that have proven effective and are widely available. In education, the panel of experts proposed to reward with an economic incentive the parents who decide to send their children to school.

REINVENTING BRETTON WOODS

In February 2008, I traveled to Berkeley, California, where three years earlier I had graduated with a master's in financial engineering from the University of California.[2] During my visit I met with Barry Eichengreen, one of the world's best economic historians. The 45-minute conversation with the Berkeley economist included a discussion on the Bretton Woods Institutions. Eichengreen suggested that I contact Marc Uzan, the executive director of Paris-based think-tank, The Reinventing Bretton Woods Committee.

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In June 2008, I spent three days in Paris, where I had lived for two years in 1997 to 1998 and 2000 to 2001. In the morning of a beautiful June day, I met with Uzan. I waited at a French café for 45 minutes while putting my ideas together and drinking a French café au lait. The two-hour meeting with Uzan was productive. He is a forward-looking thinker whose late proposal is a change of governance of the international financial system. Uzan co-authored a book in 2007 entitled *The International Monetary System, the IMF and the G20*, along with Richard Samans and Augusto Lopez-Claros of the World Economic Forum.

The idea that the very institutions that have failed to anticipate the financial crisis and have actively participated in the economic fiasco are invited to the reform process along the G20 is absurd. It is similar to inviting Robert Mugabe and Mobuto Sese Seko to a round on how to improve public governance in Africa. Or to asking former Illinois Governor Rod Blagojevich to maintain his position and participate in a wave of reform to decrease the incidence of corruption in Chicago-politics.

The Wall Street investment banks Bear Stearns and Lehman Brothers defaulted and were not bailed out. When will the World Bank and the International Monetary Fund default? Are they too big to fail? Do the shareholders have veto power that continues and perpetuates the maintenance of a majority vote that grants an insignificant share of representative power to the BRIC countries (Brazil, Russia, India, and China)? According to the *Financial Times*, "Capitalism's worst crisis in 70 years has not prompted a serious alternative vision of society. It has, however, laid bare that our current national framework for financial regulation is incapable of governing a global financial system" (*Financial Times* 2009).

Being provocative is only a first step to gaining the appeal and attention needed to shake the average citizen's conscience in Western Europe and the United States and raise his or her awareness. I see a Window of Opportunity that will not last long. I sense times of change that could be forsaken if the visionaries of our time do not react. It is our generation's duty and obligation to move forward with an agenda that embraces the poor and the environment, for we all are created equal, and human dignity should be valued above economic profit.

IN TRANSITION

Historians are well aware of the challenges of the first half of the twentieth century. Humankind underwent the most violent stage of modern times, with two almost consecutive World Wars that devastated Europe between 1914 to 1918 and 1939 to 1945.

The period in which we live today is a time of economic recession and potential depression, increasing protectionism and barriers to trade. In many respects, it resembles that of the 1930s and the Great Depression, which started in the United States. Ben Bernanke, chairman of the Federal Reserve Bank of the United States, is a reputed economist and one of the best experts on the Great Depression. His designation in 2005 to succeed former Chairman Alan Greenspan had to do with the then foreseeable crisis that some pessimistic economists such as Nouriel Roubini anticipated.

Nouriel Roubini is a professor of economics at New York University. I explained what the New Architecture of capitalism was all about to Roubini on May 14, 2009,

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at the RGEmonitor headquarters in New York City. Roubini mentioned several times that the ideas presented in this book were overly ambitious. He may be right. But if we are not the dreamers of today, we will never reach Decemland, the land of 10 percent, which will be presented in its fullness in Part VI of this book.

I look back at the years that followed the carnage of World War II. I see forward-looking policy-makers who were able to set the basis of the economic principles that enabled thirty years of phenomenal economic growth and stability in Western Europe. I see forward-looking policy-makers who had the obligation to dare, who created the structures that enabled the emergence of the European Union and secured once and for all Europe's peace.

Subsequent events accelerated the European recovery and construction. Quincy Wright (1961) comments that "the success of Mao Tse-tung in adding China to the Communist camp in 1949, followed by the Korean war, stimulated the integration of Western European states in the Steel and Coal Community, later developed by the Common Market and Euratom." But the success of today's Europe could not and would not have happened in the absence of a plan of action.

In his book *Global Covenant*, David Held presents "the Social Democratic Alternative to the Washington Consensus." Held focuses on "the relation between globalization and social integration" and "seeks to unfold a programme which might help weave together the processes of globalization, the bonds of social integration, and the priorities of social solidarity and justice." The author's progressive economic agenda "needs to calibrate the freeing of markets with poverty reduction programmes and the immediate protection of the vulnerable." Held's concluding remarks point in the direction of a new development agenda that emphasizes the protection of the vulnerable (Held 2004).

We decided to forsake and forget the devastation many extreme poor countries suffer today. We decided, as a society, to ignore the underlying roots of poverty. We neglected to demand of our political elite the accountability needed to move forward with the reform agenda. It is time to raise our voices as citizens of a globalized world, to demand the kind of change and reform our ancestors once dared to put on the table.

It is the poor's mandate. They demand change but have no representative power because many live in undemocratic societies. They demand change but cannot effect it because the World Bank, the International Monetary Fund, and the United Nations were designed to grant a majority vote to the economic powers of the time (World Bank and IMF), or to the victors of World War II (Security Council at the United Nations). The change must come from below and from within. The approach has to be bottom up. The Western world has to displace the political elite who are not ready to reform. On February 4, 2009, Martin Wolf of the *Financial Times* wrote the following statement (2009b):

> *Decisions taken in the next few months will shape the world for a generation. If we get through this crisis without collapse, we will have the time and the chance to construct a better and more stable global order. If we do not, that opportunity may not recur for decades.*

I replied to Wolf raising the following questions: What about reforming key policies in trade, agriculture, and financial architecture? What about cleaning the dirt out

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of the system including tax havens, and fighting tax evasion and money laundering? What about dismantling agricultural subsidies and giving more representative power to the emerging economies in the international institutions? What about a currency for the poor? What is the role of microfinance in enhancing the lives of the poor?

The *Financial Times* published a report in May 2009 entitled "The Future of Capitalism," which included the 50 leaders who would shape the debate. Surprisingly enough, Koffi Annan, Hernando De Soto, and Muhammad Yunus were not among the aforementioned leaders, the majority of whom are from developed nations.

The world economic and corporate elites meet in Davos, the land of the Pirates of Heartless Capitalism. These elites hang out with the pirates who hide in tax havens behind banking secrecy. The world economic and corporate elites are not pirates but they allow pirates to continue operating. Switzerland is a totalitarian monetary regime that ought to be embargoed.

It is time to look beyond the formulae anybody can find on academic papers from reputed journals. It is time to look at the details of our lack of ethics and our double standards in many key areas. The opportunity may arise if reform is followed by innovative policy-making that proposes alternative thinking, which the orthodox, mainstream thinkers of our time refused to believe in, pressured by lobbies, by the financial and economic elites, by the shareholders of multinationals, by the arms industry, and by the banking sector.

We are in transition from the old-fashioned economic principles of free-market economics. It must be a dynamic transition. I wish to contribute with a forward-looking rationale that aims at building up an alternative success story to today's unhopeful dynamics.