

# **Cultural economics: new paradigm for Brazil the USA and all victims of the global economics**

**by Howard Richards and Joanna Swanger**

We begin with a musical selection and a discussion, the theme of which will be the nature of the problems in the current global economy. In their most basic form, the problems are that 1) needs are unsatisfied for wide sectors of the world's population; and that 2) when nation-states or smaller localities attempt to make changes meant to result in greater social justice and more of people's needs getting met (e.g., Lula in Brazil), the global economy has built-in mechanisms that punish such attempts and often bring about even more dire conditions for people in these communities. Such mechanisms include capital flight, the refusal to invest, or the withdrawal of investment.

We will show that it is not the global economy (nor these particular mechanisms within it) but rather the paradigm underpinning the global economy that has us trapped in a situation of increasing disparity between the haves and the have-nots, in which violence is increasingly applied to achieve a shaky semblance of security for the haves. What is the way out of this situation? We will ask our audience to break into small groups and discuss what constitutes a paradigm shift. Then we will explicate in detail the historical origins of the paradigm by which the global economy operates, with specific reference to Roman commercial law and the liberal ethics—Kant's categorical imperatives of freedom, property, and honouring contracts by paying debts—which bolster the paradigm.

A genuine paradigm shift, in our estimation, means acting upon the realization that these structures that govern our world, although they are generally taken for granted and thought of as 'natural,' are actually cultural constructs. Therefore, the principles of freedom, property, and honouring contracts are not just "the way things are," but rather a cultural legacy, which can be renegotiated, reconstructed and improved, hence *cultural economics*. We advocate a paradigm shift that will engender a world in which decisions are made not according to the consequences that economists predict but are made rather according to a basic pragmatism: i.e., whether they will contribute to meeting universal human and ecological needs. Therefore, the programs we implement to bring about greater social justice should be evaluated on the basis of whether or not they are contributing to building a cultural economy, which operates on new rules, production for use, stewardship of property, democratic control of resources, and social bonds, while preserving those elements of liberal ethics that are genuine ethical advances (i.e., freedom).

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