

## Application Einstein Fellowship 2014

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The Einstein Fellowship allows the successful candidate to do interdisciplinary research at the Einstein Forum for 6 months. I would be thrilled to be able to make use of such an opportunity. Below I will set forth what type of research I would be interested in doing.

I have obtained two master's degrees at the University of Amsterdam, one in European Studies (with minors in art history, history, law and Spanish) and one in Islamic Studies. I gained my first professional experiences during my studies, whilst working for an online magazine on European politics (the magazine was called *@europe*). After graduating in 2004, I worked on various (international) cultural projects in Amsterdam. Initiating and organizing a successful debate on 'shared moral values in society' was a turning point for me. Soon after that, I got the chance to work for an organization that focuses on SME development in emerging markets and took it. The main reason for this switch was a keen interest in entrepreneurship, combined with a desire to contribute to something bigger than the cultural scene of Amsterdam. Or to put it differently: "I couldn't forget the *rest of the world*."

I chose the newest publication of Tomas Sedlacek, 'Economics of Good and Evil, *the Quest for Economic meaning from Gilgamesh to Wallstreet*' to be one of the main sources for my research. On the cover of the book you can read the following: "Deemed by experts as an impressive advance in "humanomics", Sedlacek places the wisdom of philosophers and poets over strict mathematical models of human behavior. His groundbreaking work promises to change the very way we think of economics and the way we calculate economic value." *Economics of Good and Evil* was adapted into a play that continues to sell out the Czech National Theatre. To me this is proof that this book is more than a 'collection of theories.'

What specifically struck me about Sedlacek's publication is his profound research and insights on the *origin* of the concept of 'economics' and the 'rules' of fruitful social behaviour in society. He starts his book with the oldest story of humanity, The Epic of Gilgamesh. His analysis of 'cultural development versus nature', or phrased metaphorically: 'the wild', is carefully described.

Another central theme of Sedlacek's book is 'the power of storytelling'. The power of storytelling is an old concept: the culture of the Indian elders, the tradition of the Aborigines (the "songlines"), as well as quotes from many historical figures example this concept. Since the power of story (or 'rhetoric', if you like) and how it should be used to accomplish 'happiness', or better said: the 'good', seems ever so accurate within the current debate about the economic crisis, I would like to take a closer look at it. The worldwide debate about the need for quality journalism, or the lack of it, due to fast news consumerism that the internet has provided for, has added some extra urgency to this topic.

I met Sedlacek at 'The Day of Philosophy' in Tilburg (a town in the Southern part of The Netherlands), on April 20th. He opened this event, which was entitled 'Schuld en Boete' (or 'Crime and Punishment') with a remarkable speech. Firstly, he put of emphasis on the importance, and difficulty, of forgiveness. Especially aiming at European politics and collapsing banks, he used the example of German Prime Minister Angela Merkel who strongly opposes the 'sharing of debt' of the nation states within the EU. Merkel favors the stimulation of competitiveness within Europe as a remedy to survive the economic crisis. Sedlacek, however, pointed how 'forgiving can, under certain circumstances, turn into giving.' His arguments are based on philosophical, as well as religious, historical and cultural grounds. A careful listener from the audience raised the following question: 'what is the difference between forgiveness and giving?' Sedlacek's answer was: 'The nature of a thing changes when it is given or sold.' He added that one should forgive slowly, yet forgiveness is in essence vital to overcome the fetisjism of economics.

Sedlacek uses the term 'the fetisjism of economics' to explain the phenomenon that 'the desire to want more has entered into the realm of economics'. In his latest book he sets forth that in history, this has not always been the case. He is surprised how we seem to take the current economic crisis as 'bad news'. He believes that we are dealing with a crisis of 'growth' capitalism, not capitalism. To quote Nietzsche: 'the

market is human, o so human'. Sedlacek believes that there are more ways to deal with the current situation. Bring back ethics into the realm of economics, and we will create a whole different story.

The conception of 'the power of story' brings me to other sources for my aimed research. In 'The Silent Takeover' (Noreena Hertz (2001)) Hertz addresses this phenomenon in a somewhat 'practical' and worldly manner. Hertz's explanation of the interrelatedness of global culture, politics and business, and her pledge for "the ability to translate new rhetorics into sustainable realities" (p. 268), invited me to think critically about about sustainable economic growth. In The Netherlands a lot of books on the topic of 'free will' have been published by academics the last few years. 'Vrije wil is geen illusie, hoe de hersenen ons vrijheid verschaffen' (translation: 'Free will is no illusion, how our brains *allow* us freedom' (Herman Kolk, 2009)), inspired me as well. The link between philosophy and cognitive psychology is clearly explained here.<sup>1</sup>

During the Walter Eucken Lecture of February 2nd this year, entitled 'Crisis Management and Regulatory Policy'<sup>2</sup> Dr. Jen Weidmann, President of the Deutsche Bundesbank, stressed the importance of *the principle of liability*, "without which no market economy can function." He quoted Walter Eucken during his speech: "Whoever reaps the benefits, must also bear the liability." According to Mr. Weidman the decisive question is "how to give the principle of liability more heft – in the financial markets and among governments".

Dr. Jen Weidmann continued with the following: "In order to strengthen the principle of liability at the level of sovereign states, the framework of monetary union needs to be improved. During the crisis, however, we moved away from this (read: The Treaty of Maastricht<sup>3</sup>): control remained national, whereas liability has been increasingly transferred to the European level." According to Weidmann, policymakers are split between the Treaty of Maastricht and the Fiscal Union. He firmly believes that the Eurosystem cannot resolve the crisis, because the causes of the crisis are structural, and are to be found at the individual member state and the European level. Weidman mentions he agrees with a former IMF chief economist: "To ignore the importance of fixing het underlying structures, is to insult people's intelligence."<sup>4</sup>

To end this short proposal, I would like to comment that I do not have a background in economics. However, during my time at the university as well as during my professional life, I did learn to think 'economically'. To return to Sedlacek: he mentioned that 'to properly understand economics', a background in history, philosophy and culture are indispensable.' This strengthens my motivation, and belief, to succeed in this research.

During the 6 months of research at the Einstein Forum, I would like to zoom in on 'the ability' of European politicians to 'translate new rhetorics into sustainable realities', taking Sadlacek's latest book, *Good and Evil in Economics*, and *The Silent Takeover* from Noreena Hertz as starting points. What are the possibilities, and what are the pitfalls, and where can we find a sustainable opening for change? To put this into words, I will, like Sedlacek did, use examples of cultural as well as journalistic developments in Europe.

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<sup>1</sup> In The Netherlands 'free will' has been a topic that has been narrowly discussed by psychologists. 'Vrije wil is geen illusie, hoe de hersenen ons vrijheid verschaffen' (translation: 'Free will is not an illusion, how our brains *provide* us with freedom' (Herman Kolk, 2009), is a source of inspiration as well. The link between philosophy and cognitive psychology is explained clearly in this book.

<sup>2</sup> Walter Eucken Lecture, Feb. 2nd 2013: 'Crisis Management and Regulatory Policy' by Dr. Jen Weidmann. See also: [http://www.bundesbank.de/Redaktion/EN/Reden/2013/2013\\_02\\_11\\_weidmann\\_eucken.html?nn=2094](http://www.bundesbank.de/Redaktion/EN/Reden/2013/2013_02_11_weidmann_eucken.html?nn=2094)

<sup>3</sup> The Maastricht Treaty (formally, the Treaty on European Union or TEU) was signed on 7 February 1992 by the members of the European Community in Maastricht, Netherlands. "The idea of developing strong, cohesive policies in the face of economic globalization can be regarded as one of the main driving forces in European integration, resulting in the Single European Act (1986), the Maastricht Treaty (or TEU, 1992), the Amsterdam Treaty (1997), the Nice Treaty (2001) and diverse enlargement rounds. " *Understanding EU Policy Making*, Raj S. Chari & Sylvia Kritzinger, p. 2.

<sup>4</sup> Quote stems from German daily newspaper *Frankfurter Allgemeine Zeitung*