

Bridgepoise 6

Strategic Exposing of Lonergan's Economics

Various people have asked me what I am doing during the three days of lecturing in Nashik, September 9-11, so it seemed useful to put my tentative schedule into a Bridgepoise. It is, indeed a bridge-poise for me. My first presentations of Lonergan's economics - twice in Boston 1977 - aimed at total coverage. Lonergan did the same in the Spring of 1978: I recall his grin when he decided: "I'm going to read it at them twice": it was the 1944 typescript.

Such total coverage was a mistake: for one thing, it turned into *haute vulgarization* for some listeners; for another it encouraged comparative chat regarding other views of e.g. Eurodollars, overproduction, taxes, imports, interest rates, whatever. What is needed is a serious scientific identification of the basic variables. These days lectures and conversations are only a beginning of that.

Towards a New Economic Order

A three-day initiation into the massive yet elementary shift that is required if Global Economics is to rise to a humane meeting of the global needs of seven billion people.

The Director of the effort is to be Philip McShane, editor of the relevant work on economics by Bernard Lonergan, *For A New Political Economy*,¹ and critic of the dominant ethos that is associated with Maynard Keynes, the criticism represented by McShane's stand, "No thank you, Mankiw,"² against Gregory Mankiw's internationally used text. However, such books are not the starting place of our effort. Our starting

¹University of Toronto Press, 1998.

²Quoting from the title of his work with Bruce Anderson, *Beyond Establishment Economics: No Thank you, Mankiw*, Axial Press, 2000. Referred to below as **BEE**.

place is ourselves, gathered here with our various patterns of prior education and economic involvement.

So, we shall start on the first morning, in an elementary fashion, from such patterns of experiences, and arrive on the final evening, with a larger communal appreciation of what is at stake in economic reform, at an elementary search for viable strategies of advancing that reform.

A convenient symbol of that start and search is the current volume of *Divyadaan*, with its focus on the key question, “Do You Want a Sane Global Economics?”³ A convenient symbol of the goal will be the center of the discussion on the third morning, that center indeed being expressed in a hand-out of the session, a set of symbolic images of a future collaborative global economics.

Day 1

10.00 - 12- 00 Session 1:

The Educational Context.

A relevant hand-out for the session will be key sections of chapter 3 of BEE, “Thinking Like an Economist”. Our exchanges here will aim at locating ourselves within the education we received, but then locating ourselves concretely, especially in so far as we have been abused by such education and the Establishments that go with it. There is an aesthetic dimension - especially that of the Indian sub-continent - to be adverted to in this locating . “What I want to communicate in this talk about art is the notion that art is relevant to concrete living, that it is an exploration of the potentialities of concrete living. That exploration is extremely important in our age, when philosophers for at least two centuries, through doctrines on politics, economics, education, and through ever further doctrines, have been trying to remake man, and have done not a little to make human life unlivable” (Bernard Lonergan, *Topics in Education*, 232).

³*Divyadaan: Journal of Philosophy and Education*, Vol. 21, August 2010. To be referred to below as **DIV**, and the Essays in it referred to as **DIV** 1, 2, etc..

2.00 - 4.00 Session 2:

The Fundamental Insights: the New Economic Variables.

This is to be a very elementary session, with a focus on what is to be central for high-school economics in these next decades. It is the key to the entire project and to the massive shift in economic thinking in this century. We are looking towards “a readaptation of the whole existing structure” (Lonergan, *For A New Political Economy*, 6), but it “makes a new beginning” (ibid., 7) by identifying elementary economic variables missed and dodged by present conventional economics. This identification, quite simply possible from a focusing on the needs of any small business, is the most startling part of our three day venture.

7. 00 - 9.00 Session 3:

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on the new perspective on education, economics and method. This session would benefit enormously by the questions written up, and passed on to McShane not only after the morning session, but at any stage in the months prior to the gathering.

Day 2

10.00 - 12.00 Session 1:

Promises, Notes, Credit.

This session, while relevant to a critique of complex forms of transactions and credit such as Hedge-fund activities, Derivatives, Credit Default Swaps, etc etc, will maintain an elementary focus. We push for the fundamental meaning of “giving credit” that relates to objective and subjective promise(s). At the center of this is a new orientation of general banking operations. “The bankers function is essentially a critical, checking, admonitory one. Alike in this respect to economists, bankers are worth their salt only if they make themselves thoroughly unpopular with governments, politicians, and the

public. This does not matter in times of intact capitalism. In the times of decadent capitalism this piece of machinery is likely to be put out of gear by legislation” (Joseph Schumpeter, *Business Cycles*, Vol 1, 118). See DIV 2.

2.00 - 4.00 Session 2:

The Rhythms of Innovation.

Again, our focus is to be elementary, since it is in this zone that the analytic weakness of present economics is best exposed. We shall take simple instance of such innovations from earlier cultures, but what is to be found applies equally to contemporary innovations involving nano-technology or biomimicry. The new economic variables of Day 1's first session help to identify two flow of money, of promises, that surge differently. If the surges are not recognized and adapted to intelligently, then the surges shift towards being the familiar economic oscillations or even “bubbles” and bankruptcies.

7.00 - 9.00

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on the meaning of credit and of innovation. Questions in this are important, as noted for the same period of Day 1.

Day 3

10.00 - 12- 00 Session 1:

Imaging Global Economics: the parallel with global hydrodynamics.

The difficulty here is to envisage realistically the long road towards the emergence of a global science of humanistic control of varying improved standards of living that mesh with local cultural aspirations and conditions. Drawing parallels with the global hydrodynamics of sea, rain, tsunami, whatever, can help us here. And the parallels also

help us towards seeing a need for a massive paradigm shift in the dynamics of global academic collaboration.

2.00 - 4.00 Session 2:

The Structuring of the Global Shift.

What is at stake, then, is a complex paradigm shift, to be massively resisted by Establishments. Such resistance has to be countered by micro-structures of innovation, but it is necessary to envisage also the seeding of a new functional way of collaboration that would be omni-disciplinary and concretely effective in moving larger transnational structures, like the World Bank, towards sanity. The madness of such institutions as Wall St., of course, has not only to be identified but also treated with patterns of disrespect and deep therapy. See DIV 6,7. The fuller context is that expressed in McShane, *Sane Economics and Fusionism*, Axial Publishing, Canada, 2010.

7.00 - 9.00

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on concrete strategies of the present audience. Questions, as on Day 1 and 2. But we also are aiming at concretely following-up our venture in the days and decades ahead.