

In search of a brotherly economy.

**PEKEA International Conference
Rennes, 12- 14, Dec. 2003.**

General Report.

PEKEA (Political and Ethical Knowledge on Economic Activities) organised an international conference in Rennes from 12 to 14 December 2003 on the theme: **In search of a brotherly economy**. The contributors came from more than 25 countries and many different backgrounds. They included researchers from various disciplines of the human and social sciences; persons active in private enterprises, civilian associations, local government administrations, regional, national, international institutions, and legislative bodies; activists from grassroots movements, such as social economy associations and international solidarity associations. Through lectures and roundtables in plenary sessions and some fifteen workshops held over two and a half days, three hundred delegates explored the research project launched at Santiago de Chile in September 2002: to build a Political and Ethical Knowledge in Economic Activities.

How can this call to develop a brotherly economy mobilize men and women nowadays from all around the world to engage in a collective, pluri-cultural and international thinking effort? More than seven hundred persons have already pledged their support to the PEKEA project. Such a convergence can only be explained by a common recognition that, after the failure of communism and the broken promises of neo-liberalism, we must seek new answers for our generation and future generations.

The aim of the conference was to deal with the first block of knowledge of the PEKEA research programme: to establish a criterion of value to explain and guide economic activities that differs from the prevailing market value criterion. The invitation to prepare contributions for the conference highlighted the need to focus on a concept of **societal value** that addressed what counts for society and not just what is countable. We cannot leave a decision between two options only to the market but must find out which is better according to *societal value*. Ethics must guide us here, not economics alone. And we think that only democratic deliberation can help is to define this *societal value*, to measure it and assess it. This seems essential for the genesis of projects, their choices, their implementation, and their evaluation.

The concept of *societal value* seemed more relevant than "social utility", a term that is used by some specialists of solidarity economics. For these specialists deploy the latter concept in parallel with the mainstream concept of "economic utility" without integrating it into an alternative conceptual framework. The definition of *societal value* should emerge from an ongoing deliberative process that privileges collective deliberation and cooperation guided by ethical principles. Thus it goes far beyond any simple mode of determining a socially necessary value based on opportunity costs or some form of utility maximization under specific constraints, as taught by orthodox and heterodox economics. On the contrary, the concept of societal value concerns the search for the most coherent balance between, on the one hand, the nature, scope and variety of human needs that must be satisfied and, on the other hand, choices about investment allocation, the mobilisation of means of labour for different activities, the labour process itself, and the appropriate criteria for distribution. In

this sense, *societal value* links different economic levers that must complement each other if we are to overcome the limits of societal scarcity, i.e., the limits to the full realization of individual and collective capacities in a given society.

But what kind of society is required to pursue economic activities in such a way that there societal value can grow, producing true "wealth"? It is here that fraternity must enter the picture: nothing is possible if the members of society do not cooperate as a brotherly community. We must stop opposing *Gesellschaft* and *Gemeinschaft* as if they were successive stages in societal development or antagonistic aspects of contemporary society. The key role of Fraternity appears when we revisit the motto of the French Republic from 1848 onwards: Liberty - Equality - Fraternity. Liberal capitalism, which claims to represent Liberty, creates a society that produces inequalities and never fulfils its promise to reduce them - a society where solidarity is just sufficient to address, reluctantly, some forms of social exclusion. State socialism claimed to embody Equality but did so at the expense of Liberty - and it was pressure for Liberty that led to its failure and the fall of the Berlin Wall. There remains Fraternity. This comes second, at best, for the other two kinds of society. We should think of putting Fraternity first instead. This would require that Liberty be understood positively and not just negatively - my liberty is not just freedom from external restraint but should be exercised to extend the liberty of others, not restrict it. This would also allow Equality to be lived in another way, as equity and dignity among members of the same global humanity.

Is this position not too French or, at least, too utopian? This is a good question that we will address in the next PEKEA conference currently planned for Bangkok, in early November 2004. But let us note at once that the preamble of the Indian Constitution reads that the people of India have resolved: "to secure all its citizens JUSTICE, social, economic and political; LIBERTY of thought, expression, belief, faith and worship; EQUALITY of status and of opportunity; and to promote among them all FRATERNITY assuring the dignity of the individual and the unity and integrity of the nation". If we have to name a guide to build a new political and ethical knowledge on economic activities, one that would enable us to design a world of communities that are open and show solidarity to each other, from the local to the planetary level, it is not to the French revolution that we must look, but to Asia : it is to Gandhi, to be sure, that we need to refer.

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