Value versus greed

10 stories about the open eyes economy.
Professor Jerzy Hausner in conversation with Zbigniew Bartuś

From the Economics of Greed to the Economics
of Values – in Search of Ideas and Hope - Jerzy Hausner

open eyes
economy summit

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**From the Economics of Greed
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– in Search of Ideas and Hope**

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From the Publisher

Each of us considers himself or herself a reasonable person. If asked why, we offer examples without hesitation. We reply: I am thrifty, I do not throw away food, I am not a fashion follower, and I do not buy the trendiest clothes every season. We switch off the light when leaving a room and turn off the tap while brushing our teeth so that the water does not run for two minutes on end. Other answers and behaviours will be characteristic of young people, teachers, doctors, or entrepreneurs. Politicians, local-government officials, or civil-society activists will approach the question differently. There are exactly as many examples of our rationality as there are opportunities for carelessness. Prudence is undoubtedly a virtue, but is it not dull? Does it not label us as people lacking imagination or flair? What is it: a duty or a habit? If it is the latter, does it apply only to personal, everyday routines? Can we think about it more broadly: about our homes, our work, our towns or villages? Or perhaps even more broadly: about the country, the continent, or the world? And what if we manage to see it through our values?

Is there room for values in economics, a field which many associate with profit, earnings, financial success, but also with poverty? Do these values stand for charitable activity, or the ability to share with others? For ten years now, we have been talking, first among ourselves within the community of the Krakow's economists, and later with all those who wish to join our discourse, about the economics of values.

These conversations gave rise to the Open Eyes Economy social movement. It is a community of people who wish to look at the world consciously. With open eyes, we can see where we are, what our surroundings are like, whether something poses a threat to us, in which direction we may go, but also where we should stop, because going further is going to be dangerous. It is worth opening our eyes and noticing phenomena that we have not seen before, or have dismissed as insignificant. With our eyes open, we are no longer in the dark.

The fact that within our movement we discuss and promote the economics of values does not mean that it is us who invented it. The economics of values has existed for centuries, since the time when people began to observe and analyse their own behaviour and the surrounding world.

Over the past ten years, the scope of our interests and the circle of people with whom we talk and cooperate have expanded significantly. We continue to reflect on what entrepreneurship is and how companies operate. We are also interested in cities, local communities, and civic engagement. We seek the principles underpinning an efficient state and ways to improve cooperation between the administration and residents. We show how the economy and culture belong to one another, and how decisions made by local governments are linked to the well-being of residents and the condition of the natural environment.

"Value versus Greed" – the publication you are holding in your hands – aims at encouraging us to reflect together on what the economics of values truly means. In the first part of the book, you are invited to partake in a conversation between Zbigniew Bartuś and Jerzy Hausner, the economist who initiated the OEES movement. Although this conversation has already taken place and the reader cannot add a question, a comment, or an anecdote, we nonetheless hope it will stimulate reflection. And if it does – if it provokes the reader to recall a story or an event, evokes an association, or brings about a grimace of disagreement with what has been said – then it means that the reader is just as involved in it.

The second part of the book, *"From the Economy of Greed to the Economics of Values – In Search of Ideas and Hope"*, is an original essay in which Jerzy Hausner demonstrates how the economics of values affects various spheres of our lives.

When we look into the distance, we see the horizon—but only a part of it. When we move slightly, the horizon moves along with us. The part we saw from our previous position disappears, and another emerges. The thought that the horizon has neither a beginning nor an end requires a moment of reflection and contemplation. We see a fragment; we think of a specific issue, event, or process. Hausner's essay demonstrates how particular phenomena or processes, seemingly distant from one another and lacking any common elements, interact. Why do traditional concepts, recognised and accepted for years, not only lose their relevance but also become dangerous? And why should others, previously unnoticed, become the focus of individual or collective attention and engagement?

Should the axis of development be the accumulation of wealth, innovation, and possession of ever more goods, or rather health and well-being? What should be of greater importance for politicians: the enrichment of citizens regardless of the consequences, or the economic credibility of the state? Jerzy Hausner encourages us to treat the notion of *regeneration* not only on a personal level, but also to reflect on whether and how we can regenerate the climate, natural conditions, or the economy. The economics of values is, after all, a lifestyle, a manner of conducting business, and of responding to political and economic phenomena, conflicts, and crises.

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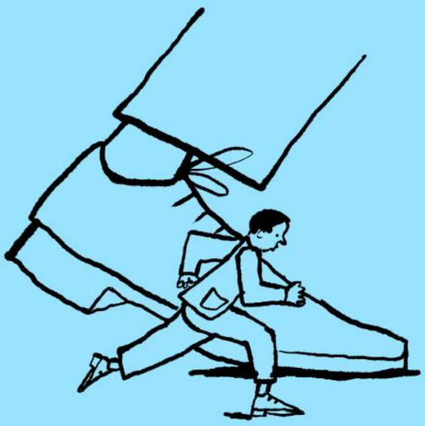
Capitalism and the Economics of values

The first story

About the free market, which is good
only when it is democratic,
and whether we are doomed to wander
forever between scarcity and excess



- How did we manage to produce more goods than at any point in human history and can it last?
- Are we passengers on a “Titanic” and is there still time to change course?
- Will we one day build mines in outer space and move into them?
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- What can Bill Gates, Elon Musk, and… Maximilian Kolbe possibly have in common?

1.

These days, it feels right to begin with a question — Trump-style, or unapologetic. So tell me, Professor, what cards are you holding up your sleeve after a decade of promoting the idea of the economics of values?

I am not a player, and since I am not – in my understanding of the world – I do not need to hold any trump cards or aces up my sleeve. More importantly, I am not focused on trying to collect them. What I take part in, what I try to keep alive, is – as open as possible – conversation about development. This conversation is about reaching people with certain ideas and messages, but equally about letting those ideas do their work. In this discussion I do not look down on anyone – including entrepreneurs – treating them neither as opponents nor as allies, but as potential participants in a shared space where we can talk about ideas and values.

Even if, at first, they do not identify with those values and ideas, or even disagree with them?

Especially then. I do not assume that everyone will immediately start putting these ideas into practice, but I believe it is worth opening one's eyes and noticing things that usually go unseen or are overlooked – to reflect on them and to talk about them. A conversation alone can introduce an entirely different cognitive perspective. Once we open our eyes, we no longer have to grope in the dark.

Let us, then, begin by referring to a view that has recently gained considerable popularity: Rainer Zitelmann argues in his book *In Defense of Capitalism*, translated into thirty languages—capitalism has brought the world "an unprecedented level of prosperity and access to goods." He backs this up with data: according to the World Bank, out of eight billion people on Earth, 659 million live in extreme poverty and 1.8 billion in poverty, while the share of those living in extreme poverty – as shown by all available data (including that of the UN) – has been declining for decades. In 1820 – at the dawn of capitalism – around 90 percent of the world's inhabitants lived in extreme poverty; in 1981, it was 42.7 percent; in 2000, 27.8 percent; and today, 8.5 percent. The reduction of poverty, Zitelmann comments, has therefore accelerated at a pace unmatched in human history. How, then, do the figures presented by Zitelmann relate to claims about the great crisis of capitalism, the need for profound systemic change, and to all that we have discussed during the nine OEES editions?

There is no doubt that humanity is producing more material goods than at any point in its history. The most food ever. The most clothes. The most furniture. The most gadgets and household appliances. And the most energy sources ever. If we were to measure civilisational progress by indicators such as the quantity of goods consumed or the size of GDP per capita, we would conclude that we have created the most efficient system in history. I do not, therefore, intend to argue with the claims made in this book, nor to dispute the data – there is no reason to do so. What I would, however, like to ask is whether this efficiency in producing a vast range of goods is really all that we, as human beings, need. And that raises another issue – is the standard of living we have built actually sustainable?

… whether this efficiency in producing a vast range of goods is really all that we, as human beings, need?

If you were to ask the current U.S. administration about it, Professor, you would of course hear an enthusiastic "Yes!" – followed by the cheer: "*Drill, baby, drill!*"

I am hardly the only one who sees this as an attempt to shout down realities that everyone can see and experience every day.

To shout down Katrina… It's like urging the orchestra on the *Titanic* to play louder and faster as the iceberg comes into view.

With one difference: we can still change course. The fundamental question at the heart of the economics of value is whether we can continue to produce ever more goods while consuming ever more of the Earth's resources. That is what sustainability is really about, though the term is often mistranslated as "balance."

So, together we take stock of the goods we produce and the resources needed to make these goods. And what does it show?

Most scientists put at least a few big question marks and exclamation marks here, while many people have come to believe that this system, in its current form, has reached the limits not only of further growth but even of maintaining the current standard of living. This is due to the ripple effects visible across many areas;

The fundamental question at the heart of the economics of value is whether we can continue to produce ever more goods (…)

above all, the consequences of climate change, degradation of the natural environment, and depletion of energy-bearing resources. As a result, growth and the entire system have become unsustainable; in some cases, it has turned so unsustainable, so exploitative, that it now leads to a decline.

Many of us have witnessed this phenomenon – or at least seen it on a smaller scale. The Americans now shouting *"Drill, baby, drill!"* have seen it too. And long ago. When I was in Cleveland, older inhabitants told me about a catastrophic event, that is the spontaneous ignition of industrial waste and oil floating on the surface of the local Cuyahoga River. It was in the late 1960s. The incident made national headlines, sparking the rapid rise of environmental movements and leading to groundbreaking legislation such as the Clean Water Act. That was also when the Environmental Protection Agency (EPA) was created.

At that time, the discussion revolved mainly around local and national resources; today, however, it concerns the resources of our entire planet, since the phenomena we observe are global in nature and produce effects in every corner of the Earth. Scientists – not only ecologists – emphasise that by exploiting the planet's resources, humanity has already crossed its planetary boundaries. Of course, advocates of technological optimism and limitless progress respond that even if humankind exhausts the Earth's resources, civilization will, in due course, acquire the capacity to draw resources from a broader planetary system.

We may have mines in space and even live there one day.

We can go on debating between utopias and dystopias, but the longer we do it – without changing anything in the current system of production and exploitation of the planet – the clearer it becomes that neither utopia nor dystopia is true. And yet, the truth does not lie anywhere in between either.

Why?

Because this entire vision of eternal growth, understood as the expansion of production and consumption of goods through the use of every available resource, fails to take into account two fundamental, deeply human questions. The first is this: does the fact that we produce and consume so many goods actually make us happy? And the second: does the form of capitalism as we see it now offer all producers equal opportunities on the market, or do we, in fact, see clear signs of restricting free competition, market capture, and domination of some over others – meaning that a narrow group of the wealthy will go on accumulating ever more resources in their hands, while everyone else will be left at their mercy?

(…) does the fact that we produce and consume so many goods actually make us happy?

Let us try to answer the first of these questions. A risky business, since we all chase happiness, yet few of us can truly define it.

I am aware that the concept of the economy of happiness is, for many people, as nebulous as the idea of the economics of values. But, first of all, there are researchers who actually measure happiness. And secondly, there are sociological tools which allow this to be done with reasonable precision. You are asking what it means to be happy. Indeed, we use different definitions, which is why a somewhat narrower category has emerged – that of well-being. Measuring it involves analysing a range of factors which influence a person's overall sense of well-being, which in turn determines a person's feelings of satisfaction and happiness.

And these are not just material possessions.

Of course not. Many of us, at different stages of life, wonder whether our material success, the goods they have enjoyed or accumulated, might have come at too high a price.

In gold? Blood? Time?

In the loss of something else, perhaps something more precious. The classic example: time for the loved ones.

Proust foresaw that we would end up spending too much time searching for lost time.

And he was not the only one.

I have recently watched a documentary about so-called "primitive" peoples, often regarded in developed countries as poor and rather unhappy. Yet when anthropologists and ethnographers studied daily activities of those peoples, they discovered that members of these societies see themselves as lucky, needing nothing more than what nature and their everyday labour provide – about fifteen hours of work a week, plus another fifteen to take care of their households.

A thought begins to stir in us: those people spend all their remaining time on pleasure, on enjoying life and one another's company. And then we start to ask ourselves whether each of us is not, in fact, a hamster running in a tiny wheel, convinced we are moving it forward, while in reality it just spins in place. The achievements of our civilisation fill us with admiration, yet they can also overwhelm us, wear us down, and exhaust. The levels of stress, of tension, of depression...

Roger Waters, in the title song from his album *Amused to Death*, once asked: "Doctor, doctor, what is wrong with me? This supermarket life is getting long. (…) Bartender, what is wrong with me? Why am I so out of breath?"

Many of us realise that, by craving goods and surrounding ourselves with them, we are merely trying to fill an inner void. Yet this abundance of things does not make us happy.

Yet, a lack of material goods cannot be treated as the foundation of happiness either.

Of course not. One cannot claim that the further people live from material civilisation, the happier they are — that is simply not true. And yet believing that the sheer volume of consumed goods, the amount of controlled capital, or the possessed wealth makes people happy is pure nonsense.

We are a society still on its way up; and many people are only now starting to realize it.

Yes, because knowing something and actually experiencing it are two different things. Still, it is worth knowing. There is more than enough evidence and experience to show that up to a certain level of income, our sense of confidence, security, and satisfaction grows, but then it stops, or even begins to move in the opposite direction.

Between one level and the next, we suddenly discover that “money does not buy happiness.”

There are a number of factors to play a role here. One of the main ones may be the growing visibility of inequality. When an economic system reinforces inequalities, the inevitable consequence is the spread and deepening of frustration among those who clearly have less. Capitalism can create an enormous pool of goods; yet at the same time, it can also deepen – sometimes to an extreme degree – inequalities understood broadly, not only in terms of income but also in terms of opportunity. What I mean is the restricted access to quality education, healthcare, or certain forms of cultural capital. Formally, people’s opportunities for development may appear equal, but in practice they are not, and this often leads to the reproduction of inequality at the level of opportunity, and therefore also at the level of income generating potential.

Real socialism sought to eliminate these inequalities from the top down.

But it did so entirely against human nature, creating what we used to call *urawniłowka* – which is not the same as equality of opportunity. A market economy carries within it the positive forces of competition and rivalry. That is where entrepreneurship and innovation come from, and it is what gives the system its vital energy. But this mechanism works well only as long as inequality does not become extreme. Once inequality generates a situation where upward and downward mobility between poorer and wealthier social groups effectively comes to a halt; these groups get stuck in a rut: the poor remain poor, while the rich grow ever richer.

A market economy carries within it the positive forces of competition and rivalry. That is where entrepreneurship and innovation come from, and it is what gives the system its vital energy.

There is no such thing anymore as a career that takes you from rags to riches.

No, there is not. But what is even worse – for the system as a whole and for society at large – is that genuine free competition, the lifeblood of entrepreneurship, is dying out.

This is a liberal speaking.

Ha! Once, when I was serving in the left-wing government, I was awarded the Kisiel Prize—precisely for my liberal approach. It has never been a problem for me. My liberal orientation is rooted in deep respect for entrepreneurship, which I see as an exceptionally democratic idea: it is about everyone having a chance to be an entrepreneur. If we look at it from that angle, we must conclude that we need to root out all those social phenomena and institutional arrangements which prevent enterprising individuals from actually being entrepreneurs. And let me add—that “from rags to riches” idea which you have quoted is nothing more than a myth, a legend...

But it has been happening, and still is.

I am talking about the myth in the sense that not in every case can rags be turned into riches and earn you millions. It takes an entrepreneur at heart to actually get from rags to riches.

At heart?

We must remember that the entrepreneurship gene – for it is a kind of gene – is not evenly distributed across society, just as not all of us are equally gifted in music, art, or mathematics. So the point is not to make everyone an entrepreneur by force, just as not everyone can be an artist. What is absolutely crucial, however, is that the natural spark of enterprise within people should never be stifled.

We often hear and say that bureaucracy and excessive regulation stifle entrepreneurship.

In reality, there are many deeper forces at play. It is worth looking more closely at how society is layered and what the market structure looks like. If the social system is rigid, divided into impermeable castes, the chances that someone with an entrepreneurial streak will unleash their potential as a business founder are slim. And if the market is dominated by a handful of players controlling key sectors, the opportunity for anyone – no matter how talented – to develop their business and claim a significant share of the market is somewhat illusory. Entrepreneurship, by its very nature, is democratic.

Although embedded in the nature of the market is competition, often fierce, driven by the strong temptation to wipe out rivals?

That is precisely the point – to prevent competition from being wiped out. If the market offers a chance for entrepreneurship to stay democratic, it will have a positive impact on the economy, on society, and on the trajectory of development.

And that is it?

Not quite, because that does not take away the other questions we have raised earlier. Especially the question about what really makes people happy. We already know there is no direct link between wealth and happiness.

A businessman friend of mine likes to say: the seventh Porsche, the third wife, the ninth therapist.

It happens… On the other hand, we also know we cannot divide the world into the happy have-nots – I mean here those tribes who work fifteen hours a week and own next to nothing – and the unhappy haves. It does not work like that. We all know people who have a lot and are perfectly happy, and those who have little and are miserable – and vice versa. In other words, having things tells us little about happiness, except for one caveat I have already mentioned: that up to a certain level of income, it does raise life satisfaction and a sense of security.

Then, what matters to us more than simply having things?

That what we have should come as a result of our own initiative, our work, and our entrepreneurial spirit.

And they say people love the welfare state!

To tell you the truth, there are not that many who actually do. What is more, when the majority of the society starts to believe that one's wealth in their country depends on the distribution of goods according to rules which are either opaque or blatantly unfair, dissatisfaction or frustration begin to simmer. Even if, objectively speaking, people have more than they did a decade ago, they cannot feel truly satisfied or happy. The best proof, here and now, is that the Polish are, by every material measure, better off than before, yet this does not translate into a deeper sense of fulfilment of essential needs. Some, paradoxically, feel even worse.

You mentioned "extraordinarily important needs." But perhaps these needs are constantly being imposed upon us, artificially created by entrepreneurs? Steve Jobs used to say that "people do not know what they want until you show it to them." And indeed, he showed them a smartphone, the possession of which became a fundamental need and generated an entire range of other, previously unknown, needs. It can also be argued that if modern capitalism did not continuously invent new goods and needs, it would lose its very reason for being. It assumes that we must remain suspended somewhere between scarcity and a kind of perpetual Witkacy-like insatiability – as a consumer society subjected to an ever-growing appetite for novelty.

There is a clear difference between needs and desires. But there is also a difference between desires and that narcotic urge which demands instant satisfaction. People need to have desires. A desire is born in me when a dream transforms into certainty that I want and ought to achieve something that seems beyond reach. It is a profoundly positive thing when people wish to change their status and, driven by that wish, bring themselves to act.

Sometimes they also spur others into action.

That is true. Martin Luther King said his famous *"I Have a Dream"* precisely in this spirit. He awakened in people the belief that it is worth longing for the fulfilment of that shared dream, and that, therefore, one must strive to pursue. Yet such longing has nothing in common with compulsive consumption, e.g. I want the newest iPhone and I will do whatever it takes to satisfy that craving immediately, or rather, that desire for a thing. It follows the same pattern as the alcoholic reaching for another drink, or the addict for another fix. We know that behind this feverish drive there always lurks insatiability.

And how should one define needs? Those – to put it tautologically – truly necessary ones?

A need is something that must be met in order for us to live. We must breathe air, drink water, we must eat…

But must it necessarily be organically grown kale?

It is true that a need arises primarily from objective conditions of our bodies, yet it cannot be separated from the mind. After all, we speak not only of existential and health-related needs, tied to ensuring safety and feeling safe, but also of cultural and educational needs. Human beings have an innate need to explore the world, to travel. In the hierarchy of needs, in Poland as well, this one ranks remarkably high. The fundamental question, then, is whether, within a given economic system, people are able to satisfy those rudimentary needs to such an extent that they can both live and remain active.

Not by bread and kale alone does a person live.

Even in a concentration camp, they can feed you just enough to keep you alive, but that does not mean your needs are truly met. I shall repeat it because it matters: we are speaking here about a level of fulfilment of needs which allows a person to remain active, independent…

Empowered?

Exactly! We can, in fact, distinguish a certain set of goods which are socially justified and considered socially beneficial, for instance, those connected with culture, artistic activity, the sense of security, health, or knowledge accessible to everyone. They satisfy not only individual needs but also generate something that resonates more widely and has a positive impact. According to the economics of value, economic activity should serve the very fulfilment of socially justified needs or those recognised as socially useful.

But the set of these needs is constantly changing.

This is a natural consequence of civilisational progress. In the past, there used to be no means to satisfy such needs, and so they remained nothing more than dreams. Take, for instance, the need to travel and discover the world. For centuries, most people had no such possibility; at best, they could read books and imagine. Today, they can travel on a massive scale, and since it is an important human need, it cannot be denied to people.

Although the outcome may sometimes be catastrophic overtourism, with all its sorrowful consequences.

Indeed, behind the satisfaction of human needs there may lurk profoundly negative phenomena. And here we return to compulsive consumption, morbid desire, and perpetual dissatisfaction. Must I really visit every great city, as if the rest of the globe did not matter? Do no thoughts ever strike me as I stand in queues for those “top must-see” places, surrounded by an endless crowd? Discovering real needs and distinguishing them from compulsive cravings is an art. It should arise from an understanding of one’s own body and psyche, from genuine reflection upon oneself.

Is it possible to reflect on something that, at least in theory, governs and drives us?

Such is the case, for instance, with competitive desires: I want something and pursue it because others have it, or because they tell me that I absolutely must have it. It all ends with a moment when I suddenly stop recognising myself in this pursuit.

Because I do not see the point in it?

At best. You mentioned that entrepreneurs create and then persuade us into ever new needs. Indeed, manipulative marketing often brings us to precisely the state described above: because you must, you surely want to, or simply because you deserve it. The aim is to awaken in us a craving for instant gratification through the act of acquiring a certain good or object.

But this act of possession satisfies nothing. At least – not this what truly matters.

It is a little like love. We often say, banally, yet rightly, that one cannot buy love. What one can do, however, is everything possible to make it come into being. Some things are not bought or acquired; they are attained.

And this is when we are truly happy?

The chances, and the odds, that we will be, certainly grow.

And could OEES not produce some kind of short, catchy guide, something along the lines of *"How to Live – in Fifteen Slides"* or *"Ten Foolproof Recipes for Happiness"*? It would, no doubt, sell like hot cakes.

But I say this honestly that there are no universal recipes – because the sense of fulfilment and happiness, much like love itself, is always a unique and deeply personal relationship. That, however, does not mean that there are no rules. The economics of values suggests that everything which is truly valuable is always socially rooted. And this is not about stifling the individual or depriving him or her of freedom, but about making them aware that what they do ought to serve the satisfaction of socially legitimate needs.

And what if that is not the case?

Then we are heading towards an economy in which only few can satisfy their needs, while the majority cannot. Society becomes fragmented, there emerge and deepen extreme inequalities, and the sense of security diminishes. The consequences of such a process can be observed in many American cities.

The American society still lives by that founding myth – from rags to riches.

Yet at the same time, it has drastically narrowed and rendered extremely uncertain the real paths to material advancement. The middle and upper classes have simply drifted apart. We move between what we must do and what we long for – but each of us must find a balance here for ourselves. Each for oneself – but not alone. That is fundamental – not alone. We need others for this journey.

I have the impression that for people like Donald Trump – regarded today by many as a role model – other human beings are of no real use. Well, perhaps as an audience.

No one will hand us a ready-made recipe for a better self. We must discover it on our own.

A narcissist truly needs nothing more than themselves and their mirror. Yet narcissism reflects only what is false, what is staged. In order to get to know myself, and thus to be able to say what truly matters to me, I need other people to be my mirror. The economics of value teaches that we need such forms of social organisation that make this possible. So, Mr Editor, there will be no manual. No one here will do anything on anyone else's behalf. No one will hand us a ready-made recipe for a better self. We must discover it on our own. What we can do, however, is create together the kind of conditions in which such a search becomes possible.

Would it not be easier to tell people: listen, you have been wronged, deceived, discriminated against, and robbed by this group or that one; you are victims, pure and innocent, yet at the same time superior to those others, therefore, you are entitled to this and that.

Of course, that is the easiest path. Stirring people up against other people, rather than focusing on the pursuit of self-understanding in order to meet socially rooted needs. I repeat: socially rooted and essential, not those that are merely the impact of taking part in some game. Far too many individuals addicted to games confuse them with reality.

It can be painful, for in the game one has several lives.

And one may play a character who always wins. But in real life, you only live once, and the road to victory leads through defeat.

But is there any chance that American capitalism, which for decades has had such powerful influence on the entire world, and which you have spoken of with such sharp criticism, might still activate mechanisms of self-correction and create for itself conditions favourable to seeking new solutions, to reflecting on the use of resources, and on the relationships between the strong and wealthy and the weak and poor? Carnegie used to say that if a rich man fails to give his fortune back to society and dies rich, he dies disgraced. Each year in Davos, billionaires call out: *tax us.* Bill Gates spends a fortune trying to mend the world. Elon Musk also claims that he is pursuing a grand mission for the good of humanity. Yet all of them together form an oligarchy, which is corroding America and the world, and which is far removed from any true economics of values.

Anyone who wishes to engage in the economics of values must place their faith in people. It is not about converting them. Values must be grounded in human freedom, in the capacity and possibility to make decisions for oneself. In a world dominated by violence, the world of values fades away. I am not saying that they disappear entirely, for there will always be someone who says: but I believe in this, and I shall act rightly, no matter the consequences.

Just like Maximilian Kolbe in Auschwitz.

Yes, but after all, it is not heroism that we are striving for, nor the creation of a world in which people would be forced to make such choices. It is about a world in which people understand their duties and obligations. And this understanding grows from an ethical foundation, not from the fact that someone has ordered something of someone else.

Did decisions of billionaires to fund great social projects stem from an ethical impulse?

It is remarkable that there are people who have amassed vast fortunes and wish to share them. Yet it is always worth asking a fundamental question: did this person acquire such wealth through actions which fall within the bounds of law and morality, or did he or she violate these principles, acting dishonestly or even committing deeds which we would describe as criminal? Are we truly prepared to accept that the evil hidden behind so acquired wealth can be repaired, neutralised, or erased simply by giving away money and dedicating a portion of it to noble causes?

The essence of the economics of values lies in the fact that reflection on values must appear at the beginning, not at the end, of action.

That is not how it works. Perhaps, within the conscience of such an individual, there arises a kind of internal compensation, moral justification. But on the social level, the picture looks quite different. The essence of the economics of values lies in the fact that reflection on values must appear at the beginning, not at the end, of action. A responsibly managed business has values at its very source and creates a space in which those values can grow.

Do you have faith in businesspeople?

There are people who are able to grasp interdependencies within which we live and operate, while also perceiving the potential long-term consequences of their actions. Some see things narrowly, others with a broader perspective. Henry Ford, for instance, understood that if he wished to earn more, his car had to be sold on a mass scale, that is, it had to be affordable even for those who worked for Henry Ford. From the realisation that producing a car as a luxury good was an absurdity, there was born a particular model of economic activity – the production line designed for mass manufacturing of goods. In turn, this fuelled the capitalist system and accumulation of capital. Yet Ford understood this complexity only in relation to his own business, that is, in a narrow sense. Obviously, it was better that he understood it that way than not at all. Still, the values that emerged here – such as concern for workers – appeared rather "along the way," not at the very origin of the enterprise.

They did not stem from any ethical reflection, from the thought that this was the right thing to do, etc.?

They arose from a certain business imagination. Yet what we truly need are people who possess not only imagination but also morality and a sense of responsibility. Moreover, we need them to say aloud that it is possible to manage resources, to satisfy human needs on the foundation of values, and, what is more, that we shall meet those needs better and more securely the more our thinking and our economic activity are grounded in values.

But is it really in their interest? In the sense of the quarterly result?

I am not saying that an entrepreneur should ignore his or her own interest. They must think about it, otherwise their business will cease to exist. I am merely saying that they should think about it honestly, with a long-term perspective – because that is the right thing to do, not merely because it pays off. After all, why should we understand self-interest in such a narrow and short-term way, as if it were a quarterly result? It is a shortsighted view.

Yet sometimes necessary.

Necessary – why? Does that follow from a cost-benefit calculation? And what if that calculation concludes that the best course is to cheat? Because there are those who cheat. In every generation there is, and will be, some group of people who cut corners. Unethical. We are not, and we shall not be, angels.

We like to repeat that cheaters should be dealt with by the police.

In theory, yes. But in truth, the real issue is whether a given economic system encourages tricksters and ruthless con artists, whether it rewards a certain breed of predatory managers, or whether it operates in an entirely different manner. A system is not made up of the police or the courts alone. It is made up, above all, of the values upon which human relations, and business relations for that matter, are built.

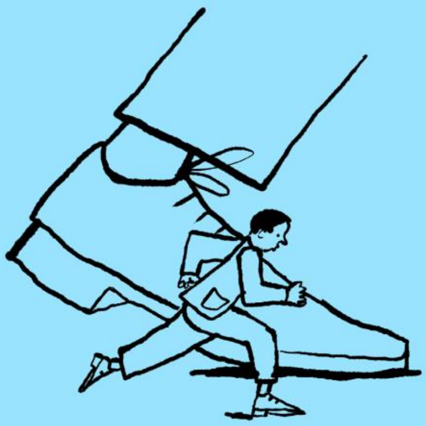
You are perfectly aware, Professor, that most conversations at any kind of business gathering sooner or later touch upon the question of profitability.

I will repeat it until it becomes tedious: profitability is necessary to run a business. Full stop. But after that full stop comes a fundamental question: can everything really be reduced to profitability, and to profitability understood in such a primitively narrow way, as a quarterly or annual financial surplus? For the economics of value, the answer is clear: if we ignore the social meaning and social dimension of economic activity, we will end up destroying not only the resources we depend upon, and not only other enterprises, but our own business as well.

Trumpism versus the Economics of values

The second story

About those who wreck capitalism,
the rising power of American oligarchs,
and why it still makes sense
to try to stop them



- “Make America Great Again” — the MAGA movement and the warriors of the “true American values” revival
- The end of competition means the death of capitalism
- How we forgot about 78 million victims — and the severed limbs left behind
- Jack Welch — the love child of Ronald Reagan and Margaret Thatcher
- Too big to fail
- Why oligarchy never quite took root in Poland (so far)
- The deadly triad: political power, economic might, and the ability to shape how people think
- What stands against brute force?

2.

I often hear from entrepreneurs, as well as from their advisors, that they are struggling with so many global, national, and local challenges that they simply have no time to talk about ideas and values. Some ask bluntly: what is the point of talking about such things at all?

It depends on how they understand this "what for." Do they mean it instrumentally, with the company's immediate goals in mind — its financial performance, its profits here and now? Or is it rather a question about the very purpose of conducting business activity, more long-term objectives, in a way, detached from quarterly results?

Is there really a difference?

Anyone who has been running a business for more than a year or two knows perfectly well that there is. A wise entrepreneur is also aware that he or she should not take for granted any truth handed down by someone else. At the same time, they should not act on the assumption that they themselves know everything, or – worse still – that they know everything once and for all. It is not my aim to impose any revealed truths. Let me repeat: the essence of OEES is an open discussion about what truly matters, and it is an ongoing, open process which helps me grow as well, and, I hope, all those who take part in it.

So, it is rather a shared mission of exploration than an act of evangelisation.

One could put it that way. Each of us seeks a sound view and interpretation of a changing world; it can be done by an individual, by an organisation, or by a broader community. The question of meaning may be asked by a single person, but the search for meaning and answers can equally belong to a company, an institution, or a municipality. The measure of success for OEES is not how many such individuals, companies, or municipalities I bring together, because the Open Eyes Economy movement is not an association or a formal organisation one can join; it is, in fact, a movement. Together with others, we create a meaningful space for a discussion; we develop a cognitive perspective so as to talk – and so that this discussion, true to its name, opens people's eyes.

But where does meaning lie? Or Meaning, with a capital letter?

Our perspective grows out of certain values. Yet we do not claim it to be the only possible one. Someone else may look from a different angle and see things differently. They have every right to do so. We come forward merely with a proposal. If, as a result, people begin to talk, if they notice things that used to escape them, that is good; and if those values begin to seep into their everyday practice, that is even better.

It is excellent that you mention practice, because I remember that the idea of the OEES – an open discussion about the economics of values – was, less than a decade ago, received with great enthusiasm by a significant part of the business community. At that time, it fit perfectly into the debate about yet another crisis of capitalism, this time in its neoliberal and thoroughly global form. Many people, including business leaders, were convinced that global capitalism had gone down too many blind alleys, or indeed was reaching the very end of those alleys, and that it was in the need of fundamental correction of its course and principles. When the movement of the economics of values was emerging, it seemed that the whole world shared the diagnoses and conclusions of its leading voices – or at least our world did, meaning Europe and America. At the first OEES, Professor Adam Daniel Rotfeld, Danuta Hübner, Anna Palacio, Włodzimierz Cimoszewicz, as well as representatives of the world's largest corporations, spoke about it openly. And yet, a decade later, America speaks with the voice of Donald Trump, having become the hostage of his "Make America Great Again" slogan and of the MAGA movement, which declared itself both the champion and crusader of a reborn set of "true American values" – supposedly grounded in the idea of a "clean deal," which in practice means doing business from a position of strength. Why, then, did Trump's slogans prove so powerful on both the public and business agenda, and how do they relate to the very idea of the economics of values?

The essence of Trumpism lies in the belief that economic and political power do not operate side by side, nor as a mere alliance, but rather that they are, or ought to be, concentrated in the same hands. I do not have the space here to develop a full historiosophical argument, so I shall use a certain shortcut. If we look at the capitalist economy, or the global system of capitalism, we can observe that – leaving aside the crises which cause some nations to lose their standing and others to gain hegemonic dominance – the fundamental pattern of economic activity rests on competition: some win because they are more inventive and productive; others lose because they cease to be creative and effective. That is the most important reason why this system carries within itself such force.

Joseph Schumpeter wrote about creative destruction.

Indeed, that is precisely how the mechanism of the market and competition works. Entrepreneurs – innovators – are constantly emerging, finding different ways to resolve certain issues, and thus they gain. They generate additional profit, build their capital strength, yet over time they lose their position, unless they manage to create a situation in which their company becomes a permanent monopolist. A monopoly destroys the market; capitalism would then lose its creative energy and turn into a system of total stagnation.

At the same time, it is true that every now and then, there emerge serious crises within global capitalism; and they, too, stem from the very nature of this economic model.

Of course. Take the great economic crisis of the late 1920s and early 1930s, which shook the entire capitalist system to its core. The response was the emergence of ideas which grew out of the same root, proposed by advocates of the market economy and capitalism itself. They realized that if no action were taken, the system would collapse. The very essence of this way of thinking was captured in Franklin Delano Roosevelt's New Deal. It can be regarded as the forerunner of the welfare state, which developed with such remarkable success in Europe after the Second World War.

As a living embodiment of the ideas of the British economist John Maynard Keynes, the creator of the theory of state interventionism in the sphere of economics and public finance, which arose as a direct response to the global crisis of the 1920s and 1930s.

Let us remember that the Great Depression largely brought the Nazis to power in Germany and eventually led to the outbreak of the Second World War. Its repercussions, therefore, were far-reaching. Yet, we could go even further back in time and speak of the crisis of capitalism and globalization before the First World War, as well as of the painful consequences of those earlier shocks. What I mean is that, in response to the crises inherent in this system, which are its natural feature and herald the end of a given historical epoch, there always emerge new answers, having the form of new concepts or the revival of old ones, but refreshed and adapted to the spirit of new times. These responses are born from the search occurring simultaneously in various spheres: economic, political, and cultural.

The response to the great crisis a century ago was the aforementioned state interventionism; yet – contrary to the reputation often attached to it – it did not consist in restricting the market or curbing free competition; quite the opposite: it was about protecting the market and restoring genuine free competition.

That is true. It was precisely for this purpose that antitrust law was introduced, aimed at industrial giants which had monopolised the market and triggered the Great Depression—and later, in pursuit of greater economic dominance, effectively financed and supported the rise and consolidation of authoritarian power. Let us have no illusions: Ford was a great innovator and an outstanding entrepreneur, but he also displayed deeply authoritarian, even fascist tendencies. And he was not an exception within the world of big business. Such people were not merely building companies; they were building economic empires, and for that they required an authoritarian government to make it possible. When that very policy, typical of capitalism at that stage of development, led humanity into a terrible crisis, suffering, hunger, and ultimately the most catastrophic war in history, a response emerged within the economic system itself and in its institutional environment. New institutions had to be created, along with new mechanisms and rules to restrain the growth of such destructive pathologies.

And it was working for quite a long time.

Indeed, the outcome was a golden era after the Second World War. Of course, post-war reconstruction played a crucial role in the dynamics of growth, yet the prosperity which stemmed from the functioning of the welfare state, built upon the Western model of democracy and the very idea of social security, lasted roughly until the 1970s. Then, a different kind of disturbance appeared within the system, linked, among others, to inflation, excessive growth of public spending, as well as far-reaching consequences of both phenomena.

Did the so-called ordinary people begin to feel it?

Indeed, and that created the atmosphere for a reconquest.

In other words, for popularisation of the idea of neoliberalism.

Exactly. Big capital, which had been considerably restrained in recent decades, began to promote the narrative that the free market alone would suffice, would fix, and would provide everything. And that regulations must be kept to a minimum.

Or that there should be none at all?

Yes. And yet, that was precisely the case a hundred years ago, and it led to the Great Depression and the bloodiest of wars.

In the 1970s, coming of age were generations who had no memory of the seventy-eight million victims, of corpses lying in the streets, of bodies torn apart, of arms and legs ripped away. They had not built, guarded, or liberated the concentration camps…

The fact remains that, under certain social and economic circumstances, when the post-war arrangements which had brought prosperity stopped working, or rather ceased to meet the needs and ambitions of the next generations, there ignited something that we now call the neoliberal revolution.

Or, perhaps, a counter-revolution?

It is true that at its very core lay a return to free-market ideas in an almost nineteenth-century form – one might even say, a Darwinian one. And these new-old ideas once again began to look for a powerful authority that could help bring them to life. It was no coincidence that this trend carried to power the iconic figures of neoliberalism: Ronald Reagan and Margaret Thatcher. It was they who ushered us into a new era, one in which capitalism regained its vitality.

That force swept away the Soviet Union and the real socialism in Central and Eastern Europe.

That was one of its consequences. The most significant, however, concerned capitalism itself and lay in the revival of the power of big capital. This, however, was an entirely different kind of capital – in the neoliberal counter-revolution, it was not the great industrial corporations which played the leading role, but the great financial institutions. And it was they who became the new hegemon of the capitalist world.

Too big to fail.

Precisely – they were the main culprits behind yet another global crisis, which reached its peak in the years 2008–2009, and was triggered by the collapse of the subprime mortgage market in the United States. Yet everyone was well aware that the true perpetrators could not be allowed to face punishment in the form of bankruptcy, for it would have brought about an economic catastrophe and a civilisational downfall.

Is there any resemblance between those financial hegemons and the industrial hegemons from a century ago?

Indeed, there is; their dominance, or even their control over the world, was the outcome of an alliance between political neoliberals and economic neoliberals. But in the case of financial institutions in the twenty-first century, this alliance rested, and still rests, upon a democratic model, which the financial sphere has never sought to undermine, nor has it ever openly advanced a demand for its destruction. The safeguards established in the aftermath of the Great Depression of the 1920s and 1930s and the Second World War – major supervisory and regulatory institutions, central banks, antitrust offices, as well as international structures such as the European Union – ensured that a departure from democratic authority was neither easy then nor remains so now. Certainly, there have been attempts to weaken those institutions; certain regulations have been liberalised, others modified. Yet the system's safety valves have never been removed.

Today, the fashionable demand is for power to be strong, tough, and effective, which is an excellent pretext for dismantling the safeguards.

What we are witnessing is a whole set of ideas whose consequences reach into every sphere of our lives. We hear, for instance, calls for the authorities to withdraw from various forms of social influence and public oversight. Margaret Thatcher once argued that, in essence, only individuals and families matter in the economy, while other social structures such as trade unions and other organisations should play no role whatsoever. That means the exclusion…

Expulsion?

Yes – expulsion from economic life of all organisations representing particular groups, all intermediary institutions, and all forms of public oversight – under the slogan that they restrict human freedom rather than serve it. Thus manifests the idea of freedom understood solely as individual liberty – set in opposition to the notion of creating social conditions necessary for the realisation of that individual freedom.

And here we are again, witnessing the iconic marriage of economic liberalism and political conservatism; the very union that triumphed half a century ago, giving people a breather, only to lead, in the end, to a global financial crisis.

But things are different now. Indeed, one may call this right-wing revolution yet another attempt to revive the idea of absolute, unrestricted economic freedom; however, in its current form it takes shape as a personal alliance between economic power and political authority. For years, the American administration had been an example of the revolving-door phenomenon: people who once worked in business would take up government posts, step away from their private interests for a while, and, once their term in public office ended, return to the corporate world. Now, however, those at the top of the administration are active business people themselves, simultaneously pursuing a political agenda and their own business objectives. This is by no means an exclusively American phenomenon. Europeans, in fact, may be regarded as the pioneers of such arrangements – one need only recall Silvio Berlusconi in Italy or Andrej Babiš in the Czech Republic.

Now, however, those at the top of the administration are active business people themselves, simultaneously pursuing a political agenda and their own business objectives.

Both were businessmen and prime ministers at the same time. Oligarchy?

Oligarchy. Of course, it takes a different shape in Russia or Ukraine, and quite another in the Czech Republic… In Poland, it has never really taken root, because the market was too strong to allow the oligarchs to grow too large.

The market, not the state?

Yes, the market above all – that was the driving force behind the Balcerowicz reform mechanism. Since then, however, there has emerged a completely new type of global capital – no longer from the sphere of production or finance, but from the digital realm, linked to information technologies, new platforms of communication, and the circulation of information.

How new is it, really?

Take Elon Musk. He is, undoubtedly, a producer, since he offers tangible products, among them, successive models of Tesla; yet, much like Amazon, Facebook, Google, Microsoft, and the rest of the big tech world, he builds his market advantage primarily on digital innovation, and above all on the fact that – through X, and increasingly through Grok – he possesses the power to shape minds.

Is this the new – third element?

Yes: political power, economic power, and the ability to truly shape how people think and act, to impose upon individuals and communities a cognitive perspective – or, at any rate, to create a situation in which forming an effective collective alternative to the oligarch's point of view becomes impossible, or devilishly difficult.

But that would mean the end of capitalism.

And here I return to your question about the cards I hold up my sleeve. I said that I am not a player. I am not sitting at the table opposite Trump and the others. At the same time, I believe that the space which is being created by the OEES movement for open discussion about business and its goals, but also about local government, the state, the world, and their values, makes more sense in the Trump era than ever before.

My opponents are those who pose a threat to the market by attempting to merge monopolistic economic power with authoritarian political authority, with the use of technological platforms designed to mould people's minds according to their template.

As long as we are able to co-create a world of intellectual ferment, perhaps even of chaos; as long as we can sustain and develop an economy built on competition, we can still speak of capitalism; and while on the one hand we may benefit from many positive aspects of such an economic model, on the other, we will inevitably bear a whole range of its negative consequences.

Would it not be possible to strengthen the positives by eliminating all the negatives once and for all?

No, because in the realities of free competition there will always be those who wish to secure their economic advantage forever by creating a monopoly. When you asked me who my main opponent was, I believe I made it clear that it is not capitalism, nor capital itself, and certainly not the people who possess that capitals, especially when it is productive capital. My opponents are those who pose a threat to the market by attempting to merge monopolistic economic power with authoritarian political authority, with the use of technological platforms designed to mould people's minds according to their template.

And who are the real and potential allies of the OEES?

They are those who, like myself, recognise dangers arising from monopolisation of political and economic power and understand that within such a model they will always lose, or, at best, be completely overshadowed by monopolists. The OEES's offer is addressed precisely to them. I tell them: let us reflect together on what exactly we can put forward against oligarchy which is emerging and steadily consolidating its position.

Also in the political sense?

The role of the OEES, including my own, is not, of course, to conduct negotiations, for instance, on tariffs which will apply in trade relations between the United States and Europe, or between Europe and China. That is the task of the European Commission, the European Parliament, and the governments of individual states – or, generally speaking, of politicians who represent us. They try to act in such a way as to avoid conflict, crisis, or tension, and to reach an understanding with those who seek to gain advantage through strength and possess a real capacity to impose their own "deals" on others.

And what can we do?

The situation is not an easy one, but let us be clear: this is not about tariffs. Once we settle the matter of tariffs, there will emerge an issue of raw materials; when we resolve the issue of raw materials, it will be followed by another one concerning outer space and who has the right to dominate it; and we regulate that too, the discussion will shift to the ocean floors and who may claim authority over them. And so it goes. We must all realise that what the Trumpists are striving for is a situation in which there is no free space left and where we can no longer shape our affairs in our own way, anywhere at all. We are under pressure from a narrow circle of people whose ultimate goal is nothing less than to globalise and dominate everything.

We are under pressure from narrow circle of people whose ultimate goal is nothing less than to globalise and dominate everything.

To paraphrase the words of a wise man: the boorishness of Trumpism must be resisted. Not only with strength and personal dignity.

The point is that if anyone believes it is possible to counter such a carefully constructed power of oligarchs with one's own strength, they are profoundly mistaken. I think this is simply impossible. And that is precisely why I keep repeating, with the persistence worthy of a better cause, that we must start thinking about a different model of economic governance.

(…) if anyone believes it is possible to counter such a carefully constructed power of oligarchs with one's own strength, they are profoundly mistaken (…) we must start thinking about a different model of economic governance.

A Trump supporter will tell you that they are defending "true American values." And that is the end of the discussion. Because, if you wish to talk about any other models or values, it means you are against America, and therefore – against humanity itself. This attitude can be transplanted to virtually any Western country, for such a way of thinking is spreading with contagious ease. As a member of the Board of the Memorial Foundation for the Victims of Auschwitz-Birkenau, I know all too well from history the consequences of this kind of reasoning.

We must say it plainly: there is no such thing as "true American values." What does "true" mean, and which values are true in relation to those that are "false"? Who is to decide that? We hear that Americans are moving toward new isolationism, that they are focusing on putting their own house in order. Yet this very team, building its power on the slogan of "putting its house in order" under the banner of "Make America Great Again," is, in fact, creating a new world order. A new version of Pax Americana. Whether it succeeds or fails is another matter. What is fundamental is the answer to the question: why, under the pressure of power, should we agree to a Trumpist interpretation of what constitutes a "true American value"? Especially since – as we have repeated several times – history taught us consequences of such approach and of the policies built upon it.

When you mention it, I glance instinctively at the shelf with books on economic opinion writing. I have there, among others, a best-selling *Broke Capitalism* by David Gelles – a portrait of Jack Welch, the archetype of a ruthless neoliberal manager who lives and breathes profit, strikes deals with a hard edge, never hesitates to cut costs along with

people, and feels a rush of pleasure when he wipes competitors off the market together with their personnel. Gelles describes the transformation of General Electric from America's largest company, once a respected and beloved employer, a forge of innovations that changed the world, into a pathologically greedy predator devoid of any principles or values. That predator eventually begins to choke on what it has devoured, while at the same time losing the instinct of the innovator, along with the respect and trust of its employees, partners, and consumers. Predation drains its vigour, perhaps even its very reason for being. Yet, for countless business people – Donald Trump among them – Welch remains a role model.

The worldview and operational mindset which lay at the heart of Welch's strategy is founded on forcing the desired outcomes (…) This approach may yield profits here and now, but in the long run it has predictable consequences – usually deeply damaging for that organisation.

Welch reduced the entire running of the company to a financial result. And to the game for result. In hindsight, we know that such narrow focus deprived even a giant like GE of its adaptive and developmental abilities. Why? The worldview and operational mindset which lay at the heart of Welch's strategy, and of those who followed a similar path, is founded on forcing the desired outcomes, on psychological pressure towards employees, on economic coercion, on pushing everyone else by force into submission and a distorted sense of loyalty. Often, it also means compelling unethical behaviour towards partners and clients. This approach may yield profits here and now, but in the long run it has predictable consequences – usually deeply damaging for that organisation. If we recognise this reasoning and behaviour as a negative model, we must then ask ourselves what the positive model should be.

A company-idea in the age of evil's expansion

The third story

How the Economy of Greed Turns Us into Unhappy Zombie-Consumers – and How a Values-Driven Economy Transforms Us into Conscious, Fulfilled Co-Creators of the World

- Which god do we really serve, what is the purpose and meaning of what we do?
- The suicidal mantra: *"A company doesn't exist to make things, only to make money."*
- Why *"Greed is good"* destroys the very foundations of good economics
- The European Green Deal and the Huns at the gate
- *United States of America* and *In God We Trust* – or there is no such thing as a market without the state and regulation
- Why we do not employ small children – and how rules work when people see them as just
- *A Pole can manage anything*: the art of cutting corners versus the power of trust
- The widening gap between young women and young men — why it happened, and what we can do about it
- The company as a multi-generational learning organism
- The university as a diamond mine
- *My truth* versus open debate.

3.

Some people are disappointed.

With what, exactly?

When I first mentioned the idea of "company-idea," they thought they would just drop by to the OEES for a moment, pick up a brochure, and find inside a simple recipe for a business that – according to a string of lofty promises – would somehow rise to all those terrifyingly vast challenges of the twenty-first century.

First of all, there were never any promises of that sort, no claim that someone would implement something and it would magically start working. Secondly – and this is essential – the OEES is not about setting someone up as a model and instructing others to imitate him or her. We are rather looking for people who think differently about their companies, who do not reduce them to a quarterly or annual financial result.

Are they searching for a deeper meaning?

One could put it that way. The economics of value begins with looking at one's organisation through the lens of two orders put together. What is fundamental in the concept of a company-idea is that the first order, the organisational and functional one, in which the result is achieved, that is, instrumental value, is closely linked with and permeated by the second order, the axiological and normative one. These two orders must be aligned with each other. In the second order, we do not answer the question of what we produce or how much we earn, but rather – what we stand for, and what the purpose and meaning of our activity are. And these answers inevitably influence the first order.

Some entrepreneurs tell me: I pay my employees, therefore I have the right to demand. And also: sorry, my friend, but in order to outdo the competition, I must cut costs, and labour costs are my biggest burden.

In an organisation which operates solely within the first order, the owner-manager indeed says: since I have bought these people's labour, I have the right not to concern myself with anything beyond efficiency of their work. I do not care who they are, what problems they have, I am not bothered about their health – neither physical nor mental. In fact, I disregard it, exploiting these people beyond measure – after all, the more I squeeze out of them for the same pay, the greater my profit will be. In a company-idea, where the two orders coexist in symbiosis, caring for people, including their health, is a value which contributes directly to the company's worth. And this care matters to the owner and managers not for instrumental or functional reasons – not merely because healthy employees are more productive and the company's financial results improve.

So what is the meaning of this?

And are you REALLY asking about the meaning, or, once again, about "what is it for"? Because "what for" is a question from the first order, while the one about meaning belongs to the second order and refers directly to the values acknowledged by the entrepreneur and practised by the organisation. In that second order, the organisation recognises that the well-being of its employees will probably have a positive impact on performance – but not on a one-to-one basis, not immediately, and not even because maintaining it is considered a sound investment; it matters for a fundamental reason: because that well-being is of genuine importance to the organisation and constitutes one of the essential principles guiding its actions.

But why?!

Managing an economy consists in creating goods in the form of products or services. Yet in the neoliberal narrative, it has become fashionable to claim that a company does not exist to produce anything at all, but simply to make money.

Bob Lutz, one of General Motors' top executives, once told me that it was the financiers who ultimately drove this legendary company to bankruptcy; at a certain point, they seized control of it – and were completely uninterested in what kind of cars GM was making, or even whether it was making them at all.

Precisely. At the opposite end of the spectrum, there is a different approach, one in which the key question seems to be: "What purpose does what I create actually serve?" And this question is not about whether my car is more attractive or technically superior to those of my competitors; rather, it asks to what extent this car, including the entire process of its production, contributes to improving the level and quality of people's lives. Here lies a subtle but crucial distinction between organisations which treat fundamental values instrumentally and those which acknowledge and consciously cultivate them. The former have, if you will, a kind of survival instinct and take care of certain ethical, human, or environmental issues only because experience drawn from the misfortunes of others has shown that neglecting or ignoring these matters leads organisations to a poor end as they eventually exhaust their adaptive and developmental capacities. The latter act out of a deeper reflection on the world, on the meaning and purpose of economic activity itself.

The latter organisations are well aware that running a business in the spirit of Welch's management creed, or Gordon Gekko's infamous *"Greed is good"* from Oliver Stone's *Wall Street*, carries long-term – and usually disastrous – consequences.

Such organisations destroy not only themselves but also everything around them – both physically and mentally. One might even say they erode the very foundations of running a business. When profit becomes the only measure that counts, one stops caring about the well-being of employees, the condition of suppliers and business partners, or the state of the natural environment. *"Greed is good"* leads straight to a predatory economy.

Yet the European Green Deal, intended to safeguard the climate and the environment, is said to be undermining competitiveness of businesses within the European Union – or so runs the fiercely popular narrative. How is an entrepreneur striving to build a company-idea meant to stand their ground against the invasion of modern Huns, against the Welch and Gekko followers? Is it not the case that the Hun will always win when he or she attacks a civilisation founded on values and principles, precisely because they do not invest a single ounce of their resources in creating rules but relies purely on force?

We must answer a question: is our goal to ensure that certain organisations and human teams operating according to traditional principles can continue their economic activity, or is our goal rather to overcome the growing crisis of the market economy – a crisis manifesting itself in such fundamental areas as the environment we all inhabit, or the widening income gap threatening to ignite a revolution? Viewed in this light, it seems relatively straightforward an answer.

Which is?

If we regard improvement of the level and quality of life to be the purpose and meaning of our activity, then we must strive to transform the existing economic model. Naturally, it is not that the kind of thinking rooted in the first order – organisational and functional – does not matter. It remains crucial, indispensable in economic practice. Should we decide otherwise, all organisations would collapse and go bankrupt. Therefore, we must find immediate remedies so as to prevent such an outcome. Yet, at the same time, immediate remedies must not imply abandoning of the pursuit of systemic change.

For instance, the Green Deal ambitious goals?

But why are they called ambitious? Because they arise from a scientific diagnosis – either we accomplish certain things, or we shall face a crisis unlike any seen before in human history. Finding temporary fixes which keep alive certain once-important institutions does not absolve us from seeking answers to

Finding temporary fixes which keep alive certain once-important institutions does not absolve us from seeking answers to a fundamental question (…)

a fundamental question: how can we conduct economic activity without polluting the air, without wasting or poisoning water, and how can we raise people's competences instead of diminishing them...

During my grandparents' lifetime, it was perfectly ordinary for small children to be employed in factories. In agriculture, youngsters only a few years old worked the fields until quite recently. In the 1980s, pouring untreated waste into rivers and poisoning entire neighbourhoods with chemicals spewing from chimneys and industrial pipes was common practice. Today, such behaviour is almost beyond our comprehension. But did this change come about as a result of grassroots movements, or rather through regulations and penalties? What truly drives civilisation forward: is it not that, first, come the ideas of a small group, then the regulations, and only after they have settled in over many years does a real transformation occur in people's minds and hearts?

Regulations are the very foundation of our civilisation. The market economy, in any of its forms, could never have developed without various kinds of constraints created by the state. These safeguards differed across historical periods, yet they have always come down to the state guaranteeing certain rules. In a market and monetary economy, the central issue is that money itself must be guaranteed by the state. Without such a guarantee there can be no trust in money, and the market economy cannot flourish because goods are exchanged for goods. Whenever the ruler failed to stand guard over the money, it lost its value and the economy collapsed. On the dollar bill there are two inscriptions: *United States of America* and *In God We Trust.*

And what do they tell us?

The first message is that the purchasing power of this dollar is backed by the state, in practice, by the Federal Reserve, a firmly anchored public institution. The second inscription is a clear declaration that the user of this banknote is dealing with people who, by and large, do not cheat. Naturally, everyone is aware that one might encounter a fraudster and takes precautions accordingly, but at its core, the market economy rests upon individual trust, that is a very specific virtue. So here we have, within a single object, two spheres that closely intertwine, coexist in a kind of symbiosis, and are jointly essential for the proper functioning of a market economy. The first is rooted in regulation; the second, in values recognised by individuals and communities alike.

Do regulations help to combat and restrain the expansion of the Huns?

There will always be the temptation to cheat, to take shortcuts. When I am less innovative, I may decide to hire people off the books, or employ children, or fail to pay my workers; I may even turn to slave labour and human trafficking. Admittedly, it is – in the long run – a rather barren model of economic activity, yet it grants an advantage at a given moment and undermines fair competition. Hence regulations are necessary to fight such practices. But in the intricate machinery of the market economy, an enormous role – comparable to that of regulation itself – is played by the way in which we think. The idea of the New Deal and the welfare state arose not merely as a spontaneous reaction to the destructive omnipotence of monopolies, but also, and perhaps above all, from a broader reflection on the ethical dimension of economic activity and on the meaning and purpose of collective existence. The architects of the New Deal were concerned not only that employing minors or slaves undermined fair competition and weakens innovation, but also, and chiefly, that it was profoundly wrong.

The history of civilisation's progress resembles, in a way, the *Ministry of Silly Walks* from Monty Python – three steps forward, one or two back. And so it goes on...

I do not claim that we do not experience regressions. At this very moment, the war in Ukraine is forcing us to retreat in certain areas, even in those where we once reached some shared global understanding of waging a war in a humane way. We are withdrawing from things which we had accepted by convention as civilised, excusing ourselves with arguments of greater necessity. At the same time, most of us dream of preserving the conditions for peaceful development. Many, if not most, of the European Union's regulations stem precisely from that dream and that expectation. They are not bureaucratic inventions but rather attempts to translate citizens' aspirations into common principles which we can all live by.

My grandmother used to say in moments like this, "The end does not always justify the means!" Mario Draghi would agree with her, for while he does not question the purpose or logic of the European Union's regulations, he mercilessly exposes the disastrous way in which they are introduced and promoted. In other words, the goal may be noble, yet the methods of achieving it are so misguided that the outcome is bound to be lamentable…

Sadly, that is true. A good case in point is the set of regulations concerning ESG reporting. In general, many organisations subject to the new requirements have approached them in good faith, with genuine goodwill. Yet most of the business world perceives everything connected with the reporting process as heavily bureaucratic and burdensome, and therefore as a potential obstacle to economic growth. It has become almost routine to hire specialised external companies that, to put it bluntly, will "handle the ESG issue" without engaging the organisation's own resources. They will file the necessary reports, so that the task can be ticked off the list. And yet, that is precisely what the entire ESG idea is not about.

So what is it really about?

The very foundation lies in the engagement of the entire organisation; reporting was meant to serve as a tool for transforming the way companies, and ultimately, entire economies function. This experience demonstrates that, indeed, regulations matter, and that the sanctions tied to them and meant to steer organisations towards certain actions are also significant. Yet equally important, if not more so, is whether people actually regard all these efforts as right.

That is, in the end it is not about the fear of sanctions for failing to comply with some provisions whose meaning no one in the company understands; it is about recognising that the application of a given regulation can serve well both us and the world around us.

Exactly. The key is to provide evidence and to instil in people the conviction that this approach will improve their well-being. Of course, if some unexpected and undesirable effects appear, we can make certain adjustments, but the direction itself is right, and we are moving in that direction together, recognising a deeper purpose in it. That is why I strongly emphasise that in the economics of values we need not only top-down regulations, but also a genuine bottom-up will within enterprises and local communities to manage in accordance with the principles of the economics of values.

(…) in the economics of values we need not only top-down regulations, but also a genuine bottom-up will within enterprises and local communities to manage in accordance with the principles of the economics of values.

Why are local communities important?

Because at the local level it is easier for people to meet, to talk, to reach an understanding, and to weave tangible realities out of the threads of empathy. It is also easier to observe the positive effects of the economics of values within a relatively short period of time. I am aware that social media platforms are absorbing people's time and attention to an ever-greater extent, and this does not make the mission of the economics of values any easier. That is why it is so important to maintain and develop all forms of local organisation of social life. It fosters civic bonds and interpersonal relations. Without them, we may have the best and most justified regulations, yet they will never function as intended. If there are no spaces in which grassroots beliefs and grassroots demand for small-scale management can emerge, we will in fact achieve nothing.

It is very interesting how much of what you are saying here is reflected in practice. For several years, I have had the pleasure of hosting a series of events under the banner *Innovative Małopolska*. These are compact, on-site conferences held at various fascinating companies, which we visit at the end of each event. During these meetings, it has turned out, for instance, that all these entrepreneurs in fact implement the very ideas that underlie the EU regulations in the area of ESG—only no one has ever explained this to them. As a matter of fact, we visited a large agricultural enterprise, founded years ago by a farmer and managed for over a decade by an IT specialist and a philosopher, which could well serve as an icon of the European Green Deal. By employing cutting-edge technologies, including AI processing data from satellite networks and meteorological stations, the company conducts highly innovative, sustainable cultivation without the use of pesticides, with very rational use of fertilisers, exemplary water management, and at the same time achieves phenomenally abundant harvests of delicious fruit—fruit that can be eaten freshly picked. It is also working intensively with Kraków's universities on the robotisation of harvesting.

In fact, we are returning here to a fundamental question: the meaning of economic activity itself. It is a question of an entirely different order than those concerning needs, objectives and benefits, or the methods of achieving specific financial results. I am convinced that the reflection of the entrepreneur you mentioned, presumably not by coincidence a graduate in philosophy, was not along the lines of, "All right, the bureaucrats from the European Union have introduced such regulations, so I have no choice but to do as they said, otherwise I will have to pay fines." There was no simple calculation at the outset: is it profitable or not, and if it is not, should one bend the rules or not. There is no banal "the Pole can manage anything" attitude here, no reliance on the vast heritage of Polish improvisation and adaptation culture to somehow make things work once again. His company, built upon a model entirely different from the one inherited from his father, was born in a completely different culture of thinking about enterprise. It is successful because it is coherent in what it does.

Are Polish entrepreneurs rarely so consistent?

I would not say so; however, we must remember that the slogan "a Pole can manage anything" also carries the assumption that, if necessary, we can find a way around any regulation. Historical experience has taught us the art of improvisation – for better and for worse. Flexibility and the ability to adapt quickly are positive qualities. Cleverness is an asset in entrepreneurship. Yet at the same time, when understood in a distorted way, it lowers the level of mutual trust among people, since everyone is aware that others are manoeuvring, bending the rules, or may do so. The lower the level of trust, the more difficult it becomes to achieve complex and long-term goals requiring collective commitment.

Nevertheless, in many companies the question of meaning continues to arise, and to return.

Yes, I do meet entrepreneurs who are able to ask themselves not whether something is profitable, but rather what it is that they truly accomplish through their economic activity, what they offer to people and to their surroundings, whom and what their work serves, and what they wish to leave behind—not only to their loved ones, but to the world at large. The question of meaning is also, and perhaps above all, a question of what matters most to a given entrepreneur. And that is an ethical question. In asking about meaning, we try to resolve the dilemma of what is good and what is bad, rather than what is or might be the most lucrative source of income. This does not mean, of course, that an entrepreneur can dispense with questions about profit. He or she must ask such questions constantly and answer them effectively if they want to function in the market—that much is self-evident. Yet, in answering these questions, the entrepreneur can choose to act as he or she ought to act, because it is right, and not merely because it is directly advantageous.

And what about this entrepreneur's employees? Should they also be asking themselves questions about the meaning of what they do, or should they simply perform their tasks to the best of their abilities and… clock out. When I leave work, I leave it behind completely. When the weekend comes, I do not think about work. Can such an attitude function in a company-idea, or should it operate differently?

Today, concepts such as wellbeing and work–life balance are riding the wave of popularity. The latter is often understood precisely as you have described it: there is work, and there is private, personal life, and we separate these two spheres entirely. Yet the separation itself is not the key point here. What matters is that some people place the meaning of their existence outside of work. Meanwhile, in my opinion, a healthy balance between work and personal life is not about that at all.

What, then, is it about?

In a company-idea, it is crucial to share the sense of meaning of what the company does between the entrepreneur and employees. In this view of the world, being very close to my heart, our work, our activity, our efforts, and our involvement form an essential part of the meaning we build into our lives and our very existence. It is not, however, as if I open some catalogue every morning and find there ready-made answers to what I should do and how I should behave. It is rather a reflection which grows within me and takes root through relationships with others – shaped by a sense of responsibility for many things, not because I was ordered to do so, but because I do care, because it feels like a duty.

In a company-idea, it is crucial to share the sense of meaning of what the company does between the entrepreneur and employees.

It sounds beautiful, but allow me to play the devil's advocate for a moment, that is, an entrepreneur who holds values other than profit in – shall we say – profound disregard, and who happens to compete on the market with my friend. This friend dedicates twenty-five percent of his profits to a foundation which promotes empathy and economic awareness, in other words, for years he has been building that much-desired social fabric out of his own earnings. The "villain," by contrast, invests nothing by design, and has now decided to allocate the equivalent of that very twenty-five percent of the profit to recruiting — or, to call a spade a spade, bribing — the employees of my friend, the man who has been running his value-driven, company-idea with genuine conviction, and through their help is gradually taking over an ever-larger share of the market. And then what?

Let me repeat: an entrepreneur cannot reject the organisational–functional sphere of his or her company's operations, the sphere that determines its efficiency and performance. He or she weaves it into another order – the order of values. If an organisation has the idea embedded in its DNA, if it knows what purpose it serves and what the essence of its existence is, then it finds its answers in that second order. This enables it to make choices: there are some things which we can do, and some which we will not – because it would be inappropriate, impermissible, or simply not right. Because it does not suit us, because we are different.

Yet, business and life itself rest on the simple fact that we do not have ready-made answers to many questions.

It is true, and we must find them ourselves. We therefore search for an answer which will be of the greatest value – bearing in mind, of course, that it must also be effective. What proves crucial here is the ability to connect many elements which belong to different orders of reality. I borrowed the concept of a *nexus* from Harari's book to illustrate that the foundation for making such choices lies in linking things which originate from slightly different domains. There is an order related to natural resources – to water, air, soil, and food. When making decisions, each of us should be aware that this order cannot be separated from others. There are certain critical points where several important matters intersect. For instance, water intersects with the state of environmental pollution. Put simply, the point is to recognise the interdependence of various kinds of resources. And this, too, applies to entrepreneurship.

How can one see it?

When running a business, one should look for interdependencies among the various available resources. An entrepreneur–innovator is someone who can apply existing production factors in a new way. The farmer–entrepreneur you mentioned earlier operates in the spirit of the Green Deal not because he or she has learned the programme slogans by heart, but because they have responded creatively to the key questions concerning our limited resources: how to use less water, how to minimise consumption of factors which contribute to the pollution of rivers and soil, how to ensure that resources are not exploited beyond measure, and how to achieve high yields not only in the short term but also in the long one.

Such a way of thinking seems crucial today.

Indeed, because it concerns not only profits and other benefits of an entrepreneur, but also his or her responsibility – for people, for the environment, for our shared future. A remarkable feature of this kind of thinking is that the circle of responsibility keeps widening: into his or her sphere of activity, the entrepreneur draws more and more people who have factors essential for the entrepreneur's operations; he or she must reach an understanding with them, which means building some form of partnership. What is both interesting and important is that while in the first, efficiency-oriented order, there may exist a clear hierarchy of tasks – after all, the division of work is necessary – in this second, meaning-creating order, everyone can feel like a co-creator. At that point, work ceases to be the opposite of "real life."

The economics of greed turns us all into stupefied consumers, devoid of meaning and purpose, whereas the economics of values makes us all responsible co-creators. That is the fundamental difference. In the concept of a company-idea, the human being, the employee, and the very notion of work are perceived in an entirely different way. Everyone understands that, in pursuing what matters most to them, they have no right to act in a manner which deprives others of the opportunity to grow, or which reduces others to mere cogs in one's own machine.

The economics of greed turns us all into stupefied consumers, devoid of meaning and purpose.

Entering adulthood are next generations, whose mindset is aligned with the concept of the economics of values; yet they are also profoundly inconsistent. The views of young men and young women, in particular, are drifting apart — their approaches to values are beginning to diverge radically. At least this is true of the most visible and vocal segments of the young generation: young men are radicalising to the right and absorbing the Welch–Trump–Gekko narrative, which has had, or may have, consequences for the creation of certain types of companies and for the emergence of a no-values economy. Young women, on the other hand, are radicalising to the left — a tendency that, at least in theory, favours development of companies-ideas and dissemination and strengthening of the idea of the economics of values.

I shall begin by noting that in past epochs, generational changes often meant cultural transformation. The 1960s generation differed profoundly from the generations shaped by the war and by its immediate aftermath. Today we can see that this process of cultural transformation has accelerated dramatically, driven by the pace of technological revolution and the force of globalisation. Until quite recently, a typical social model was marked by coexistence of three generations – within households, companies, and institutions. Each of these generations carried the hallmarks of a distinct culture. Today we live in a world where as many as five generations coexist within a single organisation. In other words, it is no longer the traditional set of grandparents, parents, and children, but generations which shift roughly every seven years, each belonging to a slightly different culture rooted in new technology. I myself belong to the culture of the written word, which – in my view – is now fading away. It is being replaced by a culture of visualisation.

What does this mean for organisations?

It means that in such multi-generational and multicultural structures, the only reasonable way to function effectively is not through building and strengthening hierarchies, but through creating processes of mutual learning from one another. If an organisation fails to develop such processes, it will not be able to weave the energy of successive generations into its structures and its mission. This relates specifically to processes which unfold both in the purely practical dimension and in the realm of ideas.

And should such processes not be initiated earlier? In schools, at universities?

You have touched upon the heart of the matter: of course, they should. If an organisation cannot function as a community capable of undergoing evolutionary technological and cultural–organisational change, it exposes itself to major disruptions, turbulence, and it ultimately loses both its efficiency and its very sense of purpose. I often speak of my academic experience halfway through my career, when I was about to be granted a title of professor; the procedure still under way, I had already begun to create from scratch my own field of study – Public Economy and Administration – and, indeed, an entire academic environment. I was recruiting the first people, such as Stanisław Mazur, later the rector of the University of Economics and today the deputy mayor of Kraków, a generation younger than myself, and I did so precisely in the spirit of the community we have been discussing here from the very beginning. I would explain to everyone that a university resembled a diamond mine, and that it was our task to find those diamonds, bring them to the surface, and polish them. I emphasised that students were not there for us; it was we who were there for them: let us therefore educate and shape them with the awareness that one day our own lives will depend on them. Bear in mind that only through such a broader reflection on who serves whom and for what purpose does the proper order of efficiency emerge. For me, the essence lay in preparing new people, in taking care of their development, and of their well-being, in a variety of ways.

For example?

I would have to go into detail. Let me just say that when I began this process in the nineteen-nineties and in the early years of the twenty-first century, forty percent of our graduates could not find jobs. We kept a list of those graduates. In fact, the education system was such that I knew every one of them personally. We formed a community; we spent a great deal of time together, we often talked, not only in the lecture hall. And it was not about settling specific matters, it was simply about being together and talking, plain and simple. At that time

I considered it my duty, my natural obligation, to call various employers every day and tell them: listen, I know how we teach, we truly have excellent graduates; you will do a good turn if you at least meet them, give them a chance. I offered personal guarantees.

What does such a community have to offer?

You know very well that it is not only about the practical aspect of finding someone a source of livelihood. The process of polishing diamonds is, in essence, a process of shaping one's perspective, one's way of seeing the world. And this is by no means a one-way influence. In striving to be with my students as often as possible, I too naturally developed, I adopted their point of view, their way of perceiving and expressing the world. We would ask each other about various matters, trying to understand. Time devoted to understanding another person is never time wasted. All of this carried great significance because it was in that very way that I built relationships with my students, assistants, later assistant professors, and finally independent scholars. This – quite literally – is how an environment is built. And here I return to the question of organisation: it ought to rest upon such a community, where everyone strives to understand one another and learns mutually from each other. It is the only way forward. Every other path leads astray.

And what about those young men being carried away, or perhaps losing it, to the far right?

You will not find it in an environment that is partnership-based, empathetic, and open – one where the criteria of performance and efficiency coexist and intertwine symbiotically with the sphere of values. Indeed, students do have their obligations: they must complete courses, pass examinations, and so forth. We cannot study on their behalf. What we can do, however, is create conditions that allow them not only to study as effectively as possible but also to develop skills and qualities not necessarily linked strictly to a given field of knowledge or narrowly defined area of study.

What we can do, is create conditions that allow them to develop skills and qualities not necessarily linked strictly to a given field of knowledge (...)

For example?

Imagination is what matters most. The development of one's emotional sphere is equally essential. Without emotion and intellect, there can be no imagination, and without imagination, there can be no responsibility. One can be a highly intelligent fool. For a person devoid of imagination, lacking the ability to connect ideas from different realms, complex and intricate things may appear laughably simple. As a result, he or she will propose crude and simplistic actions. Perhaps those young men you mentioned simplify the world because they are in search of easy solutions? And they search for them because they have never lived in an environment where, in order to solve a problem, one had to know how to talk with other people and reach understanding on an equal footing. Instead, they have only learnt to form a strong pack.

Perhaps those young men you mentioned simplify the world because they are in search of easy solutions?

They have always been treated as instruments, so now they treat everything instrumentally in return?

That might well be one of the reasons. We know that one cannot reduce human relations to the instrumental sphere, that is, to a game of profits and advantages. This is precisely why it is so important that students have their academic education organised in such a way that genuine cooperation with others plays a key role in solving various problems. People should develop the ability to talk with one another – if only to realise that there are no simple answers, that sometimes there are answers in which I hold part of the truth, and others hold another part.

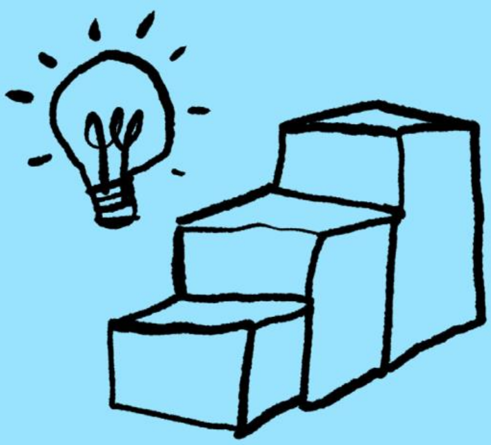
There is no such thing as the most righteous reason…

There truly is not. Achieving it requires a partnership-oriented approach to carrying out a shared endeavour. Not a forced one! Ideally, we wish to do something together, we like it, it engages us, we take pride in it, and we have accomplished something through it. Creating such situations – occasions for cooperation and dialogue, building intergenerational and intercultural project teams within both economic and social organisations, is simply priceless. Setting oneself an ambitious goal, while not being judged by the immediate result but rather by the ability to develop and to pass on this way of thinking, generates additional values. These may seem of little or no use at a given moment in the organisation's operation, yet they will prove to be the most vital when crises and upheavals arise.

Brand as culture or the marketing of values

The fourth story

About how, if there is no goodness,
all the goods we create
will not serve people
and the improvement of their lives,
and turn against them



- *Sex and the City vs No Logo*
- “It’s not enough to make the right diagnosis and be right.” (Mateusz Zmyślony)
- Good Marketing vs Evil Marketing: opening eyes instead of pulling the wool over them
- The theatre of pretence: greenwashing, brainwashing or the radical act of honesty.
- “The moral deficit” – Joseph Stiglitz calls out the greedy financiers
- Why we are willing to pay more for free-range eggs
- When the conscious consumer meets the conscious producer
- “I am not only in the business of producing goods, but of doing good.
- The deadly duel of professors: does wealth foster a values-driven economy?
- Two roles, one responsibility – as co-creators and as conscious citizens

4.

At the turn of the century, one of the biggest cultural phenomena across the Western world, including an increasingly Americanized Poland, was the hit TV series *Sex and the City*. It became, in a sense, a manifesto of the culture of self-development — or, one might say, self-absorption — and of consumption, in which brand names were no longer used for naming products, but for shaping and symbolising a certain lifestyle and signalling social status. At around the same time, there was published Naomi Klein's groundbreaking book *No Logo*, often hailed as "*the bible of the anti-globalist movement*", which exposed the darker side of brand-driven corporate power and called for grassroots resistance against global corporations. What followed was a classic clash of worlds and ideas; including a vision of the brand as a vehicle of a better life and the brand as an addictive substance – a drug designed to hook us on endless, mindless consumption. And then, some fifteen years later, another powerful vision emerged at the third Open Eyes Economy Summit: the brand as culture. Where did it come from — and how does it relate to those earlier two visions?

Critics see marketing as a dangerously persuasive tool, which moulds hearts and minds, poisons the soul, and deliberately triggers the craving to possess. Yet the fact that marketing sometimes operates this way does not mean it must do so.

Marketing does not exactly enjoy a spotless reputation. It is often associated with schemes designed to make people dependent on a product or service—or, as Naomi Klein's critical narrative would have it, on a particular lifestyle marked by unrestrained consumerism and a purely self-centred pursuit of desire. Critics see marketing as a dangerously persuasive tool, which moulds hearts and minds, poisons the soul, and deliberately triggers the craving to possess. Yet the fact that marketing sometimes operates this way does not mean it must do so. After all, each of us can easily point to marketing, promotional or advertising efforts that raise little, if any, objection.

What does it depend on?

Naturally – on the content. And that, in turn, stems from the intention, from the goal that a given marketing effort is meant to achieve. One can create a message that is indeed persuasive, yet does not mislead, deceive, or manipulate, but merely gives the consumer, or the potential buyer, a fair chance to get to know a product or service. The world is not black and white; it has nothing of a Manichean nature, and marketing does not, by definition, stand on the side of Pure Evil. In this regard, I strongly recommend an excellent work by Anna Giza, "**The Sorcerer's Apprentice: A Social History of Marketing**," which I had the pleasure to review. In it, Anna presents a broad and nuanced account of the evolution of marketing and its consequences for business, the market economy, and the discipline of economics. She also sheds considerable light on the darker side of marketing.

She describes the phenomena and processes generated by marketing, illustrating them with vivid, telling examples. From this account, it becomes clear that marketing holds both the power of good and of evil…

Exactly – both of these forces permeate our world and ourselves. This view is shared by Mateusz Zmyślony, who co-created with me the idea of the economics of values and the Open Eyes Economy movement, and who, professionally, is a creative director specialising in marketing. The concept of a brand-culture grew out of our conversations and reflections. And it is worth remembering that these were the conversations and reflections of two people belonging to two different generations and somewhat different worlds: my path has been largely academic, partly tied to public service, while the path of Mateusz has been rooted in business. When we discussed why the market economy produces so many negative consequences, why it so often relies on narrow perspectives, and why its outlook tends to be so short-sighted, we came to a conclusion that the only remedy lies in a profound shift in cognitive orientation.

Towards the economics of values.

Yes. From the very beginning, Mateusz emphasised that it is not enough to make the right diagnosis and be right. One must also know how to make that truth accessible so that it spreads and takes root in people's minds. We agreed that my way of sharing ideas, typical of researchers, of people of letters and books, would not reach a wide enough audience. We have to learn how to bring our message home to the right audience.

That is?

At that stage, Mateusz believed that the conscious, intelligent, and critical consumer had an absolutely crucial role to play in the transformation he was advocating; such a consumer, capable of making the right choices, would become a defender of a sound economy. I argued that this alone would not be enough, though I agreed that raising consumer awareness was essential. We concluded that any action helping consumers to make informed choices, resist manipulation, and reject the products and services of companies which act dishonestly or unethically, for instance, those exploiting child labour or forced labour, is entirely positive and desirable.

And what is the conclusion?

The conclusion is that since on one side we have so many people subjected to brainwashing through marketing, we cannot assume that we will not engage in marketing ourselves. On the contrary – if we wish to reach the broad masses deceived by the economics of greed with the ideas of the economics of values, we must conduct exceptionally good marketing. While that other marketing aims at creating addiction and driving people toward unreflective, compulsive consumption, our marketing will equip people with the tools of critical assessment and conscious choice.

Such effective marketing creates an entirely different kind of brand.

Marketing, in our understanding, is not about pulling the wool over people's eyes, but about opening them.

You have touched upon the essence of the matter: I oppose the notion that the only right and effective response to a logo created with ill intent is "no logo." Marketing, in our understanding, is not about pulling the wool over people's eyes, but about opening them. It is about speaking honestly about what we stand for – in a way that allows people to understand it and easily verify it. In this sense, brand building begins with taking on a commitment, and continues through providing evidence that this commitment is genuinely being fulfilled. We do this continuously, in dialogue with the participants of the OEES movement, sometimes under the influence of critical feedback – as was the case, for example, when we decided to stop using plastic, to limit the printing of paper materials and documents (we ensured that digital versions were fully accessible to everyone), or to diversify the meals served during the congress (also for vegetarians and vegans). We make every effort to ensure that our message remains as consistent as possible with our daily actions, because this reinforces the credibility of the OEES brand. At the same time, it must be remembered that this is not a message containing revealed truths that everyone is obliged to accept, or else be shown the door.

We return to the statement that OEES is an open process.

Yes, because that is absolutely fundamental. It is not the case that we have built a brand and are now imposing it on people's minds. We continue to co-create this brand together with other participants in the movement of the economics of values. And, true to its name, it is not a movement of the blind, but a movement of open eyes. Therefore, our marketing activities cannot consist in building some kind of sect, an unreflective group of followers. We seek an audience that actively builds the OEES brand through its ability to think critically and engage in open, sincere discussion. Culture is not a space which blocks imagination, but one which activates it. It is a signal that we do not impose a cognitive perspective, but rather open it.

For some, a brand is a promise; for others, an obligation. Yet there are also those who attempt to use brands as fig leaves to obscure actions which are not necessarily ethical, employing marketing as a tool for brainwashing, greenwashing, and all other kinds of "washings."

In the end, a good brand is regarded as one that stands for sincerity, one that is built authentically and organically. It is not about the temporary appeal of catchy slogans or the effectiveness of immediate reception, but about a long-term impact founded on trust. The OEES brand is, and will remain, good for as long as people associate it with the economics of values. And for as long as our gatherings remain a space where we do not proclaim ultimate truths, but rather co-create an environment which seeks answers to phenomena and challenges presented honestly, in all their intricate complexity. We are a social think tank – and that makes us stand out.

Anna Giza writes in the foreword to the book you referred to that marketing practised by entrepreneurs, especially large corporations, "is rooted in cognitive scripts, cultural meanings, but also in deficits of rationality and limitations of self-control. Considering the invested resources, its impact is certainly many times greater than that of various social and informational campaigns aimed at strengthening the 'collective mind'." She also describes communities gathered around well-known brands as if they were idols. The force of influence here is immense. So what chances does OEES have in this competition? To what extent can one build a circle around the *Open Eyes* brand?

We have an inner circle and a somewhat broader one. The latter is formed by the participants. What we do reaches them, and they respond to it in various ways. Above all, they take part in our events, both in person and in the virtual space. In seminars and discussion groups.

How many of these participants are there?

It is difficult to calculate, but I believe that this circle can be counted in tens of thousands of participants who display various forms of activity, visit our websites, and use our information.

And the closer circle?

It is a group of people whom I call co-creators. They, to varying degrees, shape our actions, events, and the content we disseminate. Such activity is demonstrated by a group ranging from several hundred to even a thousand of individuals who derive satisfaction from doing many things on their own initiative, based on their own ideas, and by engaging their own communities. This is precisely what the movement of open eyes is about: it connects numerous circles that can feel they are its co-creators, coming up with their own ideas, their own solutions, and their own examples. The close circle is therefore constantly expanding. Of course, one must not underestimate the second, wider circle, that is, the community of participants, because it serves as a powerful carrier of many ideas. May that circle be as large as possible.

But this requires sustaining an interest in the economics of values, or rather, cultivating that interest among new generations which — as we have already established — are changing faster than ever before, in step with technological revolutions.

In the open process of the OEES, it is crucial to continuously generate content which refers, in a creative and inspiring way, to what is happening in the world. We are doing this amid profound transformations, in which artificial intelligence is used not necessarily to promote values or foster critical thinking, in a world marked by the expansion of Trumpism, which, as I have already said, is yet another manifestation of free-market thinking, where the rich rule with their money, and the poor with their spirit…

In the open process of the OEES, it is crucial to continuously generate content which refers, in a creative and inspiring way, to what is happening in the world.

In his report on reforming the international monetary and financial system in the period of awakening from the global financial crisis, Nobel laureate Joseph Stiglitz observed that "much has been written about the foolishness of the risks that the financial sector undertook, the devastation that the financial institutions have brought to the economy, and the fiscal deficits that have resulted; too little has been written about the underlying 'moral deficit' that has been exposed — a deficit that may be larger and even harder to correct. The unrelenting pursuit of profits and the elevation of the pursuit of self-interest may not have created the prosperity that was hoped, but they did help create the moral deficit." On the other hand, in Poland, in Europe, and across the world, there are many people who base their economic choices on moral considerations. Take, for instance, consumers who buy organic or free-range eggs. After all, such eggs are considerably more expensive…

It is excellent that you mentioned those eggs, because it immediately reminded me of my past conversations with Mateusz, in which he gave me examples of the attitudes and behaviours of a conscious consumer believing that by making certain choices in a shop, and by paying more for particular goods, they can contribute to some greater good. In this case, it concerns animal welfare, although of course this principle is not limited to hens alone. Every purchase is, by definition, an economic choice, but in this instance, it has an ethical foundation. Ethics neither excludes nor eliminates economic incentives here, yet it significantly modifies them. It is not that I am willing to pay any price for animal welfare; rather, I am prepared to pay somewhat more than the price of a product in which the producer pays no attention to such welfare.

However, what companies and their marketing departments are now observing – as they conduct ongoing research – is a clear trend, let us call it pro-wellbeing, or simply ethical and empathetic. The share of customers for whom this issue matters is growing rapidly. Many companies will wish to follow this trend or even capitalise on it…

We are speaking here about an entire system for verifying the credibility of what producers offer under their brands. Does this egg truly come from organic farming? Does that farm actually meet all the declared conditions? Clearly, some entrepreneurs will strive to meet all these criteria not only for business reasons but also for ethical ones, perhaps even primarily for ethical ones, because they have, let us say, a broader view of the world and develop their businesses with a long-term perspective, rather than focusing solely on the here and now (although the here and now also matters).

Yet there will always be those who attempt to feign activity and impersonate a product that has become fashionable in certain circles.

Such is human nature. The task of eliminating impostors who constitute unfair competition for honest entrepreneurs should fall to the relevant authorities and institutions. However, an important element of social oversight is – as we have already mentioned numerous times – the conscious consumer. In fact, changing the world for the better begins with the meeting of a conscious consumer and a conscious producer. Between them emerges a kind of bond based on mutual commitment: that the latter will produce something in a certain way, and the former will buy it.

In fact, changing the world for the better begins with the meeting of a conscious consumer and a conscious producer. Between them emerges a kind of bond based on mutual commitment (…)

And is this a personal, intimate bond, or one rooted in broader structures?

Change occurs when an environment conducive to it emerges. Such an environment should be sufficiently significant, large, and influential to be able to identify and expose impostors. An essential feature of this kind of environment is that it usually does not focus on any narrowly defined good, for instance, the welfare of hens, but rather serves to initiate internal and public debate about many other forms of good.

So, it is about the economics of value.

Indeed. We speak about animal welfare and – by opening our eyes to capture broader contexts—we begin to discuss air quality, water consumption, and the limited resources available on Earth. In this way, we expand the field of ethical reflection, which is no longer only about whether animals are treated humanely, but about much more. What is valuable here is that such a conversation allows different perspectives to come together, and sometimes to clash; the perspectives of the farmer, the producer, the logistician, the trader, and the consumer. Such a discussion, along with the accompanying shift in thinking, is an evolutionary process of opening one's eyes, in which nothing can be imposed or programmed.

Do crises foster such discussions?

Yes, because they exacerbate many problems, which either trigger people to action or make it possible to trigger them. We usually notice certain things only at critical moments. Today, many such moments have coincided, creating a space for dialogue and, at the same time, for building a message grounded in the economics of values. People who identify with this message are those concerned about the direction in which the world is heading and about the costs we are all bearing, or will soon bear, as a result.

Surprisingly many of these people argue that economic activity should not consist solely in making money, but also in adhering to certain fundamental principles.

Yes, and the foremost of these is as follows: I am not only responsible for producing goods, but also for producing good. I produce goods within the framework of the market economy, whereas good comes from a different order – the order of values – which all participants in the exchange, both producers and consumers, should consciously embrace.

Why should they?

Because they understand that if they do not choose good, if they do not actively foster and create it, evil will prevail. Let me say it again: I am not among those who divide the world into light and dark sides; I see it in various interwoven shades; yet there are matters of fundamental importance—such as health (in its broadest sense), the feeling of happiness, or a better future for our children and grandchildren—that should unite us all in a sense of responsibility.

I know quite a number of people who in principle behave irresponsibly.

Indeed, there are among us individuals with a profoundly distorted sense of responsibility, but the entire problem lies in the fact that if we so readily divide the world into the responsible and the irresponsible, we will end up waging a civilisational war.

Is there an alternative?

There must be. The fundamental assumption should be that if I wish to be responsible, I must act in such a way that others voluntarily assume co-responsibility and behave responsibly. At the same time, we must remember that the economics of values will function only to the extent that we link our sense of duty, associated with the pursuit of good, with our reference to goods; both are important and must remain interconnected.

Which principles should guide marketing that creates and promotes good brands in this sense – the written or the unwritten ones?

In the set of tools available to marketers, there are actions that are plainly prohibited, but there are also those that the law may permit, yet we perceive them as improper or reprehensible, as they lead to the objectification of people or to their addiction.

So, in fact, they are destroying good.

Yes. The economics of value is fundamentally based on the conviction that if there is no good, then all the goods we produce will not serve people and the improvement of their quality of life, but will instead turn against them.

(…) if there is no good, then all the goods we produce will not serve people and the improvement of their quality of life, but will instead turn against them.

However, in a market economy, the fundamental aspiration and goal of every entrepreneur is for people to consume as many of their products or services as possible. This applies not only to bread producers but also to pharmaceutical manufacturers – a prime example of a campaign aimed at maximising consumption is the rise of OxyContin, unethically promoted by Purdue Pharma, now widely blamed for the opioid crisis in America. Alongside them, there are producers of even more controversial goods, such as alcohol or cigarettes…

The opioid crisis is a catastrophe. It has already claimed the lives of hundreds of thousands of people and caused countless tragedies and personal dramas. Its social consequences are disastrous. Marketing conducted by business devoid of moral purpose invariably leads to catastrophe. And this is not limited to the types of goods and services you have mentioned –

which you described as controversial. One must bear in mind that excessive consumption of virtually anything can become a problem on many levels. At one point, it may take the form of an obesity crisis or an avalanche-like increase in the number of people suffering from diabetes, and so forth. In another dimension, it may manifest as a debt crisis – because people, driven by rampant consumerism, fall into a spiral of indebtedness. In a broader sense, we are witnessing a crisis of meaning in life. How often do we realise that we consume ever more things we do not, in truth, need?

And that we have allowed ourselves to be persuaded that it is otherwise. Every day we are made to believe that these very things — how many of them we possess and what brands they are — define who we are as human beings...

Human reflection (...), stems from the fact that each of us wants to feel like a needed person (...)

Exactly. Human reflection, whether it concerns obesity or the emptiness we create around ourselves through the absence of genuine, value-based relationships, stems from the fact that each of us wants to feel like a needed person. Consumption alone does not fix that. Yet a similar reflection should accompany entrepreneurs, the producers of goods and those providing services.

In 2004, when you were Deputy Prime Minister and Poland was joining the European Union, the average monthly disposable income amounted to 735 zlotys per person, of which 702 zlotys, that is 95.4 per cent, was spent on expenses. In 2024, the average income per person reached 3,167 zlotys, with expenditures accounting for around 60 per cent. Two of my economist colleagues are engaged in a fierce dispute over whether the fact that Polish men and women have been continuously becoming wealthier for several decades, and have been increasing their disposable income per capita across all types of households, encourages consumerist attitudes and the elimination of the notion of the common good, or, on the contrary, whether the satisfaction of basic needs creates space for a discussion about values and enhances the chances of incorporating the common good into the process of producing goods.

I would not wish to take sides with either of the two economists, and that is because, in my view, this issue should be approached from a somewhat different perspective. There is no straightforward correlation between income levels and the well-being of individuals or societies. It is certainly the case in Poland today that as people have more and wish to have more, as they spend more than they used to and wish to spend even more, this may cause them to focus to a much greater extent on consumption-related expenditure, including prestige spending – in order to stand out. This phenomenon is quite typical of most societies which are still in the process of working their way up.

Those who satisfied their material aspirations several generations earlier usually take a more cautious approach to ostentatious consumption?

Yes, this is particularly visible in Northern Europe, not only in Scandinavia. In our country, many people seek self-validation through the possession of goods and the ability to purchase them, while at the same time wishing to demonstrate to others that they are superior. In this sense, there is a risk of reinforcing consumerist attitudes. On the other hand, it must be remembered that a person primarily strives for economic self-reliance, which for most begins at the moment when their most basic material needs, in the biological sense, have been met. If they have not, it is difficult to engage such a person in a discussion about ethical choices…

For instance, concerning the welfare of hens.

That is correct. Of course, people behave differently in extreme situations; for instance, in concentration camps there were acts of heroism – and those arose from particular ethical attitudes. Yet when thinking about the economy, we cannot expect such attitudes from people, therefore the starting point must be concern for whether basic needs are met to a satisfactory degree, that is, to the extent necessary for a person to be capable of independent physical and mental activity.

This could be ensured for everyone through a guaranteed income – a concept that is gaining in popularity.

For many reasons, I do not support the idea of a guaranteed income. The fundamental one is that, in my view, a guaranteed income may encourage passivity rather than activity.

How would you ultimately resolve the dispute between these two economists?

As I have said, in my view this dispute lies beside the essence of the problem. What is crucial in people's approach to things and consumption is not what they possess, but to what extent they have produced it themselves. Do they owe it to their own activity? Do they feel like co-creators of the world in which they live? If someone fears that people are tilting towards self-absorption and the satisfaction of their own desires, and believes that this results from the very nature of the capitalist system, they are mistaken in the sense that we cannot forbid people to have material aspirations and the desires that accompany them.

What is crucial in people's approach to things and consumption is not what they possess, but to what extent they have produced it themselves.

Should we not also refrain from drilling into people's heads the idea that consumption is inherently wrong?

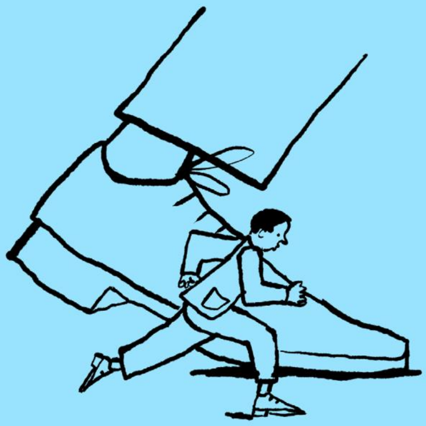
No, because objectively it remains one of the levers of economic growth. What we should do instead is ensure that people, to a greater extent than before, fulfil two roles at once: that of a co-creator and that of a conscious citizen, with the former belonging to a different order than the latter. If these two roles complement and permeate each other harmoniously within every individual, the likelihood of the emergence and dissemination of the economics of value will be significantly higher.

What we should do instead is ensure that people, to a greater extent than before, fulfil two roles at once: that of a co-creator and that of a conscious citizen (…)

The working human in the age of Artificial Intelligence

The fifth story

About how, in an era when technology has reached the stars and become an integral part of objective reality, the moral responsibility of humankind – for what we do in the world and with the world – is greater than ever before



- A brave new (workless) world
- *“The most important assets of a company go home every night.”* (Lester Thurow)
- The company as a learning organism
- Man at every stage: the overseer of technology, not its servant
- “Progress” à la Mengele
- The university: q community of responsibility and conscience
- The reindeer herders’ wisdom: Everyone gets their own calf – but the calf belongs to the herd.

5.

Acting as a co-creator of the world has, for many people, become both the meaning and the purpose of life. Much, if not most, of that meaning is found in work – it is widely believed that work makes us needed and, at the same time, enables us to fulfil our life aspirations, plans, and dreams, to finance the purchase of goods and services we consider essential, and, for instance, to travel – travelling has risen to the top of the hierarchy of needs and dreams of Polish women and men, especially the young, though not only. At the same time, we have already spoken about tribes who consider themselves fortunate and who do not need more in life than what nature and their everyday labour provides them with – labour which keeps them occupied for, on average, 15 hours per week, plus another 15 hours to take care of their homes. In our country, we take pride in working 50 hours a week, yet this rarely allows us to satisfy the desires inflated by Western civilisation. Today, we ask ourselves: is this era coming to an end due to the technological revolution? One of your seminars in Świeradów was tellingly titled: The World (Without) Work.

For years, we have been meeting in Świeradów in a group of several people in order to discuss issues which seem particularly relevant, or even to anticipate certain debates which may soon become heated. One of the Świeradów seminars concerned the world of (un)employment. The prefix “un” stemmed from reflections on the development of technology and its impact on what we do professionally. That Świeradów reflection anticipated today’s lively debates on the influence of technology, especially AI. It is hardly surprising, as this is simply a key topic for humanity’s future. In recent years, we have been engaged in intensive discussions – both among experts and practitioners – on how technology is redefining our place in the labour market. We noticed long ago that it is not only about automation and robotisation, which represent another stage of the industrial revolution and involve replacing humans with machines in factories on an unprecedented scale. The most animated discussion was sparked by the dynamic development of artificial intelligence, precisely because we are dealing here with an entirely new phenomenon – before our eyes, machines are taking over not only physical work but also increasingly complex intellectual tasks.

Those reflections from Świeradów gave rise to one of the most important thematic axes of the OEES. At the current stage of this unfolding debate, can we already attempt to draw any conclusions?

The most significant one is that we must change the way in which we understand work. It is no longer only about the fact that physical human effort, what the English call "labour", may disappear from the world as we know it, meaning that blue-collar jobs could vanish, but also about the prospect that people will no longer have to perform a vast range of activities typical of white-collar workers.

To put it bluntly: many of us will become redundant in the current sense of the word.

That is how it looks from the present perspective. A comprehensive change in the model of work therefore awaits us. Given the current pace of technological development, the key question is: how will we utilise our intellectual and emotional potential in this new world? This requires a new approach.

One of the conclusions drawn in Świeradów, creatively expanded during the OEES, is that the key to the future lies in the concept of a learning organisation – not one that copies others' models, but one that is truly creative. What would such an organisation look like in practice?

I often quote Lester Thurow's thought: the most important components of a company's assets go home in the evening – it is people and their minds, not machines or buildings, that determine an enterprise's potential. Human minds cannot be locked in a safe. In a learning organisation, the idea is that an employee should not be merely an addition to the process, but its co-creator. Such employee must have a sense of agency, and workplaces should be designed with his or her participation. This is why I have often said that recruitment should begin already during university studies, in close cooperation with academic institutions. We get to know the potential of young people, and they get to know us. If we engage them in the educational process, they will be able to design for themselves a workplace that is both creative and conducive to development.

Is it really so important?

It is extremely important, especially today, when technologies undergo fundamental transformations every seven, or even five years, and generations evolve in step with technological change. In effect, each generation will design its own workplace in a little differently. A learning organisation is one which can provide every individual with a space for such creation—becoming, at the same time, an environment of shared responsibility and shared satisfaction. In a learning organisation, the coaching process must grow across generations. An employee must not only have a sense of belonging to the company – which can be fostered in various ways, through attention to health and well-being – but must also feel that what he or she does is…

…satisfying? That it provides a sense of purpose, fulfilment, happiness?

Undoubtedly, this is what we all seek in life.

But in an era of rapid technologisation, are we not at risk of seeing the pessimistic scenario known from popular dystopias come true: that in this new world of (non)-work, people will become nothing more than cogs in a great machine controlled by an algorithm?

This risk is quite real. If we fail to invest in employee development, routine will lead to intellectual regression. Even in companies where processes are highly automated, it is possible to ensure that people continue to broaden their horizons – through job rotation, participation in designing new solutions, or engagement in volunteer activities. The most important thing is not to treat them solely as executors of orders.

AI enthusiasts emphasise its undeniable advantages, while critics are quick to condemn it across the board, pointing to its weaknesses and a multitude of often apocalyptic threats. How is an entrepreneur, manager, or leader of a university or institution to find their bearings amid all this?

It is absolutely fundamental that the human being – at every stage – remains the overseer of technology, not its subordinate.

The more we move towards advanced technology, the more crucial the question of ethics becomes, and the greater the scope for the economics of values. The risk that artificial intelligence may bring about unpredictable social and anthropogenic consequences cannot be underestimated. Boundaries must be set so that progress does not lead to irreversible harm. It is absolutely fundamental that the human being – at every stage – remains the overseer of technology, not its subordinate.

This is the case in the so-called "dark factories" being launched today in China – there are no blue-collar workers there; all production is physically carried out by robots controlled by AI agents, yet under the strict and constant supervision of humans – IT engineers, versatile and interdisciplinary specialists in robotics, automation, and digitalisation. Should such a model, enabling unprecedented levels of productivity, precision, and reliability of processes, and therefore exceptional competitiveness, serve as an inspiration for us, or rather as a warning?

(…) the use of technology must take place with full respect for the values which lend meaning to human life.

This frequently discussed issue is, in my view, somewhat beside the main problem. More important than the question of how we will produce certain things, and to what extent this will lead to the complete elimination of physical labour and simple intellectual tasks, is whether technology will govern us or we will govern it. If we wish to survive as human beings, as humanity, we must absolutely adhere to one fundamental principle: the use of technology must take place with full respect for the values which lend meaning to human life.

Who should ensure that this principle is upheld and determine its boundaries? The state, organisations, or employees? After all, we often hear that "too many restrictions stifle development" and that "the Chinese and the Americans do not fuss about such matters, so they will outrun the overregulated Europe."

In the name of so-called "progress," humanity has committed countless crimes throughout history. Mengele conducted "research" in Auschwitz in the service of the "advancement of medicine." Do we consider such "research" acceptable? Would we want to live in a world shaped by the Nazis and others like them, for whom the end justifies all means? We would not. There must be limits, frameworks for technological development. Creating and enforcing them is a shared responsibility of us all – the state, organisations, the academic community, as well as supranational institutions and bodies. There should be established mechanisms to prevent abuse, much like in the field of genetics or medical research. Yet prohibitions and formal regulations alone are insufficient – what is required is a broader ethical reflection.

Would we want to live in a world shaped by the Nazis and others like them, for whom the end justifies all means? We would not. There must be limits, frameworks for technological development.

The starry heaven above me and the moral law within me?

Nothing has changed here. Technology has reached the stars and has become an essential element of objective reality. Yet this does not absolve humanity of moral responsibility for what it does in and to the world. Perhaps this responsibility is even greater than ever before.

Technology has reached the stars and has become an essential element of objective reality. Yet this does not absolve humanity of moral responsibility for what it does in and to the world. (...)

And what role does the university have to play in this process? We have already discussed it to some extent, but not in this particular context.

It is generally known that my assessment of contemporary universities, especially after the reforms introduced in Poland during Jarosław Gowin's term, is highly critical. The university is, by its very nature, a public good – a reservoir for the retention of knowledge and critical reflection. Unfortunately, many universities have been transformed into poor-quality enterprises, while the orientation of their employees has become individualistic. The system of credits for publications has distorted the very meaning of academic work. I am convinced that the university can function differently, but it must first regain its inner strength and return to its mission of education – not only of the intellect, but also of reason and responsibility.

Does the traditional university lecture correspond to the modern world, to the perception of the young generation, to their methods of acquiring information and knowledge?

Definitely not, which makes it obvious to me that teaching must be adjusted to civilisational change. At the same time – and I repeat this because it is extremely important – the university should return to its traditional values: the cultivation of community, responsibility, and the creation of conditions for self-development. There are various forms of collective activity which build a sense of belonging and make it possible to act in such a way that the university's third mission – the formative one – becomes as important as research and teaching. These are the keys to the revival of the university as a foundation of the transformation currently taking place in the world.

When I meet young people in high schools and universities, among those who are active and openly express their views, I observe two radically different attitudes. Some say that one must be socially engaged – in the Great Orchestra of Christmas Charity, the Noble Parcel campaign, the protection of the planet, the defence of human rights, or civic movements – because it lends meaning to life, and without it the world and society would perish. Others say: I study diligently and work hard for myself, and justice means that everyone should receive as much as they deserve according to their talent, effort, and contribution.

I watched the Swedish drama *Stöld* ("The Stolen") yesterday, an adaptation of the book by Ann-Helén Laestadius. It is, among others, the story of a young woman who wishes to defend her Indigenous heritage in a world where xenophobia runs rampant and climate change threatens reindeer herding. The film depicts the conflict between the Sámi – reindeer herders – and the other inhabitants of northern Sweden. I have always been fascinated and inspired by the beautiful Sámi tradition according to which every child, girl and boy alike, receives a calf. Each child also has their own individual mark, which is cut into the ear of the calf assigned to them – but with a clear emphasis: "You are not the owner of this animal. You take care of it, nurture it, and cherish it – as we might say – as if it were your own,' but you cannot take it away, because it is part of the herd, just as you are part of the community that we create together."

What do the Sámi seek to achieve in this way?

(…) the purpose of human existence is to share what one has developed, to make the results of one's work available to others—without appropriating it.

Put simply: a sense of belonging and responsibility. Not only for that single reindeer, but for the entire herd and for the community as a whole. It is an excellent metaphor for what I believe in: the purpose of human existence is to share what one has developed, to make the results of one's work available to others – without appropriating it. It is worth noting that this can be directly related to contemporary organisations – in my view, those with the greatest future are the ones which skilfully combine individual satisfaction and efficiency with the genuine creation of something that remains widely accessible to others.

I observe the messaging of many organisations and see that this kind of thinking – stemming directly from the debates and key conclusions of the OEES – has become widely disseminated. One might say that the economics of values, initially niche and poorly understood, has entered the mainstream. That is quite significant, is it not? It appears to be… a rather strong hand.

I feel a sense of satisfaction that reflection on the economics of values has become part of the broader discourse. I hope that future generations will continue it – with openness, with responsibility, and with a passion for creation. It is about the constant renewal of such economic or professional environments in which the dominant way of thinking is that we ought to serve a purpose, that we have something important to accomplish, and that we will not be able to fulfil this mission unless we keep learning from one another.

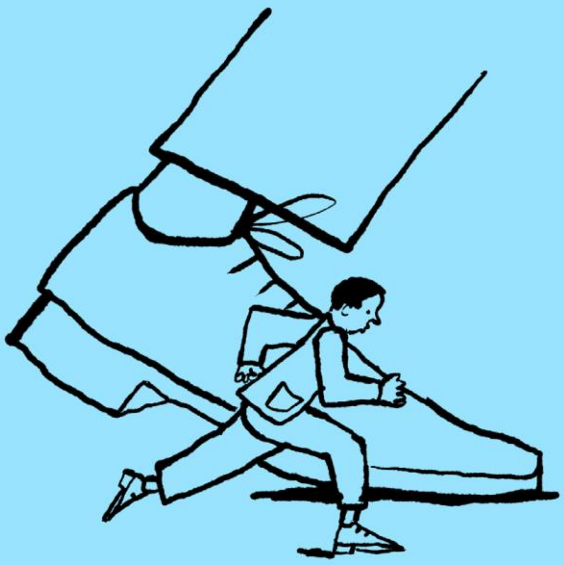
The statement that learning does not end with university has never been more accurate or relevant.

Yes, but it is absolutely not about conducting a multitude of training sessions, but about learning from one another and jointly solving our emerging challenges. This is the only path for an organisation to evolve: in an organic manner, rather than by imitating others. It is the only way to become a company-idea. We wish to share this perspective, as well as all the OEES insights that stem from adopting it, broadly and openly, on the principle of: take and use, but do not appropriate. In this case, imitation is encouraged.

The state-idea in the VUCA world

The sixth story

On the true sources of a nation's strength –
and why using a smartphone is not
a technological act
but a civilisational one,
with civilisational consequences



- The state too big, the state too small – a debate that misses the point
- Market failure, government failure, and the very reason the state exists
- What an election victory really entitles you to
- *We, the people* — the ethnic Catholic Pole and the civic Pole.
- Authoritarianism vs. the constitutional principle of subsidiarity.
- Passive withdrawal of obedience makes the state weak
- Algorithms that help win national, local elections, and referendums
- Digital platforms: self-interest and calculated bias as engines of polarisation and culture wars
- Platoons of destruction: spreading fear so that people stop thinking

6.

I have a total sense of déjà vu. Exactly as nearly forty years ago, at the dawn of the Union of Real Politics, Korwin's first party, I now hear from agitated young people, 95 percent of them men, that the state is too large and should retreat to the orthodox laissez-faire positions defined by Smith, Hayek, and von Mises. This déjà vu overlaps with another one: from a considerable number of representatives of the left, the right, and the centre, I hear that the state should be stronger, or in other words, larger. Because the times are uncertain, unsettled; external threats are growing; generals are predicting war; and on top of that come the great challenges of the modern era, such as the energy and climate transformation. The Anglo-Saxons say that we live in a VUCA world – one of volatility, uncertainty, complexity, and ambiguity – and that this requires active intervention by the central authorities. So what, then, is the right answer today to the question about the role of the state? What idea lies behind that role?

The state is a construct far too complex and historically entrenched for any discussion about its size to make real sense. Any attempt at an engineering-style perspective, one in which we would pre-programme the domains in which the state should operate and those in which it should not, entirely misses the point. Therefore, this whole shifting of the pendulum from a more liberal stance towards interventionism is, in my view, completely unproductive. The same applies to the dispute between proponents of the theories of market failure and government failure. Some argue that the state ought to respond to shortcomings arising from the failures of the market, while others believe that it is the market that must correct the failures of the state. This discussion has come to dominate economic sciences – wrongly so, in my opinion – and that is why I did not wish to take part in it then, nor do I wish to do so now.

Are you avoiding the question?

No. I simply believe that such a discussion does not move us forward in any way.

So what kind of approach does make sense?

It is worth beginning with the question of whether we are speaking about the idea of the state or the state as an idea. In the first sense, the state is regarded by many as a universal entity entrusted with performing certain enduring tasks. Within this framework, we find extensive political science reflections on the state as an organisation that alone possesses the right to exercise legalised violence within its borders, on the structure of power and the manner of its execution, for instance, the separation of powers, the rule of law, institutions, and administration. I consider all these elements important—and, of course, they cannot be excluded from the discussion. Yet at the same time, I point to the danger that a state defined in this way may appear, or in fact evolve, into a powerful, omnipotent entity operating above the heads of its citizens, detached from society.

But the law and key institutions exist precisely for the purpose of minimising that danger.

That is true. The Americans will discuss checks and balances, that is mechanisms which counterbalance omnipotence, while we, in Europe, will speak about democracy, its procedures, and the principles of the rule of law. It is a never-ending discussion.

Never-ending?

Yes, we must acknowledge that it will last forever, because the world is changing; realities, conditions, both internal and external, are changing, as well as mental frameworks. Challenges evolve, and we must respond to all of this appropriately – which means the state itself must evolve. From time to time, we make adjustments based on the constitutional order, and when necessary, we even change that order, as we consider it no longer adequate to the times and challenges. This discussion and this perspective are important, but I firmly maintain that they are by no means the only ones.

The second one concerns the state-idea. What exactly does it mean?

The fundamental question is: what drives the state machinery?

The fundamental question is: what drives the state machinery? What constitutes the programme of the state? Not its equipment, structure, or instruments – but the very meaning of its existence.

In the preamble to the 1997 Constitution, we declared that "We, the Polish Nation – all citizens of the Republic, both those who believe in God as the source of truth, justice, good and beauty, as well as those not sharing such faith but respecting those universal values as arising from other sources, equal in rights and obligations towards the common good – Poland, (…) desiring to guarantee the rights of the citizens for all time, and to ensure

diligence and efficiency in the work of public bodies, recognizing our responsibility before God or our own consciences, hereby establish this Constitution of the Republic of Poland as the basic law for the State, based on respect for freedom and justice, cooperation between the public powers, social dialogue as well as on the principle of aiding in the strengthening the powers of citizens and their communities." Is this the idea?

Yes, but not entirely. Let us remember that even totalitarian states are capable of having beautifully worded constitutions filled with lofty slogans.

In the constitution of the People's Republic of Poland, we had freedom of speech, while preventive censorship was in force.

Precisely. Here, the fundamental question is what the source of an idea is. Where does it actually originate from and how should it be understood in practice? We already know that it is by no means uncommon – indeed, it is a very simplistic and perilous approach – when those who gain power through democratic elections believe they have the right to impose their programme and perspective on everyone else.

Do they not have one? After all, they have obtained a mandate.

The point is – what is this mandate for? To impose an ideology, or to implement certain plans and solutions within the framework of an idea that we all – both the current winners and the current losers of the elections – once jointly created for ourselves. That is a fundamental difference.

Marcin Wolski, once a popular satirist and later a PiS functionary, said after the first triumph of the party: "We have won the elections, so shut your mouth."

That is the credo of political authoritarianism. Its supporters and practitioners will sooner or later drag us towards a broader form of authoritarianism, one in which power is, to put it mildly, reconstructed, or more precisely, stripped of a whole range of essential safeguards.

What kind of situation?

A situation in which representatives of a part, because not even half, of society impose by force their will and their programme on all the remaining social groups, including those that firmly disagree with that programme. Force and will are of fundamental importance for parties such as Law and Justice (PiS), because these parties hold the view that the ideas which the state is meant to serve do not originate from the grassroots structures, that is from society understood as a community of citizens, but from an abstract "sovereign," expressed, to be sure, by the electoral majority, yet in fact positioned somewhere outside it.

Where exactly?

Here we are dealing, of course, with the construct of the "nation." Law and Justice has always used it, continues to do so, and so will President Karol Nawrocki – calling himself "the voice of the nation."

But – quite literally – half of the nation, understood as in the preamble to the Constitution, does not regard him as its voice at all. His opponents say: almost the same number of voters cast their ballots for our candidate as for you; please respect that.

(…) in the authoritarian narrative, a voter understood as a citizen has absolutely no significance. What matters is the nation understood in ethnic terms. There are no voters, no citizens – there are Poles

The problem is that you, Editor, are speaking about voters, whereas in the authoritarian narrative, a voter understood as a citizen has absolutely no significance. What matters is the nation understood in ethnic terms. There are no voters, no citizens – there are Poles. In the tradition of the Polish right, this used to be the compound notion Poles-Catholics, which is now being revived under rather difficult circumstances, for although the majority of the Polish still declare attachment to Catholicism, we know – from reliable Church data – that the number of practising believers is considerably smaller and continues to shrink.

According to the Institute for Catholic Church Statistics, the dominicantes rate, that is, the proportion of people attending Sunday Mass, amounted to slightly above 29 percent in 2024, while the communicantes rate, meaning those receiving Holy Communion, has recently hovered below 14 percent.

These percentages continue to decline steadily. However, regardless of whether this element will be added to the construction of the "nation," we are, and will continue to be, confronted with an ethnic approach and with the word "the Polish" being employed in every possible context. At the same time, we know from numerous historical experiences that defining who constitutes the nation, and who does not deserve that title, remains the privilege of the charismatic leader in question.

Will there be a "worse sort" of the Polish? Will there be people completely excluded from the national community?

Yes, because this follows from the entire logic of it: either you are with us, or you are against us, which automatically means that you do not belong to the nation. You are not Polish.

And what can we do about it?

I oppose this authoritarian tendency with an entirely different way of understanding – namely, that the source of the main ideas guiding the development of any society organised within a state must be the society itself, understood as a community of citizens. These ideas are expressed not only through the ballot paper, but also through various forms of collective activity, through grassroots – I repeat, grassroots – structures.

So, to put it simply, the source of ideas meant to drive the state forward and give it meaning originates from the bottom, not from the top.

Exactly.

But what is that supposed to look like in practice? After all, the electoral process is relatively transparent, regulated, and well described in laws and customs.

In the preamble to our Constitution, which you have just quoted, there is an absolutely fundamental principle of the subsidiarity of the state. It assumes that the tasks arising from our shared ideas should be carried out at the lowest possible level of authority, closest to the citizen, because it is there that they can be implemented effectively. This principle means that the state and higher levels of power intervene only when the lower levels (for example, the family, civic associations, the village community, or the municipality) are unable to meet certain needs on their own, or when action at a higher level ensures greater efficiency.

Professor Andrzej Zoll once explained to me that this principle clearly states that the state should support individuals and lower-level communities, rather than replace them.

The foundation of the state, in this meaning, is the self-organisation of its citizens. And not only self-organisation in the political sense, meaning parties, nor solely in the professional sense, meaning professional associations, business organisations, or trade unions, but in all possible dimensions and forms of activity, including those that are neither strictly political nor strictly professional, yet may be built on an associative or foundation-based model, grounded in shared beliefs or passions. In any case, through these forms citizens express their aspirations and needs, while at the same time demonstrating that they wish to actively co-create their state and its genuine strength — from the bottom up.

Is that not, perhaps, a utopia? Does not, pardon the expression, the idea of "one nation – one leader" appeal more strongly to the human imagination? And is not a state founded on such a principle stronger, more effective?

(…) here we have real, vivid, and dynamic examples of highly resilient states built upon a dense network of grassroots structures.

That depends on how we understand agency and the "strength of the state." Whether we interpret them as Hitler and Stalin, and many like them, did—or rather as, let us say, the Finns or the Swiss do. You said "utopia," yet here we have real, vivid, and dynamic examples of highly resilient states built upon a dense network of grassroots structures. When the Finns were building their army, it was deeply rooted in that grassroot tradition, and thus constituted, to a large extent, the very opposite of a centralised system of military management.

Is that even possible?

The proof that it is lies in the Winter War of 1939–1940. When the Soviet army invaded Finland, bombing cities and civilian targets, the Finns resisted and, despite losing ten percent of their territory, managed to defend their independence, inflicting enormous losses on the aggressor. Those 105 days of resistance revealed the strength of a state built from the bottom up. We can see a similar phenomenon today in Ukraine, which was expected to surrender within a week, perhaps a month, yet has been defending itself for the fourth year. Of course, Western support plays an enormous role, but without the grassroots self-organisation of Ukrainian citizens, this war would have long been won by Russia, because all that weaponry would have been good for nothing.

Ukraine is associated by many people in Poland and the West with an economic oligarchy intertwined with central power, with nightmarish corruption…

What is fundamental is where we seek the strength of the state: in the activity and self-organisation of its citizens, or in a centralised structure and the authoritarian imposition of the "will of the sovereign."

That is true – and it is the greatest weakness of that country. But let us look at what constitutes its greatest strength: since 2014 – that is, for a much shorter period than us – Ukrainians have been building their local self-governance. This is what fundamentally distinguishes them from Russians. The development of local governance has meant that even where the centralised system began to fail, Ukrainians were able to manage, because grassroots structures functioned effectively. This is what internal organisational strength is about. One can name dozens of countries that managed to build the strength of their state precisely through grassroots social organisation, later supported by higher levels of authority. Of course, we may debate how to arrange the proportions between what is grassroots and what is central. This is important, but not decisive. What is fundamental is where we seek the strength of the state: in the activity and self-organisation of its citizens, or in a centralised structure and the authoritarian imposition of the "will of the sovereign."

And what role does the rule of law play in the state?

The mistake many democrats make lies in the fact that they understand the rule of law in a very, so to speak, technical way; that is they place the strength of the state in its central structures. These are, of course, extremely important, but one should note that such a narrowly defined discussion about the rule of law holds little interest for ordinary people…

And is that not the people's fault? Their ignorance? A basic lack of knowledge about the state, the law, democracy?

It is difficult to blame people for not being interested in it. One should bear in mind here that the rule of law and legitimacy are two different things. Ultimately, the most important question is whether the authority is legitimate, that is, recognised by people.

At the twilight of the Polish People's Republic, the authorities sensed they were facing a serious problem, and we witnessed the historic June elections. But that was real socialism. How, then, does legitimacy manifest itself in a democracy, particularly one occupied and appropriated by autocrats?

It is not about people suddenly refusing to obey those in power. They may remain silent for various reasons—not only because they are intimidated. Some citizens are characterised by apathy; colloquially speaking, they simply do not care. Others may refrain from open defiance out of the conviction that it would make no difference, as they feel powerless. Yet this does not mean that, in effect, they have not already withdrawn their obedience.

Passively?

Precisely. A passive withdrawal of obedience occurs when people distance themselves from the state and no longer identify either with that state or with the ideas it proclaims. The state may possess fully centralised power and a leader, yet in critical or crisis moments it proves to be surprisingly weak.

Is it not effective?

Not at all. It is, in fact, often incapable of taking action – and there are numerous examples of that. Take the United States, which was founded as a grassroots initiative, yet this strongly civic tradition coexists with periods of powerful federal authority. We can point to local crises, for instance natural disasters, in which the central government proved entirely helpless, but catastrophe was averted because local grassroots structures responded quickly and efficiently; at the same time, there have been situations where such grassroots structures were absent, which multiplied the scale of human tragedy. We therefore have two crucial factors which determine the real strength of a state: the power of grassroots self-organisation and the degree of acceptance of central authority by society understood as a community of citizens.

I remember taking a walk with Jacek Kuroń, shortly after the formation of Tadeusz Mazowiecki's government, through a district completely littered and destroyed by vandals. It was a kind of no man's land – a public space with which no one, or almost no one, identified. The "Solidarity" hero told me that, of course, one could post a policeman there and punish people for breaking bus stop windows and littering – that would be the first level of the rule of law, arising from fear of punishment. But what he dreamed of was a state in which people do not destroy anything and do not litter because they regard public space as their own and shared, feeling co-responsible for it. And this conviction, as a moral law, resides within them – deeply, as in Kant's maxim. Then there is no need for a policeman on every corner. The state functions and manifests its strength through the values rooted in the hearts and minds of its citizens. Those who maintain order from the bottom up, not because some leader invoking the "will of the nation" has ordered them to do so.

You have touched upon the essence of the matter. One could say that this policeman – as a "guardian of the law," an attribute of the state's legalised violence and the potential sanctions imposed by the judiciary under the rule of law – is indispensable for the state to perform its functions effectively. The detection of crimes and the inevitability of punishment play an exceptionally important role. If they are absent, a space emerges for private organisations of violence wherever the state abdicates. Therefore, the state, across its entire territory, must ensure the provision of basic security, order, and stability through the use of coercive measures.

Does this violence always have to be exercised physically?

Violence is extremely costly. It is the most expensive form of state organisation.

It does not. It is enough for people to be convinced that it – if necessary – can be used, and that the state will apply it effectively. This discourages most potential risk-takers who might otherwise be ready to cross the line. However, if we were to base the functioning of the state solely on violence, such a state would, first, be organised around the structures of the apparatus of coercion, and second – it would be catastrophically expensive. In other words, on the one hand it would deprive people of their freedom, and on the other – it would have to tax them heavily in order to place a policeman literally on every corner. Violence is extremely costly. It is the most expensive form of state organisation.

And it works like a spiral.

Exactly: the more we rely on violence and base our actions upon it, the more resources must be devoted to sustaining it. It is an inevitable process.

And here we return to Jacek Kuroń's dream. A dream that has, to a large extent, come true.

In fact, what is equally important as the processes occurring within the very structures of the state is what we can observe within the social fabric. And it is not about whether I identify with the president or not, but rather about how I perceive everything that happens around me, in my surroundings, in my community, in my municipality — beyond the fence of my own home.

Do I consider it important?

Yes. And whether what I feel and think in this regard is part of a broader social mechanism within which citizens co-create and oversee matters regarded as common, relevant to the public good. This may concern their health, well-being, quality of life, but also the environment, education, tourism, and a wide range of other issues. It is on this level that we determine that we have certain shared goals, while at the same time there are things we collectively refrain from doing. For example, we do not throw garbage into the forest or the park. Not because it is punishable, but for the simple reason that we consider it harmful and thoughtless.

And thus legitimate?

Yes. In this way, people collectively set certain signposts for themselves. We should not expect heroism from them; they primarily want to remain rational. And they will only become so if they are aware. What is indispensable for this is a foundation of shared imagination. It is not contained solely within large aggregates such as the nation, the people, the Polish, and so on, but also within smaller ones, such as “the inhabitants of Szczawa.”

Those who were able to organise themselves from the ground up to effectively advocate for the establishment of a separate commune.

Yes, it was a hard struggle, because the commune was created and then revoked in 2015 by the Law and Justice party. It took eight years and the return of the Civic Platform to power for the commune to be activated in practice, not merely on paper. But this is, in fact, only the first step. Now the residents will decide what happens within this commune. They do not have an authority imposed from outside. They have chosen it themselves, and now they must cooperate and share responsibility in such a way as to move from ceremonial self-organisation to the phase of everyday self-organisation.

And it is highly probable that they will adhere to the law and established rules not because breaking them entails punishment, but because they consider it the right thing to do.

Indeed, genuine self-organisation protects us from all forms of civic anarchy which – as I have already said – need not be active; it may be passive, yet it always remains, especially in extreme or critical circumstances, profoundly dangerous and it severely weakens the state.

Let us now talk about communication between those in power and citizens, as well as communication among citizens themselves. For decades, this communication was direct or mediated by traditional media. However, since the rise of digital platforms, most of this communication takes place online. That is, in more than 90 percent of cases, through tools owned by foreign big tech companies, which use opaque algorithms and do not feel responsible for the published content. Sylwia Czubkowska has written a widely discussed book on this subject, now in its third reprint – which shows that many of us feel this is a matter of dramatic importance for the functioning of our states and local governments, especially since algorithms help to decide central and local elections or referenda with far-reaching consequences, such as Brexit. Even before the pandemic, we debated at OEES whether the digital revolution would change the balance of power. Today, this question seems more pressing than it did six or seven years ago.

Algorithm aims to attract as many users to the platform as possible and to hold their active attention for as long as possible – because this translates directly into financial results. What we are dealing with here, therefore, is pure self-interest.

In order to answer this question, we must return to the classical perspective on the media. Even before the digital era, traditional media scholars pointed out that a medium is not a tool but a message. The same applies to electronic media: someone created an algorithm for a purpose. It was designed in such a way that it possesses the capacity to systematically control the flow of information. From the perspective of the owners, digital platforms serve two fundamental functions. First, algorithms select content in such a way that some materials are preferred, highlighted, and disseminated, while others are suppressed or entirely blocked. Second, the algorithm aims to attract as many users to the platform as possible and to hold their active attention for as long as possible – because this translates directly into financial results. What we are dealing with here, therefore, is pure self-interest.

Under the guise of a mission, of promoting freedom of speech, and so forth.

Exactly. When in reality, the fundamental characteristics of digital platforms are self-interest and calculated bias. Both of these traits are deeply intertwined, as each fuels the other. The bigger the numbers of engaged users, the better.

We know, even from the testimonies of repentant creators of the algorithms behind the largest platforms, that this goal is achieved by polarising people, feeding them radical, often hateful content – and this applies also to children who (according to the regulations) should not have access to such platforms at all. Extreme polarisation leads to the creation of media bubbles and subsequently translates into the breakdown of social bonds. On top of this comes a whole range of pathological phenomena in the "real world", whose source lies in

the pathologies of the online sphere, stemming from self-interest, calculated bias, and the complete irresponsibility of Big Tech companies.

The creators of digital platforms claim that, in principle, they enable various users to share content, while providing an unprecedented level of freedom of speech. In reality, however, these platforms have become an arena of cultural warfare.

There is no equality in the dissemination of content here. Everything is determined by an algorithm whose sole purpose is to generate profit, not to spread truth or promote the common good. How can this be remedied? One response points towards the functional division of platforms, so that none of them becomes a dominant entity. Attempts of this kind have already been made in the past, and they have achieved little. There is, therefore, another answer: if you wish to operate within our digital space, you must disclose your algorithms so that we may observe, verify, and monitor their functioning. A third response concerns the taxation of revenues generated by digital platforms, in proportion to what they earn in a given country. In fact, this has no real impact on the type of content that is published. And finally, there is a fourth response: the introduction of bans on disseminating certain types of content.

In reality, however, these platforms have become an arena of cultural warfare.

Preventive censorship. The defenders of free speech – both the sponsored and the self-proclaimed – will scold you, Professor, invoking the loftiest and most emotionally charged slogans. Scold? They will destroy you! For on the internet, people destroy. Experts rather unanimously call for the monitoring of content, the introduction of platform liability for published materials, the obligation to react to certain types of content, and the elimination of those deemed undesirable. Yet such measures provoke controversy and protests – fuelled by Big Tech.

Let me begin by saying that in this field as well, I am a passionate advocate of grassroots self-organisation. As a first step, people must be properly prepared for conscious, responsible, and safe participation in the digital world. Nothing can replace critical thinking here – this competence holds crucial importance in the digital realm. At the same time, cyberspace must be filled with reliable, verified open-source resources accessible to all…

Nothing can replace critical thinking here – this competence holds crucial importance in the digital realm.

And who would be responsible for verifying those?

I believe in the power of communities – such as those that co-create Wikipedia or popular alternative browsers and messaging platforms. Such communities ensure that no one imposes content which fails to meet basic standards; they detect and expose falsehoods, lies, and fake news. I can also imagine the creation of alternative platforms generating cultural value, where user activity brings benefits – but those benefits are shared collectively.

Such attempts have been made and continue to be made, yet the hegemony of a few Big Tech companies shows no sign of weakening. On the contrary, they are becoming ever more powerful and influential.

This is where the role of the state begins. It must ensure that no hegemons exist. The market functions only as long as it remains free (…)

This is where the role of the state begins. It must ensure that no hegemons exist. The market functions only as long as it remains free, meaning that there are no players monopolising the lion's share of it, that is the aforementioned hegemons. Today, they do exist. The aim is to weaken their dominance and to strengthen the emergence and development of grassroots structures based on social self-organisation. The state has an enormous task to perform in this regard. And it is not only about the narrowly understood sphere of cyberspace in which these platforms formally operate. Their range of influence is much broader, for in the overlapping spaces of the real and the virtual, there are many actors whose work is exploited free of charge by Big Tech firms to multiply profits and expand their market advantage.

Yes, I know, and I write that I am being habitually robbed of the fruits of my labour. My employer too. We create content from which a corporation, based somewhere far away and paying almost no taxes in Poland, profits.

There is an ongoing debate as to the extent to which platforms have the right to use, for instance, the results of your work, and who should protect you as a journalist. Not for your sake or that of your company, but for the good of us all. If we want journalism to survive at all and to remain materially independent, the state must effectively combat the dominance of the platforms and their pathological practices.

Can we make platforms fully accountable for the content they publish? This was advocated earlier this year in *Dziennik Gazeta Prawna* by Professor Agnieszka Gryszczyńska from the National Prosecutor's Office.

Effective action in this area depends on whether there will be broader understanding and agreement in Poland. Yet there is none, and there will not be. Opinions remain deeply divided, as there are – easily identifiable – beneficiaries of the current situation. There are political groups for which such a notion of "freedom of speech", in reality steered by algorithms of self-interest and bias, is clearly advantageous.

Because they benefit from polarisation, lies, and machine-produced fake virals?

Yes, the beneficiaries of this mechanism will block any restrictions or attempts to regulate the platforms, even if others consider such measures entirely justified and appropriate. Yet Poland remains completely powerless in the face of Big Tech. If our state truly wished to, it could eliminate certain forms of activity from its digital space and impose sanctions on key practices. After all, there are democratic countries which are already doing this – precisely in the name of social values. And there are others, considering radical steps involving the complete exclusion, within their own space, of certain platforms – those that fail to observe established rules and intensify social risks.

Can one, for instance, shut down TikTok?

Yes, one can. Naturally, it would not work entirely, because anyone determined enough would still be able to connect indirectly. Yet it would no longer be so widespread, and therefore would lose much of its influence. It is also obvious to me that some form of international cooperation is indispensable here – the issue, however, lies in the fact that the key platforms are located either in the United States or in China – and there is a fierce rivalry between these two countries. That rivalry is also playing out in cyberspace.

The field of digital media and the control over the content published within it has become the scene of a conflict resembling a classic arms race.

That is what it looks like. And under such circumstances, the most effective response would be an organised collective effort by the whole of Europe. We already possess sufficient knowledge of how the digital sphere influences children's behaviour and what consequences it brings about in the adult world. There are alarming examples of social disintegration and abandonment of principles in countries such as Germany or Sweden. It is high time for an effective reaction, as well as a counter-offensive, namely, the creation of alternatives to commercial platforms in the form of educational systems in which technology and digital solutions are available, yet serve to promote valuable and safe content rooted in Europe's civilisational heritage.

You are speaking about educational systems, while in Poland in 2025 teachers still tell their pupils at the classroom door: *switch off your phones.* Should they not rather be encouraging them to *switch on* their smartphones and use their *grey cells* while surfing the Internet? Would it not be better to teach critical thinking and the ability to separate the wheat from the chaff online? Have we not, in fact, forfeited the match on the digital playing field?

It is obvious to me that we have lost this war – for it is a war. I do not wish to say that we have lost it for generations, but I see such a danger. We do not yet know the far-reaching psychological consequences of people being socialised through digital media. This process is taking place continuously. Family socialisation has certain consequences. School socialisation has certain consequences. Peer-group socialisation has certain consequences. Likewise, digital socialisation will have them as well. It already does.

And what next? Do we wait? Do we act? Do we intervene, or do we assume that the market will sort it out on its own?

We must seek a balance between these forms of socialisation, because socialisation must be multidimensional. This requires skilful inclusion of people in a certain cultural and mental heritage, not merely a technological one. The use of a smartphone is not a technological activity but a civilisational and cultural one. And it brings civilisational and cultural consequences. I am not referring solely to addiction to social media, which – like any addiction – makes a person easier to manipulate. I also mean the promotion of extreme content and attitudes, the widening and entrenching of social divisions, the sowing of hatred and confusion…

The use of a smartphone is not a technological activity but a civilisational and cultural one.

I collaborate with leading cybersecurity specialists, and they stress at every turn that to sow confusion one does not need a majority, nor even a division. A platoon armed with technology is sufficient, especially as AI is creating ever greater possibilities for the mass creation of false content and the automatic dissemination of disinformation. Also in matters important to local communities. In other words, it is easy to attack not only central authorities but also local governments founded on values: the city-idea, the commune-idea.

It took only a handful of individuals infected with xenophobic narratives spread by one of the television stations and by politicians who traffic in fear and hatred to ignite chaos and resistance.

I have just watched a report that deeply alarmed me, partly because there was something disturbingly authentic about it. It was a documentary from a small town in a commune in the Pomeranian Voivodeship, where the mayor, together with the communal social welfare centre, applied for EU funds to build housing blocks for people with disabilities. They made use of a legal provision that also allows such housing to be allocated to refugees. It took only a handful of individuals infected with xenophobic narratives spread by one of the television stations and by politicians who traffic in fear and hatred to ignite chaos and resistance. The mayor's explanation, that there are and will continue to be people with disabilities in the commune, as society is ageing rapidly, and that such housing is simply very much needed, was drowned out by a small but aggressive crowd shouting crude slogans: "Refugees will come and rape our women." Those who share such views may represent only a few percent of the population—and when they are fanatical, that is enough.

To demolish? To destroy?

Yes. And this is not about the material dimension, for that is secondary to moral devastation. There is a group of people whose false visions of the world and beliefs are so deeply and firmly ingrained that no persuasion, no argumentation based on data and facts, has any effect on them.

Because this is not about facts and reason, but about fear. And that fear can be profoundly irrational.

Yes, it is a kind of fear that makes people stop thinking. It is artificially provoked and fuelled for obvious purposes. The point is to create, everywhere, those platoons mentioned by you, Editor – of people so terrified that they become entirely impervious to any argument, while all those like you or me, who attempt to explain reality and present its true image by referring to data and facts, are regarded as enemies of the people, the nation, society, Poland, and so on.

Because with rational arguments we undermine the very foundations of their coherent vision of the world, one in which there is a clear division between good and evil. And they always serve the good, actively defending it.

Centuries ago, people were already capable of shaping others in this way, and a hundred years ago, with the advent of new media, especially film, it became infinitely easier.

Or rather, infernally easier. Let us take the anti-masterpieces of Nazi propaganda created by Leni Riefenstahl, above all "Triumph of the Will" and the earlier "Victory of Faith", which served as a kind of report from the Fifth Congress of the NSDAP.

One should bear in mind that at that time it was necessary to make people go to the cinema, whereas today, thanks to the omnipresence of images disseminated through social media platforms and the so-called new media, which in many cases are in fact centres of public relations or simply propaganda, it is far easier to produce in people the very effect described above. The visualisations of potential and imaginary threats have a profound impact on many individuals.

Do they create evil?

Exactly. People who think differently cease to be opponents, partners for the exchange of ideas, or political rivals. They simply become servants of evil. Devils, indeed. And here I return to education: in such circumstances, schooling cannot rely on the idea that we take away students' smartphones at the school entrance. Of course, we must do at school what should be done at school—and that usually requires putting smartphones aside; but we must also teach young people how to use those smartphones consciously and constructively – to search for reliable information, to solve problems, to communicate in a healthy way, and to build and sustain good relationships with their peers. We cannot escape the fact that a smartphone connected to the web has become the main source of omniscience.

And of omni-ignorance.

The emotional and psychological dimension is perhaps even more important than the intellectual one. This is not only the result of the flood of lies and disinformation, but also because focusing on virtual reality disconnects, and perhaps even excludes, people from engagement in the non-virtual world, from normal life, from being together, from genuine relationships with others. It deprives them of real bonds created through conversations, games, and shared play. We also know that the internet serves as a space for people to attack one another, to humiliate, to spread hatred…

In the past year, millions of people around the world, including in Poland, were shaken by the series "Adolescence" — about a thirteen-year-old boy accused of murdering a classmate. The child turned out to be both a perpetrator and a victim. Parents of adolescents watched it in horror, while also searching for answers to the questions that had long tormented them.

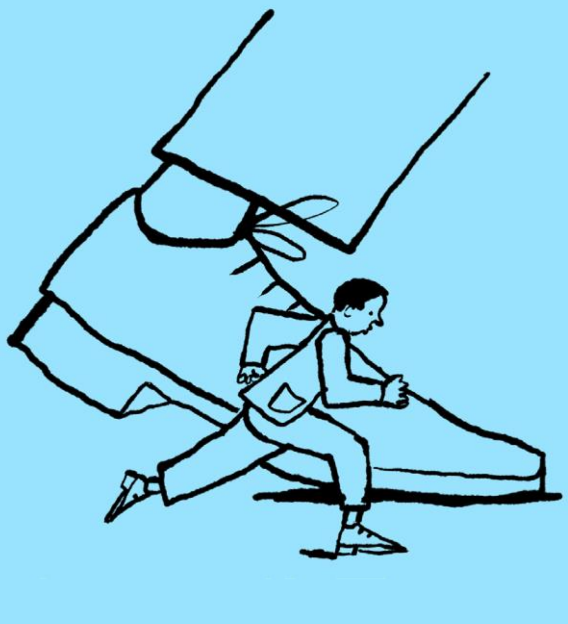
We are all aware that it is impossible to isolate the digital world — in which the hearts and minds of our children, as well as of many of us, are immersed — behind any kind of sanitary cordon. This means that digital technologies and digital solutions must be present in schools, provided, however, that their presence serves to build and strengthen critical thinking, cooperation skills, and prompting ethical reflection.

We are all aware that it is impossible to isolate the digital world — in which the hearts and minds of our children, as well as of many of us, are immersed — behind any kind of sanitary cordon. (…)

The city-idea shackled by centralisation

The seventh story

About the crucial role of grassroots self-organisation –
or why holding local elections is not enough to create true
local governance



- Centralism is, by its very nature, self-perpetuating – once the boundary is crossed, the exception becomes the new norm
- Why Kraków's battle against smog succeeded
- Genuine citizen influence on local government versus the closed-circle system
- From sustainable to *maintainable* development
- Warsaw, Kraków, Gdańsk, Wrocław, Poznań and other major cities are draining smaller towns of their young blood – what can be done?
- How to build archipelagos of development?
- Greening a city is not about planting trees

7.

We speak so much about the idea of grassroots self-organisation, about the principle of subsidiarity explicitly enshrined in the preamble to the Polish Constitution, and yet, in difficult times (by the way: when are they ever easy?) politicians often resort to the ultimate argument that the greater the challenges, the more efficient the country must be. In practice, this boils down to the central authorities reaching for, or attempting to reach for, even more power. Today, centralisation takes place under the banner of ensuring security and rebuilding democracy.

The temptation to centralise indeed grows in times of crisis. Regardless of their declared attachment to democracy, politicians very often justify the concentration of power by the need for efficient action or protection against threats. They frequently exploit such dangers in order to legitimise measures that, under other circumstances, would be considered undemocratic. In essence, this path invariably leads towards authoritarianism and one-man rule.

All right, but if we have a situation like in Poland: the democrats explain that their predecessors have dismantled or destroyed numerous democratic mechanisms and that these need to be restored, yet it cannot be done quickly or, so to speak, with kid gloves on... Do they have any other choice?

They do. It is a choice between the easy shortcut and the more demanding path of returning to values. In Poland, few choose the latter – it requires consistency, imagination, and patience.

Restoring the rule of law through unlawful means is a mistake that ultimately leads to the erosion of public trust and state institutions.

Can the restoration of the rule of law not be justified by invoking a higher necessity, even if it involves unlawful methods?

I am opposed to such reasoning. Adam Bodnar, both as Minister of Justice and previously as the Commissioner for Human Rights, has repeatedly emphasised – and rightly so – that the fight for the rule of law, even when pursued in the name of noble objectives, conducted through methods which violate the principles of a state governed by law, is counterproductive, as it undermines the very foundations of the system.

Yet as we follow this path, we repeatedly encounter barriers, a wall of impossibility: presidential vetoes, institutional blockades, sabotage by politicians placed in key institutions by anti-democratic forces, utterly distorting the very purpose of those institutions – even in a constitutional sense. And then there are the impatient voters demanding results – which should be happening at once!

It is true that there are numerous reasons strengthening the temptation to resort to extraordinary measures. The problem is that once a boundary has been crossed, it becomes the new norm. Centralism is centralism, and it is difficult to turn back. With all the consequences that entails. And one must say it in earnest that if we look at the history of the Third Republic, we can see that centralist instruments have been and continue to be used both by openly authoritarian formations and by those which declare their commitment to democracy, yet in practice control local governments under the pretence of decentralisation – transferring responsibilities without providing the means or tools to carry them out. Such a practice turns local government into a mere façade.

The problem is that once a boundary has been crossed, it becomes the new norm. Centralism is centralism, and it is difficult to turn back. (…)

It is tragic, because in Poland we have always been deeply proud of our 1990 local government reform and its subsequent stages. You yourself have repeatedly emphasised that the success of the past 35 years has been due, to a large extent, alongside the growth of entrepreneurship, to the local governments which took matters into their own hands.

Holding local elections is not enough to ensure genuine self-governance. Authentic, rather than merely formal, self-government begins with civic engagement and social self-organisation. Local government, understood as a community of residents, is born and flourishes when residents, through initiatives, non-governmental organisations, and civic bodies, genuinely take part in decision-making about their surroundings.

Authentic, rather than merely formal, self-government begins with civic engagement and social self-organisation.

Just like parents' councils in communal schools?

Our model of local government was imposed from above, rather than having grown from below.

It is good that you have brought this example up. Yes, a parents' council in a school can indeed be a manifestation and a form of grassroots self-organisation – but only when it truly functions, fulfils its supervisory role, and expresses its opinion and will, rather than resembling more a parish council, which in Poland often serves merely as a formal addition to the parish and a tool for the parish priest to control parishioners. In Poland, grassroots self-organisation is the weakest link. Our model of local government was imposed from above, rather than having grown from below. That is why it lacks social roots, tradition, and the practice of self-organisation – we too often treat local government as a state institution rather than a community of residents.

As the former local national councils once were, in effect, a lower tier of central administration?

Although local self-government has contributed to the development of many Polish cities, its greatest strength lies primarily in the grassroots activity of society. An excellent example is the fight against smog in Kraków – its success stems from the self-organisation of the residents rather than from top-down political decisions.

Perhaps it is not a coincidence that such a grassroots initiative emerged precisely in Kraków?

The fight against smog, for example, stems precisely from civic self-awareness, not from an arbitrary decree of some enlightened authority.

I have said that Poland has no real tradition of local self-government – because, after all, in the Second Republic, there was de facto no such self-government. Someone may try to persuade me otherwise, but I will reply, with all due respect, that this is balderdash. Admittedly, we had a democratic order at the parliamentary level during most of the interwar period, yet local self-government remains something rather new to us. Though not everywhere. We may recall, for instance, the Galician experience: Kraków enjoyed, albeit imperfect, autonomy and self-governance under Austrian rule. We know how the city developed under mayors such as Józef Dietl or Juliusz Leo. It was a form of municipal government suited to the Austrian-Hungarian monarchy of the time, and it played an immensely positive role. The same can, in fact, be said of Vienna and Budapest. So indeed, here in Kraków we understand this somewhat better, for it runs, you might say, in our veins to know what genuine local self-government is, and how vital self-management can be. The fight against smog, for example, stems precisely from civic self-awareness, not from an arbitrary decree of some enlightened authority.

At the same time, we witnessed in Kraków the "era of Jacek Majchrowski." History will judge it, but the fact remains that it was a full twenty-two years of one person's rule. Has the introduction of a two-term limit for mayors, commune heads, and city presidents strengthened local self-government understood as genuine self-governance?

The issue is complex. On the one hand, turnover in office has increased, which has created opportunities for new candidates and given local governments a new sense of dynamism. However, it has not resolved the fundamental problem of weak mechanisms of civic oversight.

In small communes, through sinecures and informal arrangements, it is easy to create and perpetuate a system of self-reproducing power. Such a system often means that authority becomes unmovable for many years. We hear voices claiming that term limits achieve little, but in fact the real question is not whether a limit exists or not, but whether residents have a genuine influence on how local government functions—so that a closed circuit does not emerge.

How can this influence be strengthened?

We need to develop mechanisms of participation, public consultation, district councils, and civic initiatives. Above all – civic education and the cultivation of a culture of community. Without these, there can be no talk of genuine self-government. What we have instead is local administration, which is something entirely different.

For now, however, we have commune heads, mayors and city presidents with a strong mandate obtained through direct elections. At the same time, they often claim that in reality they can do very little: partly for the reasons you have mentioned, namely, the centralising tendencies of the central government and the lack of financial resources, and partly because of demographic and economic processes. In particular, the fact that society is ageing rapidly, and moreover that Poles, especially women, are leaving for large cities. Warsaw, Kraków, Gdańsk, Wrocław, Poznań and others are draining smaller towns of their young blood. Mayors, commune heads and even regional marshals ask me how, in such circumstances, one can pursue the idea of sustainable development based on values and long-term thinking, rather than merely short-term benefits, from one election to the next.

First, I should explain that I challenge the notion of "zrównoważony rozwój" [sustainable growth] without any animosity. I consider it a highly inaccurate translation of the English term "sustainable growth", which is not about striving for balance, but about the sustained *ability* of growth. I repeat: sustained *ability* – that is the key. Developmental growth is never static; it is always dynamic and structural, constantly modifying the proportions between different elements of our reality. We should do everything possible to ensure that no single element gains a dominant position at the expense of the others.

For example?

For example, industrial development is desirable, but not when we are dealing with a monoculture, as this, in many respects, turns against the inhabitants. Agricultural development is desirable, but not when it dominates dramatically, because in such a situation life in the area simply becomes impossible; development of infrastructure is generally beneficial, but not when it leads to environmental destruction, for the consequence will be collapse and regression. In recent years, we in Poland have focused on transport infrastructure, yet this excessive concentration on that particular goal has not resulted in a reduction of communication and social distance— the more roads we have built and the more facilities we have introduced for car transport, the more traffic jams we have been experiencing, and the longer we have been stuck in them. This is the experience of many cities that have sprawled

The challenge lies in shaping the development of major cities in such a way that it does not lead to the depletion of smaller centres.

uncontrollably. Have living conditions improved as a result? They have not. What is more, the costs of maintaining such infrastructure have risen sharply. At the same time, the fact that talented people migrate to large cities—for education, for contact with culture, for better employment opportunities—is a natural process, and I cannot imagine opposing it.

So should we just leave it as it is? Let things take their course?

The challenge lies in shaping the development of major cities in such a way that it does not lead to the depletion of smaller centres. Cities and regions should be viewed as an archipelago – a system of interconnected places which can strengthen rather than weaken one another. For years, Paris drained France and Budapest drained Hungary – we do not want Kraków or Warsaw to repeat those mistakes.

Is it possible to propose a universal model for urban development?

I am greatly amused by those who travel the world to observe solutions and then attempt to replicate them in Poland on a one-to-one scale. Equally amusing are the so-called experts who offer identical formulas for both Bern and Brno. In reality, no universal model of urban development exists, nor will it ever exist, because cities differ profoundly from one another in numerous functional and spatial aspects. Each city must therefore find its own path, its own development concept, thus responding to local needs and striving to make the best possible use of its residents' genuine potential. The point is not to copy solutions from Berlin to Bergen. On the contrary, it must be remembered that a narrow technocratic perspective may lead to overlooking many crucial issues. Investment in infrastructure alone will not suffice if it does not serve to improve quality of life – including, for instance, adaptation to climate change, strengthening local communities, and creating and expanding spaces for grassroots self-organisation.

Investment in infrastructure alone will not suffice if it does not serve to improve quality of life (…)

The largest Polish cities proudly claim to be greener than ever.

And that is excellent. Yet setting a record number of green areas is not enough if we do not consider their quality and if it is not accompanied by proper education about why we are creating them in the first place, as well as by widespread awareness of environmental threats, knowledge about endangered and invasive species, and the consequences of climate change. Greening a city is not about planting trees. It is more about fostering knowledge and enhancing competences of residents in the areas of climate and the environment. Planting trees will be a natural consequence of greater awareness.

Greening a city is not about planting trees.

You said that we should not repeat the mistakes of Berlin or Budapest. But can we also avoid following the trajectory of Barcelona and other cities collapsing under the weight of tourism?

(…) a city dominated by the tourism sector ceases to be a place to live and becomes a product instead.

What we are dealing with here is precisely the harmful dominance of one element at the expense of others. If residents are completely pushed out of the historic city centres and their creative potential is thereby stifled, if the objectives of tourism and the hotel industry take precedence over everything else, the city's development comes to a halt. What is more, a city dominated by the tourism sector ceases to be a place to live and becomes a product instead. The right to the city is not an empty declaration – it represents a real opportunity for residents to influence the development and shape of one's own surroundings. If that is missing, the right to the city is taken away from them.

And what should the relationship between a large city and the surrounding municipalities look like?

That is a very important question. There has been, both in Poland and worldwide, a tendency to conquer the territories of municipalities located on the outskirts. The main reason is that the inhabitants of these municipalities oppose many ideas proposed by the metropolis, as they wish to live in their own way. The method intended to break this resistance is to expand the city's boundaries. The problem, however, is that the mere takeover of land or resources, without taking into account the interests of local communities, leads to conflicts and, consequently, to regression rather than development. The metropolitan area model makes sense only when it is based on cooperation and negotiation, not on the imposition of solutions. This applies to education, water management, transport, and other fields – we must think in terms of the functional cohesion of the entire area, not particular interests of an individual.

We have in Poland large urban centres having influence on their surroundings, while being located very close to one another. Take Warsaw and Łódź, or Kraków and Katowice. Should they compete fiercely, so that one develops at the expense of the other, or rather form dipolar systems?

The notion that one city can dominate others by draining the environment is extremely short-sighted and therefore mistaken. What is the sustainability of such a growth model? None. We must focus on the mutual reinforcement of cities – let each develop its unique competences and specialisations, while at the same time cooperating with others. If we take a broader view, looking not only beyond city boundaries but also beyond Poland's borders, we will understand that only by developing in this way can we withstand the pressure of global challenges and global competition.

As part of a larger archipelago?

We should think about how to act so that they serve one another, support each other, rather than weaken one another.

This notion is very close to me, and I use it quite often. For example, the cities of Małopolska [*Lesser Poland*] should all be regarded as an archipelago rather than a continent dominated by one large city which drains the others. I mentioned Paris and Budapest. For years, Paris weakened everything that was both distant and nearby – that is, it weakened France. Budapest weakened Hungary. Warsaw, owing to the entirely different structure of our cities and regions, has never played such a role, although in many areas quite a few cities have suffered – the classic example being Łódź. And again, we should look at these cities – Warsaw, Łódź, and all the others – as parts of an archipelago called Poland. In the long run, it is not beneficial for any of them to weaken the others. In the short run, either. We have already made it clear that the world has accelerated – and continues to do so. The Silesian and Kraków agglomerations need each other, just as the Warsaw and Łódź agglomerations do. We should think about how to act so that they serve one another, support each other, rather than weaken one another.

All the more so since – as has been strongly emphasised at several editions of the OEES – every city, and even the smallest commune, faces major challenges arising from global trends and global threats.

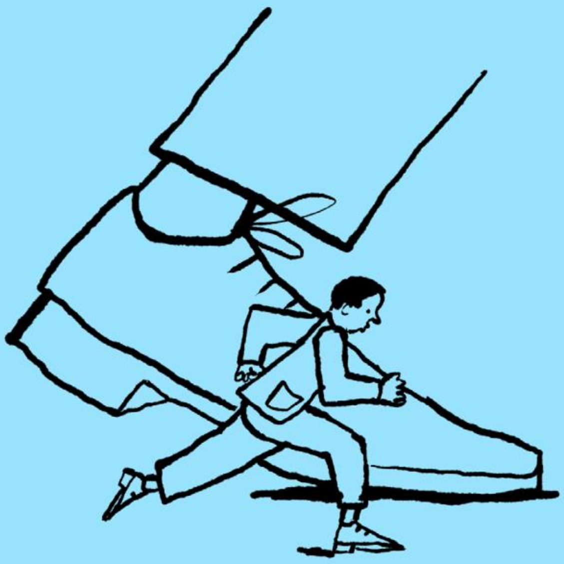
Local government must think more broadly. And, at the same time, it must be understood more broadly.

Exactly. There are forces whose global impact is so powerful that no centre, however dynamic, can resist them on its own. There are phenomena that know no borders – for example, those related to climate and the environment. Can Kraków think of the Vistula River merely in terms of the section that flows through its territory? Or can it think in such terms about sources of drinking water for its inhabitants? Local government must think more broadly. And, at the same time, it must be understood more broadly. Let me repeat: the key issue in all of this is involving citizens in decisions about themselves, creating space for their grassroots self-organisation, and in this way strengthening both the creative potential of residents and the real mechanisms of their participation in (self-)governance. Without this, no genuine community can emerge, and development will amount only to chaotic expansion.

Europe – an idea under siege, inside and out

The eighth story

On what became of the old continent's soul
– and whether it can be brought back to life



- Where did Poland's civilisational success come from?
- Immigration: who dreams of life in the European Union — and why?
- The EU's enlargement: who longs to join, and who truly fits in?
- Goodbye to the outdated clichés of *polnische Wirtschaft* and German *kaput*
- Why have Poles stopped leaving after two centuries of great migrations?
- Europe's integration as the antidote to bloody wars — and a civilised alternative to colonialism
- Poland is not Minnesota: why the "United States of Europe" is pure fantasy
- The traps of nationalism: who is a "true-born Pole", and where does Hausner come in?
- From *welfare state* to *work-first state*
- Facing China and the US – alone, or together?

8.

Everyone speaks of Europe's crisis, of its loss of competitiveness, of its shrinking share in the global economy. Many, including in Poland, hold up the United States as a model. Yet the facts are that if we look at GDP per capita adjusted for purchasing power parity (PPP), it turns out that in the twenty-first century the European Union has actually reduced its distance from the United States, despite having in that period admitted thirteen (13!) often significantly poorer countries – including Poland, Romania, and Bulgaria – and having lost a strong member, the United Kingdom. Across the newly admitted part of Europe, GDP has tripled, which signifies the success of convergence and the process of catching up with the wealthy, while living standards have improved dramatically. What is crucial – contrary to all stereotypes, manipulations, and lies spread by European xenophobes and Putin's trolls – this leap, for instance Poland's rise from 33 to over 60 per cent of U.S. GDP per capita, has occurred in a way that was, as it were, "at the expense" of the inhabitants of Western Europe, who alone in the entire comparison lost ground relative to America (from 84 per cent to 76 per cent of U.S. GDP per capita). This happened in line with the sacred European principle of levelling out disparities – a notion completely unknown or even despised in the United States. At the same time, all our countries have advanced in the Human Development Index to the global top tier. Thus, we are speaking of a European crisis, while at the same time millions of people want to come to Europe to live here – and that includes Americans, as well as, on the other hand, Chinese and Russians. Moreover, many countries would like to join this supposedly "troubled" European Union. Where does this dissonance come from?

The migration pressure on the European Union and the desire to join the EU are concurrent phenomena, yet they are not identical. Why are people coming to Europe? Two motives interact here: people flee from something and strive towards something. The largest migration wave originates from the countries affected by conflict and war. The Middle East – Syria, Lebanon, Palestine – as well as the northern part of Africa, sub-Saharan Africa, and Afghanistan. Some countries of the world, particularly in Africa, are failed states, such as Somalia. People flee from there because their lives are in danger. Overlaying this is the aspiration to improve one's material conditions. Europe has so far appeared, and still appears, to millions of people as a continent of prosperity, order, and security – in the broadest sense of the term, ranging from personal safety to cultural security.

And how does the current migration of peoples to Europe differ from those of past eras?

The fundamental difference is that in the past, especially during the Middle Ages and later, up until the eighteenth century, Europe was invaded by foreign armies – an example being the expansion of the Ottoman Empire, which occupied not only most of the Middle East and North Africa, but also a significant part of south-eastern Europe. Today, it is not armies that enter Europe, but peoples. For the majority of those who flee, perhaps with the exception of Afghans or Chechens, Europe is close. Not only geographically, but also linguistically – many migrants come from former colonies and head for former metropolises such as France, Belgium, Italy, and outside the European Union – the United Kingdom. Among those who strive for something, that is, who wish to improve their material standard of living, there are newcomers both from nearby countries and from distant ones, such as the Philippines or Colombia. In Denmark, Filipino caregivers play the same role as Ukrainian ones do in Poland.

And why do so many countries want to join the European Union?

Here, too, the reasoning follows at least two tracks: the aspiring countries want to gain something, but also to protect themselves from something. Take Moldova, for instance. For that country, joining the European Union is part of its security strategy. Poland perceived NATO as the guarantor of military security, and the European Union as the guarantor of economic security – the two went hand in hand. Membership in the EU was meant to shield us from the fate of a territory lying in between, constantly exposed to threats from the East, mainly from Russia, but also from Belarus, a vassal of the Kremlin. It was therefore a strategic choice which also provided us with access to a vast market, creating export opportunities, and integrated us into a system of development support based on the principle of solidarity: the wealthier contribute to a budget which serves to implement adjustment measures by the poorer.

Poland perceived NATO as the guarantor of military security, and the European Union as the guarantor of economic security – the two went hand in hand.

And what mattered more here – the money or the rules that had to be met?

In the public space and imagination, money tends to take centre stage, but in reality, for growth and protection against the aforementioned threats from the East, what matters most are certain shared values and standards. EU membership requires compliance with specific infrastructural and technical criteria, but also legal and – one could say – civilisational ones.

EU membership requires compliance with specific infrastructural and technical criteria, but also legal and – one could say – civilisational ones.

For instance, combating corruption in public procurement through establishment of transparent standards, and submitting to the jurisdiction of the EU courts, including the Court of Justice of the European Union.

Adopting these standards means becoming part of a structured legal and economic area of high credibility and transparent rules; one that is predictable and greatly facilitates the conduct of business activity as well as the acquisition of capital and know-how necessary for growth.

So the EU regulations do not kill business activity but protect it instead?

I am merely stating, but that alone is significant, that this is not a wild market but a regulated one. At times, an overregulated one. Of course, one can conduct business, for example, in Ukraine. Setting aside the aspect of war and danger, one encounters there a high level of economic risk resulting from the lack of transparent rules and absence or inefficiency of regulations. The level of corruption is so high that only certain types of business have had a chance to establish themselves permanently – anyone who has tried to operate there knows perfectly well that there is an enormous difference between that essentially Eastern order and the order of the European Union.

I would not entirely agree with this notion of transparency of regulations and the principles in force within the EU member states.

Of course, our Western order is not perfect. Yet even if we acknowledge that not all solutions of the single market are sufficiently symmetrical, or – if one prefers – fair, and that some countries enjoy better access to Brussels officials and to the entire legislative and decision-making machinery, while others have clearly worse access, it cannot be denied that we are dealing here with an economic space that is regulated and relatively stable – in the sense that it offers relatively clear and transparent rules within which one may operate, conduct business, plan investments, and so on.

But European Union also has its own internal dynamics, frictions, and at times surprising shifts in the tone of debate. And in these discussions, everything is often laid bare. We rarely speak with one voice about the thousands of issues being raised. Everything takes shape slowly and laboriously…

But is that a flaw or an asset? Europe is a dynamic entity, engaged in a constant process of redefining itself. It has never been a monolith, but a living, pulsating network of interests, values, aspirations, but also fears, disappointments, and ambitions.

Europe is a dynamic entity, engaged in a constant process of redefining itself.

Pivotal moments such as the one we are experiencing now compel us not so much to revise our goals as to engage in a deeper reflection on what unites us and what can truly give us an advantage and developmental strength. This reflection often takes place in unexpected circumstances. Take the Germans, for example, who for many years used to speak with a touch of irony about *polnische Wirtschaft*—a term synonymous with extreme mismanagement and disorder—while today they themselves have begun to be seen as a negative model, whereas we have moved far away from that stereotype. I am speaking here not only of the economic slowdown…

Wolfgang Münchau, in his bestselling *Kaput*, even proclaims "The End of the German Economic Miracle."

Yes, but it is also about numerous social and civilisational problems, including conflicts and tensions which are tearing the community apart. Similar processes are taking place in other EU countries as well. Nevertheless, Europe remains attractive both to millions of people who wish to find a safe and prosperous life here, and to countries aspiring to become part of this organism. Europe's appeal stems not only from its relative prosperity, security, and still high political and social stability, but also from the continent's historical role as a source of ideas, civilisation, and human rights. For this reason, even if the voices of the disillusioned resonate in the media, one cannot overlook the fact that thousands of people every day take an informed risk of coming here, building their future here, and caring for their families and careers. This is also the effect of "soft power" — the power of culture, education, science, the European welfare state model, and efficient institutions which, although criticised, remain the foundation of growth. The Union attracts because it is a community of opportunities, not only material ones, but also those of personal and social growth.

Europe remains attractive both to millions of people (…), and to countries aspiring to become part of this organism.

So what about Moldova? And Ukraine?

For them, joining the European Union is, as it once was for us, a strategic matter. It means not only security against external aggression but also an opportunity for institutional stabilisation, economic modernisation, and an improved standard of living. Europe represents both a promise and a concrete task, just as it once did for Poland. Poland, moreover, serves as a powerful example for the countries and societies aspiring to join the Union. After all, for an entire era, we ourselves were a country marked by a very high level of emigration.

If we count from the fall of the November Uprising, that is, from the Great Emigration after 1831, it lasted, to put it mildly, 180 years. There were successive waves in the nineteenth and early twentieth centuries, during the interwar period, and then after the Second World War and throughout the communist era, especially after the imposition of martial law. And finally, there were the mass departures to the West in the first two decades of the Third Republic.

I recall the 1980s, when almost all participants in my MA seminars emigrated. And then the 1990s, when we became a source of labour resources for many countries, from Germany to the United Kingdom. Poland was being left by highly-qualified people – to pick strawberries or asparagus, to work as manual labourers on construction sites, to clean hotel rooms, or to pour beer in pubs. People with university degrees, even with academic titles, were doing the simplest of jobs. That kind of brain drain has stopped. Indeed, our specialists – particularly IT professionals, people linked with digital technologies, as well as doctors – still emigrate from Poland, despite relatively very high salaries, and that must be a cause for concern.

But a decade ago, we ceased to be an emigration country and became an immigration one, with a strongly positive balance of international migration. And for the past two years, more Polish women and men have been returning home than leaving.

Yes. We no longer suffer from the constant outflow of young blood that was affecting us so painfully for two centuries. It was caused not only by emigration, but also by wars and the crimes of the Germans – let us take the long-term consequences of the Second World War, including the Warsaw Uprising – as well as of the Russians. It is truly a great thing that this outflow has been halted. I am far from portraying Poland as a land of with milk and honey – we make plenty of mistakes and possess rather limited capacities to meet the challenges we are faced with – but it must be said out loud that our country is changing and developing relatively quickly, offering people many opportunities. Although the distribution of those opportunities remains highly uneven, we should take satisfaction in the fact that we have managed to stop the centuries-long outflow of fresh blood.

(…) our country is changing and developing relatively quickly, offering people many opportunities.

The Germans are not rejoicing. The British, too, miss a decent Polish workforce.

Let us look at this – once again – from a broader perspective, in line with the fundamental principle of the OEES, namely, opening one's eyes. The largest countries which first created the European Union are former colonial powers that were for many years deriving their strength from the exploitation of distant lands and peoples. Their period of total dominance came to an end with the conclusion of the First World War – although the colonies still existed, the process of decolonisation that had begun by then was already irreversible.

It accelerated significantly right after the Second World War – among others, in 1947 the great India regained its independence – and again in the 1960s.

Exactly. And as a result, what had once been a source of potential for some European countries came to an irreversible end. It was a difficult and very arduous process.

Let us take Algeria, which the French conquered in 1830 and, from that time onwards, commonly regarded as an integral part of France – a natural extension of the metropolis across the Mediterranean Sea.

The loss of Algeria was a shock to the French on many levels. And it is impossible to view contemporary France without considering this perspective: the colonial past continues to reverberate through the present with a loud and far-reaching echo. We can observe similar consequences of colonialism in the British Isles, within British society. There, we are witnessing a vast influx of people originating precisely from former colonies. Post-colonial countries thus grapple with challenges arising from this legacy while, at the same time, having long lost their former imperial status; what is more, that status continues to decline along with their diminishing significance in the global economy and politics.

I am looking at the nominal GDP of France and the United Kingdom, which remain Europe's economic powerhouses, and I can see that their share of global GDP has halved over the past forty years. Both countries once accounted for 6.5 per cent, whereas today Britain stands at 3.3 per cent and France at 2.8 per cent. The International Monetary Fund forecasts further declines. Former colonial powers have been overtaken by a former colony – India. Admittedly, in GDP per capita terms there remains a vast gap, yet the Indian economy, which twenty years ago was five times smaller than those of France and Britain, is now half as large again. Incidentally, since the birth of the Third Republic of Poland in 1990, Poland has increased its share of global nominal GDP fourfold.

It is good that you mention this, because these data and facts, among other things, have made Europeans from the former colonial powers realise that the old engines of growth are something that came irreversibly to an end. If there still exists in Europe any form of nostalgia or imperial ambition, it is rather in the East – take Orbán's idea of rebuilding Greater Hungary, for instance. In any case, after the Second World War, Europe found itself in a situation in which its previous model of building civilisational power and superiority, based on maritime and oceanic expansion, cultural influence, and economic exploitation, died and could not be revived. A natural question arose: how to fill this void? Integration of Europe seemed a rational answer. The founders of the Community managed to overcome the divisions left by the war, and as a result, Europe embarked on a path of economic and later political integration.

Towards the United States of Europe?

Comparing Europe to the United States makes no sense whatsoever. For fundamental reasons.

Yet, in public debate, there often emerges an idea of building a "Europe of Nations" — as opposed to a "Europe of States" or a federation.

Europe is a conglomerate of nations, but also of states — each one having its own traditions, political system, and culture. Attempts to compare it to federal models such as that of the United States are inadequate. In Europe, we have countries with a long tradition of statehood. There is France, Spain, and then there are countries such as Germany or Italy, whose statehood is of a more recent date. Nevertheless, Europe is full of state entities that have already become well established. Poland, it is true, lost its territory and statehood for more than a century, yet it had existed as a state since the turn of the tenth and eleventh centuries, and during the partitions it continued to exist in the awareness of successive generations.

It is impossible to compare Poland with Minnesota, is it not?

Precisely. Minnesota has no tradition of distinct statehood. It is a territory referred to as a state, whereas we are a nation, and that nationhood holds such immense significance for us that successive generations shed their blood to regain and rebuild it. We take pride in this national rebirth and celebrate it on Independence Day – just as other European nations do. Consequently, Europe will never become a federal organism, even if it were to take the form of a federation of regions. We may speak of the European Union as an intergovernmental agreement founded upon nation states.

The question is how to understand the "nation."

You have touched upon an important issue, because whether we understand this concept in an ethnic or civic sense is of great significance and may lead to very different consequences.

At the beginning of the transformation, and when drafting the Constitution, we seemed to understand the concept of nation in a civic sense. Now, however, what appears to dominate, or at least what is most vocal, is the ethnic approach. To me, this is absurd, given how many ethnic groups have passed through and, inevitably, intermingled on this land.

The understanding of the notion of nation is a long and ongoing process, and, naturally, there are periods of regression within it, such as in our case, when thinking about the state, patriotism, and Poles becomes ethnic rather than civic.

My neighbour says that he is Polish through and through.

But what does that actually mean? When one lives in a territory where – as you have rightly said – blood has been mixed so many times, such a statement is, to say the least, a risky one. When I look at myself, I know that on one side there is a family that came from northern Hungary, now Slovakia, during the Habsburg dynasty. Another part of my family, on my mother's and grandmother's side, lived in what is now partly Belarus and partly Lithuania. They were impoverished nobility with their own coat of arms. My paternal grandmother, on the other hand, lived in Kraków, in Borek Fałęcki.

And where does the surname *Hausner* come from?

It originates from the period following the First Partition of Poland, when, as part of the so-called *Josephine colonisation*, three brothers took part in an undertaking to establish a new village near Leżajsk. In their home region they could not obtain land, so they agreed to move to Galicia. Thus, in my veins there runs a mix of German, Austrian, Hungarian, typically Polish and Kraków blood, as well as some from the north-eastern part of Poland, which itself had long been heavily intermixed. Among the Hausners one can find examples of wartime patriotic heroism, but also those who signed the *Volksliste*. Some were naturalized and Poland became their only homeland, while others never were. If one looks at Poland, and indeed at Europe, from a bird's-eye perspective, both are formed mainly of such stories.

Except that some have their histories better documented than others, some are more aware of their past, while others less so…

(…) we need a Europe of nations understood in civic terms.

Exactly! At the same time, we know that we shall never eliminate the fundamental structure upon which Europe must rest, that is the nation state. The problem is that if it is an ethnically defined nation state, we shall face all the ensuing consequences – from tensions dividing nations, and thus the entire continent, to bloody wars. That is why we need a Europe of nations understood in civic terms.

Even France today, the cradle of such an approach, is struggling with it.

The problem emerged because, against the backdrop of uncontrolled immigration, there appeared internal conflicts and attempts to define who *we* are and who *the others* are. Some people draw here a very sharp line, which gives rise to, and will continue to give rise to, a number of problems, since there is no single mould of a Pole, no single set of attributes and views that could include everyone. Indeed, we may establish criteria in civic terms, but not in ethnic ones. An ethnic distinction always works regressively; it essentially weakens the capacity for communication and cooperation, and thus also for growth.

On the other hand, a great many people in Europe understand that without integration, our continent will lose any significance. Today, 1.4 billion Chinese generate almost one fifth of global GDP, 350 million Americans account for one quarter, while Europe's largest economy, which is Germany, produces only 4 per cent, with a downward trend. It will soon be overtaken by India, whose population exceeds one and a half billion. And what can Poland achieve, with its share not exceeding 1 per cent and more than one quarter of its exports dependent on Germany?

> **Europe has lost its once significant natural civilisational advantages (…)**

Europe has lost its once significant natural civilisational advantages which once enabled it to colonise South America, North America, Africa, much of Asia, as well as Australia and New Zealand. That legacy today is nothing but a burden, or at best – a relic of the distant past. The European Union was conceived as a way out of this impasse – directed to the future. It is founded on the idea of jointly creating supranational mechanisms for communication and cooperation in key areas. While respecting the existence of nation states, we are building a non-uniform organism with complex mechanisms for coordinating actions in previously agreed-upon fields.

What benefits does it offer us?

> **It is relatively easy to calculate how much everyone (…) has benefited from mutual openness and the creation of a certain shared legal and economic space.**

It is relatively easy to calculate how much everyone – though certainly not to the same extent – has benefited from mutual openness and the creation of a certain shared legal and economic space. The single market is a project that has never been fully completed and most likely never will be, but… it works anyway. And even in this much-criticised form, it delivers tangible benefits, not least to Polish farmers, who have, after all, conquered this market with their products. Now, in a changed reality, Europe must find its new path.

An attempt to find a way forward was the Lisbon Strategy.

It assumed that Europe had to remain competitive in relation to the United States and the rest of the world – at that time, China was not even part of the discussion. But the strategy failed entirely. It did, however, contain certain positive elements that were partly implemented; for example, the foundation of the welfare state was no longer to provide as many people as possible with benefits, but to activate the largest possible group of citizens to engage in professional work. Instead of a "welfare state", we now have a "work-first state". Professional activity, particularly among women, has increased significantly. Nevertheless, this strategy did not lead Europe to achieve the status of a strong international competitor in new sectors, especially those technologically advanced.

Why?

The reasons vary. Perhaps the scale of the single market is too small, and it has not functioned quite as we would have wished. Perhaps the problem also lies in the fact that some European Union countries were strong exporters while others were importers – and this created an imbalance, an asymmetry. One of the responses was a strong push to create and expand the Eurozone, which, however, has not proved to be an economic success – though this does not mean that it is unnecessary. There is also an intense debate about whether Europe possesses sufficient capital to finance breakthrough innovations and technologies, and thus to compete effectively in this regard with the United States.

The answer seems obvious: none of the countries, not even the largest ones, possesses such capital on its own. And the EU's common budget for these purposes has so far been merely symbolic.

The result is that we, as Europe, continue to experience a brain drain. Our leading specialists are being drawn away by the United States.

Either they work for American giants in Kraków, Warsaw, or Wrocław… In Kraków, American companies employ over 40 per cent of IT engineers, while all European firms combined – 33 per cent. Polish ones – 7 per cent.

These and other phenomena led to the failure of the Lisbon Strategy, and the issue of competitiveness has returned with full force. The Draghi Report and the Letta Report were developed. At the same time, we are discussing competitiveness in a different context – the rivalry between China and the United States for leadership in the technological revolution, and consequently, political leadership in the world.

Europe aspires to remain the third – independent and sovereign – area in this dispute. Is that realistic?

(…) we are not currently capable of solving our problems on our own.

We certainly do not wish to be drawn into one camp against the other. We believe that doing so would mean losing our sovereignty, our ability not only to co-shape the world but also to decide our own fate. As well as our identity. At the same time – which is particularly painful for us – we are not currently capable of solving our problems on our own. This applies not only to ensuring our security in the face of Russia's aggressive stance, but also to major economic issues – in the field of new digital technologies, including the development of AI, the Americans and the Chinese have a significant advantage, while in terms of energy sources we remain heavily dependent on external actors, including the United States…

And in the renewable energy sector – on China.

Of course, Europe still possesses enormous economic potential. It is far greater than Russia's, but it has so far been utilised far less intensively for building its own defence capabilities. The problem is that even if we increase this utilisation, we shall still encounter significant barriers – because modern defence systems require a high level of technological advancement. Without it, mere military spending will change nothing. What we need are not individual pieces of weaponry, but entire systems interconnected with others, for instance with infrastructure in space. Yet Europe has too invested little in this area and is only now attempting to make up for the delay in a race it has, in fact, never truly taken part in. None of the European countries, acting alone, stood a chance, and at the same time they have never managed to reach an agreement strong enough to act together. Together – in a manner serious enough to count.

There is the European Space Agency, which has recently sent our astronaut Sławosz Uznański-Wiśniewski into space.

Indeed, but all that is mere detail compared with what the Americans possess, what the Russians command, and the potential which the Chinese are rapidly developing. There are therefore fields that have gained in importance, in which Europe remains weak and dependent on others.

And what now: sit and despair?

Either we will quickly find European ways — which cannot be identical to the Chinese ones, nor the American ones — to ensure that breakthrough technologies, innovative solutions, and methods of implementation adapted to our mentality emerge in these strategic areas, or we will ultimately be dominated by external powers.

When viewed from this perspective, the internal quarrels between the countries and nations of Europe appear utterly irresponsible, not to say – idiotic. But they have an exceedingly rich history. The Thirty Years' War destroyed at least one-third of Europe. Every third European vanished from this world as a result of it. I will not dwell on the First and Second World Wars. After the Second World War, Europe finally came to its senses and decided to integrate and develop under peaceful conditions. It is obvious that we must base this integration not only on shared benefits – that is, on what is profitable – but also on certain common values.

That is on what truly matters.

Without shared values, Europe will become a motley crew of quarrelling nations. Each of these nations will keep recalling how much blood was shed by foreign powers and how many wrongs remain to be avenged. This is the path towards Europe's disintegration and the complete loss of its significance. For some time, Europe will remain attractive, yet it will lose its developmental dynamism and become an object of colonisation – though no longer in the European manner, but rather in the American or Chinese one.

Let us repeat: Europe will never be a "melting pot" in which national differences disappear.

What Europe is going to become depends on whether nation states are inclusive, civic, and open to others (…)

It will not. At the same time, however, each nation must understand that Europe's strength lies in its plurality, its diversity, and, at the same time, in the ability to build agreements. What Europe is going to become depends on whether nation states are inclusive, civic, and open to others, or closed, ethnic, and mired in conflicts and divisions. Nationalism, ethnic divisions, and tendencies towards isolation may lead to the weakening of the community and, consequently, to the loss of its agency and eventual disintegration.

Maintaining a delicate balance between national sovereignty and a community of shared values and interests appears, in these circumstances, to be no small challenge.

Let us remember that Europe remains distinguished not only by its material wealth, but above all by its system of values, legal order, and efficient institutions. A shared axiology, common understanding of justice, solidarity, democracy, and freedom — these are the pillars which constitute Europe's strength. Added to this is the institutional framework: the courts, the media, civil society organisations, and the rules governing economic activity. Without them, there would be neither sustainable development nor resilience to crises. Admittedly, there are many challenges: a crisis of trust, declining civic engagement, the erosion of authority, social fragmentation, and the rise of populism. Yet it is precisely this axiological and institutional order that enables Europe to withstand storms, crises, and conflicts. We must continuously strengthen it, modernise it, and adapt it to new circumstances.

You will soon hear someone say that the best thing Poland could do is to leave the "euro-kolkhoz." I must admit that this expression drives me mad, because I have never heard anything more foolish.

To put it mildly, those who use it are not representatives of rational thinking. The kolkhoz was a type of economic organisation functioning within a highly centralised economic system created by the dictatorial Soviet authorities. There is absolutely no way—none whatsoever—to compare that entity to the European Union. The European Commission is not a European government, nor is it any kind of super-authority. The funds at its disposal amount to well below 10 per cent of the combined budgets of the Member States. The budgets of those states are not subject to the Commission's control. The expression therefore makes no sense at all; it merely serves to provoke a negative association, which completely paralyses thought.

For instance, during the farmers' protests – I saw this slogan on almost every banner.

Well, let those who use this slogan suggest to the farmers that they refuse all subsidies and that Poland withdraw from the Common Agricultural Policy. We would then have no EU restrictions, which would be replaced by the rules and arrangements of the WTO. However, we would have to rely on bilateral actions, which in our case would end in disaster, because only the United States can afford to impose its will on others in the manner of President Trump: "I will give you 50 per cent tariffs, but if you agree to 15, I will not leave you penniless." Poland certainly does not have such power. Polish farmers even less so.

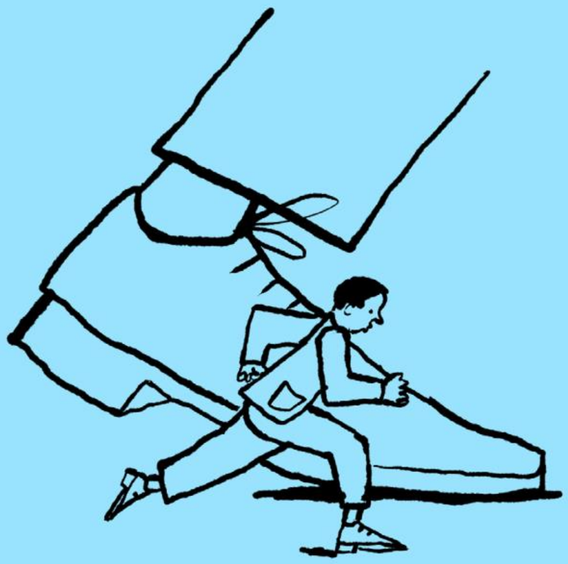
The value of Polish food exports since joining the European Union has risen from €4 billion to over €55 billion. We have conquered the single market.

Those who wish to know and understand, do.

Sovereignty, or the power of beneficial interdependence

The ninth story

From the surreal socialist state to a nation in pursuit of an idea and about the demonic power of nationalism and its destructive consequences



- The magic trio: money, values, and institutions
- Europe’s Christian legacy
- Re-Polonisation: the end of the era of naïve globalisation?
- Poland’s interest, Europe’s interest – towards win-win or autarky?
- What the global success of Airbus can teach us
- Where to begin when building Europe’s competitiveness
- How to strike a deal with the United States
- Poland’s interest: finding common ground with those we share the most with
- Together, yet slightly apart: the cases of Switzerland and Norway
- The Turkish case: economy, yes – but what about values?
- Peace for Ukraine: can Europe turn its values into an asset, a growth engine, and a source of competitive advantage?

9.

Let us return for a moment to what greatly helped Poland to grow within the European Union, namely the role of money and values.

I would add to them a third, indirect but extremely significant element, namely institutions and regulations. These three areas are closely connected and intertwined.

Because it makes a tremendous difference whether we spend a billion euros within the post-Soviet legal and ethical realities of Ukraine, Belarus or Russia, or within those of the European Union, does it not?

Naturally, our relationship with Christianity has been complicated; we remember the stories of Giordano Bruno, Galileo, the religious wars, the Inquisition (…)

Of course it does. Let us begin with the fact that, already on the first, mental level, there exists a certain collective conception of Europe and of what it means to be part of it. For instance, in our, now Western, mental space, even non-believers are willing to invoke the Christian traditions of Europe as an element of our civilisational heritage. Naturally, our relationship with Christianity has been complicated; we remember the stories of Giordano Bruno, Galileo, the religious wars, the Inquisition… Yet Christian values undoubtedly constitute an important component of the moral and civilisational order. This also stems from the fact that through Christianity, among others, thanks to St Thomas Aquinas, we absorbed the legacy of ancient Rome and ancient Greece.

In a natural way, this transformed European heritage, the Christian heritage, became a point of axiological reference and shaped our ethical principles.

Europe, with its dreams of grandeur, became the cradle not only of Christian values, humanism, and the Sistine Chapel, but also of world wars, genocides, and the nightmare of Auschwitz.

The modern identity of Europeans was born in pain and contains elements of both a glorious and a tragic legacy. Both have shaped us. In Europe, genocides were committed and others conceived, but it was also here that we created the very definition of genocide and the demand that such crimes be prosecuted internationally.

Holocaust survivor Rafał Lemkin, a Polish Jew educated at the Jagiellonian University and the Jan Kazimierz University in Lviv, formulated this definition and devoted his life to securing its recognition in the international arena.

We, Europeans, have accepted that a certain way of thinking about international order, grounded in our experiences and the lessons drawn from them, would become part of our cultural endowment. We possess, of course, our own specific national cultural heritage as well. Yet it is not so drastically different from that of other Europeans, and we are relatively capable of assimilating the customs of our neighbours, as well as the works of their culture—whether in poetry, literature, philosophy, or science.

We therefore know what European funds are, and we know what European values are. But what about that intermediary element? Regulations and bureaucracy. Because you are referring to European bureaucracy, are you not, Professor?

It generally has a bad reputation. Yet behind it lie institutions that are absolutely fundamental to what we call the European legal order. I mean institutions in a broad sense; I am speaking here about the legal system and the people who constitute it, about the entire system of justice. The Union has made significant achievements in this field, which together form a certain institutional order. As you have said, this order is fundamentally different from the one that prevailed in Poland and other countries of the former Eastern bloc following the collapse of real socialism in our part of the continent. It is different from what we see today in Belarus, and different from that in Ukraine.

Certainly different from that in China.

Yes. And all this is because the European order reflects social perceptions of the Europeans of what is valuable, just, and ethical. It is deeply rooted in our traditions and in our experiences, both beautiful and tragic. More precisely, it has grown out of profound reflection on those collective experiences of ours.

For instance, we came to the conclusion that nationalism leads to bloody wars which devastate Europe and weaken it for decades. Therefore, we are going to cooperate and create such bonds so as to reduce the potential for future conflicts.

Indeed, this has had an impact, among other things, on how financial resources are accumulated in Europe, for what purposes they are collected, and in what way they are invested. In other words, first come European beliefs and values, then European funds, and the link between the two consists of institutions ensuring that these funds are spent on the agreed purpose, in accordance with European standards.

But then the "HORECA affair" breaks out. And every other statement made by Eurosceptics or opponents of the Union concerns the claim that "our shared money is being spent on yachts and swingers."

I have no intention of justifying those responsible for any misconduct – if there has been a violation of law or standards, then we as the Union have the appropriate institutions to punish those who must be punished and to draw the necessary conclusions. This is part of the institutional order and governance which I have already mentioned. At the same time, let me remind you that the funds from the National Recovery Plan, which is what we are talking about, were distributed in Poland under enormous time pressure.

This pressure resulted from the well-known failings of the previous government – Law and Justice (PiS) – whose actions led to the freezing of the funds otherwise due to Poland.

With a delay of several years, it was clear that the pressure to spend these resources would be immense, and in such circumstances errors and abuses are more likely to occur. I will repeat: I am not, in any sense, excusing this.

It turns out, in fact, that politicians and officials affiliated with Law and Justice (PiS) were involved in committing these irregularities – that is, in creating the legal framework for the National Recovery Plan and in assessing the applications.

Regardless of everything, I do not justify this. The EU institutions should act here as they always do – that is, effectively hold everyone and everything accountable. It is worth remembering, however, that the overall number of cases in which European institutions have penalised Poland for the improper or inefficient use of EU funds is very small.

As a matter of fact, in the European Union, Poland is often held up as a model of effective and correct use of funds.

If we compare Poland with other Central and Eastern European countries – for example, the Czech Republic under Prime Minister Babiš or Orbán's Hungary, where an entire system of political corruption has been created, it may turn out that we have managed EU funds remarkably well.

That required liberation from the notion of *"polnische wirtschaft."* In addition, it came after the devastating experience of communism, which produced disastrous consequences even in Germany (consider the slow development of the former GDR), and whose manifestations the younger generation can observe in Bareja's films, such as *Miś [The Teddy Bear].* How did we manage this miraculous leap – from the surreal socialist state to a state that nonetheless serves some kind of idea?

The entire secret lies in the fact that from the very beginning our transformation was not limited to Leszek Balcerowicz's market liberalisation, but also involved the construction of a legal and institutional order. One may debate whether all its elements were appropriate, but alongside the free market we created the institutions of a democratic state. The fact that the president today enjoys such powers, and not others, stems from historical circumstances – those powers were designed for a specific candidate in specific conditions, and today this has tangible consequences.

Certain "make-shift" decisions can prove difficult or even impossible to reverse, and we may bear their consequences for a long time.

What was of primary importance was that people engaged in business, took initiative, worked hard, and were generally rewarded for it. Equally significant, however, was that they were able to do so within a relatively orderly and predictable framework.

Indeed. Yet regardless of how one assesses the structure of our democratic institutions today, we must acknowledge that the very fact we built them has contributed enormously to Poland's success. What was of primary importance was that people engaged in business, took initiative, worked hard, and were generally rewarded for it. Equally significant, however, was that they were able to do so within a relatively orderly and predictable framework. Despite all our, mostly justified, complaining—the system of economic regulation and the judiciary did function: with delays, imperfectly, but they did function. This was a major factor behind the inflow of foreign capital, which would not have reached Poland on such a scale, accompanied by technologies and valuable know-how, had we not belonged to a single economic and institutional area together with other EU countries.

Both Polish entrepreneurs and farmers ceased to worry about tariffs imposed by the countries being the main recipients of their goods and services.

The discussion on the legal and normative order as a condition for economic success practically does not exist (...)

This supported Poland's exports to a great degree. The discussion on the legal and normative order as a condition for economic success practically does not exist, although it should be at the very centre of public debate. We can see that this normative order may be undermined from above and from below; it can also be destroyed by fostering anarchy within society and by actions leading to the collapse of civic activity or its reduction merely to protests against the European Union and to demands.

How can the political dispute in this area be cooled down?

It is not about cooling it down. The dispute may remain heated, but what is absolutely crucial is that the rivalry should take place within an established order and must not lead to the erosion of the foundations of the European framework. Undermining those foundations always results in regression, meaning that we will soon begin to witness a reversal of the positive trends from which we have been benefiting. I am not saying that everything will be wasted, but Poland will lose both its momentum and its agency. We will cease to catch up with and overtake other countries.

The GDP of the countries in our part of Europe has, on average, more than tripled since joining the EU, while Hungary's has increased only a little over twofold. Is this the result of the continuous undermining of the institutional order, of eroding the very foundations?

There certainly lies a key to the issue. If there is no normative order, another one inevitably emerges. We then become dependent on private "methods" of enforcing rules created by various informal arrangements, by administrative arbitrariness, by political corruption, and so forth. Ukraine remains an example of such phenomena.

Let us now talk about the interests, which individual EU Member States are able to define and pursue somewhat differently within the same institutional framework of the Union. On the political right, the prevailing view is that Poland has, in recent years, fallen victim to colonisation by other EU countries. In response to such sentiments, Prime Minister Donald Tusk delivered a speech to the business community in the spring of 2025, in which he declared that "The era of naïve globalisation is coming to an end, and Poland will not be a naïve partner in a contest of egoists on markets and battlefronts." He announced a preference for Polish capital in the implementation of ambitious investment projects, as well as the "Re-Polonisation of the economy." Does this, in any way, fit into the process of European integration, or rather the opposite? I understand that, riding on the wave of Trumpism, everyone is now shouting "France first," "Italy first," "Poland first," or even "Liechtenstein first," as if we had all suddenly become economic nationalists, ethnic rather than civic nations. At the same time, many of us feel that this is sheer folly, which could ultimately destroy Europe, since all our post-war prosperity, our living standards and quality of life, are owed to cooperation. Indeed, in economic terms it is also easy to prove that we can be globally competitive only when we skilfully combine our best resources. Take Airbus, for instance, which was founded in 1967, when the ministers of France, Germany, and the United Kingdom committed themselves to taking appropriate action "to strengthen European cooperation in the field of aeronautical technology, and thereby to support economic development and technological progress in Europe." The company has achieved spectacular success and has sold several tens of thousands of aircraft worldwide since then. Thanks to it, Europe is a key player in the aviation market. It is not a dominant power, but a very strong competitor.

The example of Airbus is a very good one, as it shows precisely what Europe needs in order to strengthen its competitiveness. Here we are dealing with a significant undertaking in a strategic, innovative industry. It positions Europe as one of the players on the global stage, rather than one that is being played.

The example of Airbus is a very good one, as it shows precisely what Europe needs in order to strengthen its competitiveness.

We do have a strong hand…

Yes. And this effect must be multiplied wherever possible. It may not be easy to achieve success in every field, but this example shows how effective the combination of resources can be. It is a consortium of companies from various European countries, for which EU regulations have not been an obstacle but rather a form of support. One could say that cooperation has released their dormant potential. Today, the aim is for such consortia, engaged, for instance, in space technologies, various components of the digital world, elements of the energy transition, or the creation of modern defence systems, to unleash Europe's potential and enable it to regain or attain the position of a key player in the most strategic areas.

But on what principles are we supposed to create these consortia?

Building competitiveness cannot begin with discussions about regulation or deregulation, that is, with legal frameworks. It must start with determining in which areas we currently have a strong competitive position (…)

Of course – on partnership-based ones. It is important that the partners come from different countries and form coalitions of the willing, rather than operating on the principle of "I am the leader and I will impose conditions on others." Such partners must have not only aspirations but also a tangible contribution: funding, knowledge, competences, and skills. What is crucial now is that EU regulations should support the creation of such initiatives and help them succeed. The goal is to strengthen Europe as a whole. This brings us to the question of choosing priorities, the areas in which we should be strong and influential together. This has been lacking so far. Building competitiveness cannot begin with discussions about regulation or deregulation, that is, with legal frameworks. It must start with determining in which areas we currently have a strong competitive position and how to reinforce it, as well as identifying those key domains where our potential is too weak and we intend to change that.

We need it, for instance, in the development of batteries, photovoltaics, wind energy, and nuclear energy…

Well then, let us create it. The Chinese deliberately built their advantage in the field of batteries. How should Europe respond to that? The same applies to chips; incidentally, Taiwan's strength in this area is based on a Dutch company. Let us quickly consider what has stood in the way of using and capitalising on it on the Old Continent, and what could serve as an incentive to establish international consortia across the entire Union and to support their competitiveness and success on a global scale.

So I will return to the question: how does Donald Tusk's declaration concerning, among others, the Re-Polonisation of the economy, relate to this?

I do not wish to comment on the words of Donald Tusk, who is a politician and speaks in a space filled with content defined by his opponents – perhaps also in order to deprive them of their fuel.

And that is why he promotes nationalism?

The question is whether "Polonisation" and "Re-Polonisation" should be interpreted as nationalism. In my view, the word "sovereignty" is far broader and far more significant in this context. It is no coincidence that we have now begun to discuss digital sovereignty – of Poland and of Europe – so intensely. For this sovereignty, in many respects, appears to be crucial for our future. One should note that nationalism serves a different function, pursues different aims, and carries a different emotional charge than the concern for sovereignty. Let us therefore speak about sovereignty.

For many politicians and their supporters, these two notions merge into one credo of Roman Dmowski: "I am a Pole, therefore I have Polish duties."

Again, we may ask ourselves whether sovereignty ought to be understood as autarky, that is, as a closing within one's national borders. A closing on many levels, including the economic one.

Like in the case of Enver Hoxha's Albania. With catastrophic consequences.

(…) how to create a situation of beneficial interdependence?

Autarky is an absurdity, something simply impossible. Therefore, in today's highly complex and interconnected world, I prefer to perceive sovereignty as beneficial interdependence. In this understanding of sovereignty, the point is not to be dependent, but to benefit from interdependence. And here arises the question of how to create a situation of beneficial interdependence. Because interdependence is one thing, and beneficial interdependence is quite another. And we must first know what is beneficial for us, remembering that interdependence with someone means that this person also has the right to speak about their own interests and benefits.

So, for instance, our automotive industry benefits from its interdependence with Germany, while the German one benefits from its interdependence with Poland. This is what is known as a win-win effect. The very foundation of the European Union. But the devil is in the detail.

Internal relations among the EU Member States are one thing, and relations of the European Union with third countries are yet another. Today, the pressing question is whether Europe is capable of achieving a beneficial interdependence with China or the United States, and under what conditions.

In the realities of Trump's transactional politics, operating from a position of strength? Hmmm…

In my opinion, in relations with the United States, which we need, we may tell ourselves that we are a strategic partner of the United States, and every country may convince itself and others that it is a strategic partner of the USA. However, this does not change the fact that it will always, to some extent, remain a one-sided dependence.

Are we, and will we continue to be, at the mercy of others?

Such a one-sided dependence may, in certain circumstances, be a mutually beneficial relationship for both parties, yet it may also become an all-encompassing dependency that creates profound discomfort; therefore, we must do everything in our power, both as Europe and as Poland, not to condemn ourselves to it. Let us agree that we currently need reliance on the United States in the field of security. This security is based to a considerable extent on the American guarantee, even if it concerns defence systems and armaments rather than the physical presence of US Army troops.

For now, we also accept favourable dependence on America in the area of advanced digital technologies.

Yes, but we wish to move away from this dependence, while at the same time we realise that in other fields we should do everything possible to create beneficial interdependence. For Poland, the only area in which such advantageous, developmental rather than operational interdependence can be built consists exclusively of the countries of the European Union, above all those closest to us – Germany, France, the Central European countries, and Scandinavia. We may have excellent economic relations with Portugal – indeed, a small Portuguese family business managed to establish in Poland a powerful organisation playing a key role in our retail trade; and yet there is no threat whatsoever that the Portuguese will make us dependent on them – the benefit is mutual. This is precisely the essence of sovereign thinking: it is about self-development, not about closing oneself off and fermenting in one's own world.

To rot away in a shack on the edge of the world.

Precisely. And here we return to our European triad: values, money, institutions. Within the realities in which these three elements operate, it is infinitely easier to create conditions for a beneficial interdependence.

In other words – to build one's own sovereignty.

Exactly. It is easier to reach an understanding on mutually advantageous interdependence with countries with which we share so much in terms of mentality, culture, historical heritage, experience, and values as such, or the entire axiological framework.

Some will now bring up Grunwald, Auschwitz, and the Warsaw Uprising, commenting that, after all, there is more of that what divides us. And that is the end of it – goodbye, Germany, or rather, Teutonic Knights-cum-Hitlerites. Yet this year marks sixty years since the famous words, "We grant forgiveness and ask for it," addressed by Polish bishops to their German counterparts.

Trampling upon the rich legacy of Polish-German reconciliation is, in fact, an example of thoughtlessness and of a complete disregard for what serves to build a beneficial interdependence, and, consequently, an act against Polish sovereignty.

Equally often today, one hears the question of why Poland should not follow the path of Switzerland or Norway.

(…) there is much more of what we share with the countries which have chosen not to join the European Union than what sets us apart.

Yet it must be stated that both Norway and Switzerland belong to the common European Economic Area. This is a less advanced form of integration, concerning primarily the economic sphere, but it remains something far broader than a simple trade agreement such as the one that once linked, for example, the United States and Canada, or the United States and Mexico. There are far more elements of integration here – in areas such as communication networks, transport systems, and technological requirements; most matters fall under a single regulatory framework. Intensive cooperation also extends to science and culture, which we can observe in Poland as well. In short, there is much more of what we share with the countries which have chosen not to join the European Union than what sets us apart.

But they are formally outside the European Union.

In the case of Switzerland, this is primarily linked to its cantonal system. Their statehood is peculiar. It emerged because peoples speaking three different languages were separated by mountains from other nations and decided to organise themselves in some way – creating a system in which residents of the cantons essentially govern themselves, while their jointly elected representation, a kind of quasi-government, is difficult to compare with any other government. One of the consequences has been the development by the Swiss of distinctive economic forms, such as their highly unique banking system.

And this model cannot be copied in our part of Europe in any way?

Let us not be ridiculous. It cannot be copied anywhere. This results from Switzerland's geographic location and its long tradition of genuine neutrality, as well as from the fact that the Swiss banking system has always greatly benefited Switzerland. Consequently, the country has never lacked capital and has always had a strong currency. That is precisely why it developed differently from others. I would not rule out the possibility that Switzerland might one day join the European Union, but I doubt it – especially since it is not entirely clear whether Switzerland needs it, or whether the Union would change significantly as a result. What we are dealing with here is a case of beneficial interdependence without full accession, yet with a high degree of integration within the EEA and other forms of cooperation.

Norway represents yet another distinct case.

It maintains very deep ties with the other Scandinavian countries, especially with Sweden, but also with Finland and Denmark. The fact that Norway is not a member of the European Union, while the others are, has long seemed strange to many. On the other hand, until quite recently, it was difficult to imagine Finland and Sweden, countries which for decades had remained neutral, as members of NATO. Yet today they are part of the Alliance – due to Russia's aggressive posture. The same Russia is now expanding its presence in the Arctic region, so who knows whether Norway might eventually decide to join the European Union as well—in order to confront this Russian expansion together. All indications suggest that such interdependence would prove more advantageous for Norway.

We have yet another example of a large country that would very much like to be part of the Union.

In the case of Turkey, the point of contention is not whether it has a modern and developed economy.

Its GDP has tripled in two decades and is now larger than Poland's…

Yes, there is no doubt about that. With a population of 85 million, Turkey would significantly expand the economic potential and the scope of the common market, which could enhance the overall dynamics of European growth. The fundamental issue lies in the legal order, in matters of human rights, and in the institutional framework within which all disputes must be resolved. There is no area of European integration in which disputes do not arise and where they do not require resolution. This occurs primarily in the courts. These courts do not operate in an axiological vacuum. A crucial element of the European order is the interpretation of legal provisions, which must refer to shared principles, rules, and values. And this is precisely what the discussion about Turkey concerns.

The discussion is indeed about values. This is why the European Union remains cautious, particularly since we have observed the path taken by Hungary and the one currently being followed by Slovakia. The Polish case has also triggered many red lights and serves as a kind of memento: it compels the Union to reflect on any potential enlargement much longer than was the case previously. On the other hand, we have the example of the Balkans, where, following the accession of Slovenia and Croatia to the European Union, conflicts have subsided. It is important that Serbia, Kosovo, and Albania join the European Union together, because then they would share the same legal and normative order. Even if elements of ethnic feuds and hostility remain, they would be under the jurisdiction of European courts. Accepting EU jurisdiction entails the adoption of a set of overarching values and axiological references.

All right, but once we harmoniously combine our triad of values, money, and institutions, and the twenty-seven civic nations of Europe feel satisfaction from this mutually beneficial interdependence, will we then become not only globally competitive but also effective? As Europe? And as Poland? I keep hearing – alternately from Russian trolls and from the so-called "independence-minded" right – that outside the Union Poland would be more effective because it could speak with its own voice.

But who was it that has ever prevented Poland from speaking with its own voice? Did Jarosław Kaczyński and Andrzej Duda speak with the voice of Ursula von der Leyen, or with their own – in the name of Poland? Andrzej Duda had full ten years to speak wherever possible as the "voice of the nation." Was anyone stopping him? Another matter is whether that voice was being listened to.

In the world? In Europe? Not really.

Because it depends on many other factors. Certainly not on whether one speaks or shouts loudly enough. President Duda has not lacked opportunities to speak out, not only in Poland but also, for instance, at the annual Davos forum. On behalf of Poland, he articulated there what he considered most important. The problem, however, is that agency is not about speaking in one's own voice, but about reaching an understanding with those one addresses. Wspecially with those who are crucial in making the decisions that matter to us. In this case, those who are key to Poland's interests and the implementation of its development goals.

Despite an enormous economic and civilisational leap, we do not possess sufficient strength to clearly articulate our expectations and thereby compel others to make the desired decisions.

No one does. No country in the world – perhaps with the exception of the two largest global powers. When it comes to access to capital or cutting-edge technologies, to the common

When it comes to access to capital or cutting-edge technologies, to the common market or security, everywhere we are destined to depend on others (…)

market or security, everywhere we are destined to depend on others, or we can attempt to build a beneficial interdependence. Only great powers can effectively create the impression that they are capable of setting their own conditions in order to reinforce their might.

Yet it will soon become evident that even the largest American corporations care deeply about the European market. The same applies, in fact, to the Chinese ones.

What is more, while in certain areas they possess the advantage of being able to impose conditions on others, they usually refrain from exercising this power too frequently, as they are aware that in many other matters they need partners and allies. Therefore, they must reflect on how to communicate with those weaker than themselves in order to keep them on their side – not merely out of necessity, but also in view of mutual benefits. The entire geopolitical game concerning Ukraine illustrates this well: Europe is clearly signalling that it seeks peace, yet one that would be a just peace. In doing so, we appeal to values: a just peace in Europe means that there is no such possibility as to alter borders through the use of force.

Because it is objectively wrong, but at the same time—a potentially dangerous precedent?

Europe knows that any establishment of borders as a result of the use of violence will mark the beginning, not the end, of a war. The Russians are speaking explicitly about a new European order; they are questioning what they agreed to decades ago as a consequence of losing the Cold War and what they upheld until the era of Putin: that Europe should remain a space of peaceful coexistence. They have undermined those arrangements, those principles, those norms, and are now unilaterally demanding their revision. They seek to obtain the consent of the United States for this.

Pessimists predict that with such a president, such a type of leader – a narcissist and a businessman driven by transactions – Putin may achieve his goal. He has already been promoted from an aggressor and a war criminal, murdering women and children every day, to a leader holding the strong cards of a great power.

For Europe, this is a war of everything (…)

For Europe, this is a war of everything. A possible acceptance by the United States of Russia's conditions cannot become a commitment for Europe, because then Europe will cease to exist in the sense it acquired after the Second World War, that is as a peaceful continent of cooperating nations. It will disintegrate into antagonised nation states – ones in which nationality will be understood increasingly in ethnic, rather than civic, terms. This is a mortal threat to Europe, and it must be understood as such.

Therefore, as Europe, we must speak with one voice: we want peace, not war, but we accept only such peace which respects the jointly established principles and does not allow these principles to be altered through violence or coercion by the stronger party.

Values are not a burden, but a source of strength — if we are able to put them into practice, not merely proclaim them. (…)

In this context, Europe faces the greatest challenge of recent decades: can it make its values an asset, a driving force of development, a source of competitive advantage? Without a shared system of values, Europe will become not only a collection of divided nations, but also a region highly susceptible to external influence, to economic or technological colonisation. Only if it succeeds in building a model of beneficial interdependence, founded on institutions, partnership, and respect for diversity, will it be able to continue inspiring the world and remain an active participant in global transformation. Values are not a burden, but a source of strength — if we are able to put them into practice, not merely proclaim them.

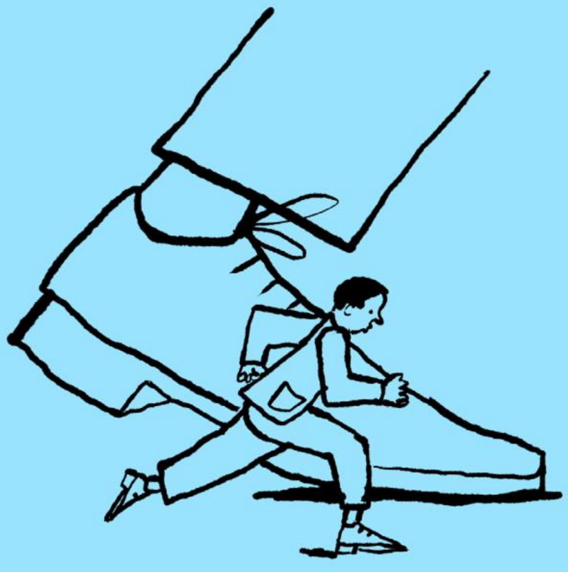
A good climate for values

The tenth story

(but no less important than the first or any other)

On what we can do about coal-burning Asia

and America's "Drill, baby, drill."



- After us, the deluge (and wildfires)?
- China burns more coal in a month than Europe does in a year. Does that mean we should give up on our values and do nothing?
- How they are doing it in Spain
- Poland without water – and other looming threats
- Polish Post, a "Made in China" watch for a hundred złoty, and twelve million parcels from China landing in the city of Lublin
- The deadly trap of low prices
- What we can learn from Philips and Amsterdam Airport
- Killing the competition has never improved quality of life
- Why the economics of values will outlast the economics of greed

10.

I conducted a seminar for journalists from a dozen or so countries far less developed than Poland — from Asia, Africa, and South America. The assumption was that they were to learn from me how to build democracy and free media in a country that for so many years had been neither sovereign nor democratic. At one point, the discussion turned to how to report on climate change in developing nations which continue to rely on fossil fuels. A Colombian and a Brazilian participant remarked that in Europe, we worry about the logging of the Amazon rainforest, yet, while we ourselves were developing and needed resources, we extracted them in the most predatory way imaginable. At these words, the Asian participants began to applaud. They told me, straight to my face: you came up with "Fit for 55" and the green circular economy, but we are poor; therefore, China burns four billion tonnes of coal per year, which means it consumes more IN A SINGLE DAY than Poland does in a month. In 2024, the whole of Europe used 300 million tonnes of coal — less than China in one month. And then there is India, also still climbing the development ladder. The conclusion of my younger colleagues was that if they are to grow and try to catch up with us, they must follow the same path as we once did. That is, exploit resources. And now there is Trump, the leader of the most powerful country on Earth, shouting "Drill, baby, drill," and giving them his blessing. So here we are: we know that all this will destroy our common planet; we hold values close to our hearts, all that Kant's "moral law within me," and yet above us stretches the starry sky, veiled by Chinese smog and riddled with American Starlinks. What can we do?

It is good that you mentioned the green circular economy, because at the outset, it is worth clarifying that certain ideas related to broadly understood climate protection are easier for people and businesses to absorb, while others are somewhat less so. The concept of the circular economy belongs to the most easily grasped ones. I would even venture to say that there is nothing in it that could be contested – neither by the advocates of the economics of values nor by the adherents of the economics of greed. The key notion in the circular economy is recycling. Its essence lies in reorganising the technical and economic process in such a way that something which until now has been waste becomes a raw material. And it becomes so primarily because it is profitable.

But is it also worth it?

This is, as it were, the second aspect to which we, the advocates of the economics of values, will pay the greatest attention. For example: instead of building new quarries for stone necessary for cement production, some companies, including those in Poland, obtain raw material from waste heaps and demolished buildings – and the fact that we – to put it colloquially – no longer tear the Earth apart by creating additional mining sites has an undeniably beneficial effect on our common environment. A similar pattern can be observed in the case of aluminium – here, recycling efficiency reaches 97 percent. Admittedly, it is not a single technological line, but rather an entire network of dispersed production lines, but together they constitute a circular economy within this sector, and that is a good thing. At the same time, we know that it is good not because the principle of the economics of values – that is, the belief that this would be beneficial for us and for the planet – was the foundation of such management, but mainly for another reason…

That it is cheaper?

That it is more efficient.

And that is supposed to be a criticism?

Absolutely not! I do not question thinking of doing business in terms of efficiency, especially in the technical and economic sense, within which we produce something at a lower cost – using far fewer resources. Why should we not do that?

Such a question long concerned the deposit-return system in Poland. It could not be implemented because many entrepreneurs pointed not only to their own costs but also, for instance, to the costs of burned fuel and consumed energy.

Of course, the consumption of energy and other resources must be taken into account in the recycling process if this process is to make sense and to described as circular management. It is the role of engineers and other specialists to deal with such challenges.

But now these engineers and specialists say that not only a circular economy is possible in new areas and sectors, but also a different technology for generating energy, for instance, from wind, photovoltaics, or hydrogen, without burning fossil fuels. Meanwhile, 75 percent of the world says, "All right, all right, you go ahead and make your wind turbines and your Spanish-style blackouts, and we will do exactly what you did 100 or 50 years ago."

The fact remains that the most industrialised countries — I am speaking here about the European ones — did not impose any limits on the burning of fossil fuels. Throughout the entire nineteenth century and most of the twentieth century, there were no standards, bans, or other environmental, let alone climate-related, restrictions.

Let us recall that in the United States, environmental standards were introduced only in the 1970s, even though the first industrial plants appeared at the turn of the eighteenth and nineteenth centuries. That is at least 170 years of a wild ride!

That is true. But it was possible solely because there was no awareness of potential consequences, and even when such awareness eventually emerged, people were not yet given a chance to experience the effects firsthand.

The consequences appeared quickly, already in the nineteenth century. Rivers became poisoned, and in the cities there was no air to breathe. Yet it took the Great London Smog of 1952 and the death of four thousand people for us to begin taking action in the cradle of global industry. Four years later, the first Clean Air Act was passed…

Reflection and environmental awareness in the most technologically advanced societies emerged as early as the nineteenth century, perhaps even earlier; yet actual action came later and—again—was aimed at protecting the immediate surroundings in order to safeguard human health and life. At that time, we as humans lacked sufficient imagination, or perhaps knowledge, to foresee the far-reaching consequences. This, however, has changed: today we possess both the knowledge and the imagination to discuss the impact on the entire planet and, consequently, on all of us. After all, the Earth, in some form, will survive without us. We are talking about human life on the third planet from the Sun. From this perspective, even if we accept the reasoning of the journalists from your seminar, what then—do they truly believe that the consequences of "Drill, baby, drill" and the burning of billions of tonnes of coal in Asia will affect only us, in the developed countries? That is utter nonsense.

But it is a powerful one.

Short-lived though. People feel the impact of climate change in every part of the world. Awareness of its consequences is growing. At this stage, debating who has contributed to this catastrophe and to what extent serves no purpose. Of course, imposing unrealistic climate targets on poorer, high-emission countries by wealthier nations that have managed to reduce emissions over decades is neither rational nor fair. It is more difficult for less developed countries to undergo such a transformation. That is why they should be supported, while at the same time we should build joint actions based on a shared narrative about climate change and its consequences.

Imposing unrealistic climate targets on poorer, high-emission countries by wealthier nations that have managed to reduce emissions over decades is neither rational nor fair. (…)

But even in many developed countries there remain strong centres of climate-change deniers and fervent advocates of the utterly irresponsible slogan, "Drill, baby, drill."

Fortunately, not everything today revolves around President Trump. In Spain, a country at least as politically divided as Poland, with a very strong social-democratic camp and an equally powerful conservative one, after yet another wave of record-breaking heat and devastating fires, Prime Minister Pedro Sánchez stated: "We have no choice. We must turn adaptation to climate change in Spain into an endeavour that unites us politically rather than divides us, because it is a matter of safety for all citizens, regardless of their views." That is a rational approach, unlike the reasoning that "even if Poland stops burning coal, it will make no difference, because the Chinese will continue burning four billion tonnes."

Perhaps it is a matter of accepting one's necessary share of responsibility?

That is precisely how responsible people act: "I will do everything to ensure that my country does not contribute to the destruction of the Earth, but I do so because I have always regarded this as a priority for our internal and national security."

However, we would also like to exert some influence on the Chinese, the Indians, and the United States.

Major conferences where global threats are discussed, will probably, in the end, lead to some form of agreement that everyone will adhere to. Yet this does not change the fact that the Spanish are now facing a difficult situation and must deal with it—just as the Australians, the Greeks, and others. In Poland, we do not yet experience such catastrophic fires, but we are faced with serious water resources issues.

We have already been among the countries with almost the lowest amount of water resources per capita in Europe. In terms of renewable freshwater resources, we rank 24th in the European Union.

We belong to the group of countries at risk of water scarcity. Hydrologists are talking about a hydrological drought, characterized by a shortage of water in rivers, lakes, and other surface reservoirs. We are suffering as a result of insufficient precipitation, particularly the lack of snow in winter and inadequate soil moisture, which leads to reduced flow levels and a decline in groundwater. This stage of drought is difficult to reverse, as the process of replenishing water resources is lengthy, and the consequences for society and the economy may be long-lasting. At the same time, the drying of wetlands means that we are likely to face fires every year. We are now witnessing, for example, the drying of the Biebrza River and wetlands in the Biebrza National Park.

We belong to the group of countries at risk of water scarcity. Hydrologists are talking about a hydrological drought, characterized by a shortage of water in rivers, lakes, and other surface reservoirs.

Ornithologists have long warned that this leads to the deterioration of waterbird habitats and makes it more difficult for migratory birds to stop and rest.

At the same time it increases the risk of fires in peatlands which have been drained as a result of human activity, primarily through land reclamation and climate change. Low groundwater levels and dried-out soil, particularly in peatlands, significantly heighten the risk of fires that can consume a large part of the park, as has happened in the past. And here two lines of reasoning emerge. The first advises maintaining or even intensifying human activity, despite the awareness that it produces such consequences and risks. The second calls for increased protection of these resources, despite the awareness that their exploitation would, in the short term, likely prove highly profitable.

What does the economics of value say about this?

The economics of value clearly indicates that wetlands and peatlands must not be viewed solely through the lens of profitability: it was not we who created these peatlands and wetlands, yet they are indispensable to our survival, and therefore we must manage them in a way that protects this shared value. The economics of greed, on the other hand, argues that today the peatland business is so profitable that we exploit it and care little about the rest, because we need money, and the state budget needs money too – and we are "good people" because we pay taxes and even employ many others who also pay taxes.

The economics of value clearly indicates that wetlands and peatlands must not be viewed solely through the lens of profitability (…)

If you were a politician, a deputy prime minister for the economy as you once were, what would you do?

I have always tried to look at Poland's interests from a broader perspective. Such shortage dilemmas are plentiful. Take, for example, forest management and timber harvesting. The economics of values tells us that we must harvest wood because we need the furniture industry, which is an important branch of our economy and our exports. Industry needs access to raw materials. But we should, at the same time, take care of two fundamental issues: renewability of resources, so that this harvesting is not predatory, and fair competition. And when I speak about renewability of resources, I mean not so much their quantity as their quality, that is, the structure of forestation. It is of crucial importance, because we all bore the consequences of development of the steel industry during the first phase of the industrial revolution in the southern part of our country, when the forest culture was transformed by the felling of beech forests and their replacement with spruce. Today, we suffer various consequences of such conduct – not only for animals or plants, but also for people. These are economic and social consequences. This is where the economics of greed, blind to everything but profit, leads. In such an economy, a few earn money, and many bear the consequences. A politician, when making decisions, must be aware of this.

Perhaps one could make use of a ready-made formula?

Each country will have to respond to the specific set and type of phenomena occurring within its territory. The adaptation programme to climate change will differ not only between Poland and Portugal, but also between Kraków, Warsaw, and Łódź, as each of these cities faces its own particular challenges. There is no canon of truth that one can simply carry over and declare: "This is the economics of values, and this is how you must act." The economics of values is based on the idea that a community views its resources both from a technical and economic perspective, and simultaneously from a social one – considering people's needs, health, culture, satisfaction, and long-term consequences. The assessment of resources must take all these elements into account, not merely whether

The economics of values is based on the idea that a community views its resources both from a technical and economic perspective, and simultaneously from a social one (…)

something is profitable for someone. And there is no golden mathematical method which would allow everything to be calculated reliably and automatically. This method must be developed by the community itself, drawing upon the values it recognises and shares collectively.

It all sounds good, but here I have a watch made in China, most likely produced without taking any of these social considerations into account, and certainly without regard for environment or climate consequences. It costs around 100 zlotys in Poland, including home delivery by Poczta Polska, which operates a special branch in Lublin to inspect and dispatch millions of such parcels from China in cooperation with the National Revenue Administration. Because Poles love them like no one else. They import everything on a massive scale. I was the only journalist at a congress of the European leather industry – attended, among others, by leading figures from Italy, Spain, and Portugal – and I heard that Poland, once a major footwear producer, has transformed into the main importer and simultaneously exporter of shoes from China. One billion pairs in three years. Meanwhile, the Polish leather industry is collapsing, and it points to the fact that it must comply with strict environmental and social standards stemming from European values, whereas Chinese products simply do not meet those standards. Yet they sell. Here and now. We Europeans behave as if we wanted to convert the world to the economics of values, while at the same time, as consumers, we are hypocrites. On a massive scale. And this has its consequences – economic, social, environment, and climate ones.

Let us then return to where we began: the capitalist system, the market economy, find their justification in the triad of entrepreneurship – competitiveness – innovativeness. One element drives the next, and the next drives the one that follows. I am aware that not everything always functions well. In general, however, this system – entrepreneurship – competitiveness – innovativeness – operates reasonably well, provided that none of its components is stifled. Therefore, unfair competition must not be allowed to enter the market. It cannot be the case that someone disregards the rules binding on everyone else and owes their market success to that fact. From this perspective, let us look at China: the entire European Union, as well as each country individually, faces a similar problem with the inflow of goods from that country. The solution to this problem, however, cannot consist in eliminating competition altogether.

Nobody wants that. However, everyone demands that it should be fair. Yet here we are dealing with production executed without regard for our European values and principles, and with the export of goods subsidised by the government.

Let me repeat: governments have a duty to prevent unfair competition. They can do so by imposing specific requirements and ensuring their effective enforcement, as well as through the use of tariffs and other mechanisms. At the same time, I would not go as far as to endorse a policy in which customs measures—under the banner of "protecting the domestic market"—serve in fact to exclude competition. There is ample evidence of the harm caused by such an approach. I strongly encourage people not to ask how to stop competition.

So what kind of questions should we be asking?

It is far better to ask: how can we match the competition? This question, moreover, refers, or should refer, not only to China, but also to Ukraine and the Mercosur countries, that is, the trade bloc comprising Brazil, Argentina, Paraguay, Uruguay, and Bolivia. I hear that we should not allow Ukraine to join the European Union because its agriculture is more competitive than that of Poland. Yet our agriculture, too, used to be more competitive than that of other EU countries—nevertheless, we were admitted, and (what is crucial!) this benefited the agriculture of the entire European Union and had a positive impact on the quality of life of citizens across the Member States. It is therefore one thing to prevent unfair competition, and quite another to block competition altogether.

It is therefore one thing to prevent unfair competition, and quite another to block competition altogether.

After all, how exactly would we block it? By imposing a ban? Half of Europe would rebel, as millions of people would lose access to many goods. By imposing tariffs? Even if they amount to 200 percent, that watch will still cost 200 zlotys, and that vacuum cleaner 500. That is, cheap.

I once spoke with a ceramics manufacturer in Poland who said that Chinese products were pushing Polish ones out of the market because we positioned ourselves and were competing in the lowest price category. Which was a mistake. If we ask how to match the competition, the answer does not have to be that we will produce more cheaply, shed the costs of environmental safeguards, and pay people just enough for them to get by.

That, in fact, is impossible under the conditions of the European Union and the Polish labour market.

So we must ask ourselves in what way our product, offering similar functionality, can be superior. This brings to mind an experience from Amsterdam Schiphol Airport, which for many years purchased lamps from Philips. If the airport were still buying only lamps today, it would surely find cheaper suppliers, perhaps in China. But the airport no longer buys lamps; it purchases a comprehensive service called "airport lighting." This is an entire system, composed not only of numerous components but also of specific parameters – the light must have the right colour and intensity, it must be both functional and pleasant, and it must be supported by efficient systems of control and energy saving. Philips had to create a partnership-based network of value creation in order to achieve the desired result. So, indeed, the Chinese may produce lamps more cheaply, but the experience and knowledge of a European company allows it to deliver a superior system and to generate greater value within a creative network.

So the economics of values triumphs over the economics of greed?

It is one of numerous examples. Yet it is worth keeping in mind at all times. For instance, at the time when we are planning the largest rearmament of Europe since the Second World War. Producing a tank or a fighter jet is one thing; creating a functionality in the form of efficient and reliable defence systems is quite another. Systems consist of many diverse, complex, and interrelated elements, and this requires

In any specific field, sooner or later everyone will be exposed to Chinese competition.

harmonious cooperation with many different partners. Just like in the case of Airbus. In any specific field, sooner or later everyone will be exposed to Chinese competition. The point is, on the one hand, not to allow this competition to become unfair, and on the other – to avoid engaging in rivalry based solely on price. We shall not win with them on being cheap.

You often repeat that this change in thinking must encompass all sectors, especially the strategic ones, such as energy and so-called utility providers.

(…) should we aim merely at producing a simple "product" such as electricity, or should we rather become outstanding experts in energy management, including energy efficiency?

I have long persuaded energy specialists that power plants producing electricity would, sooner or later, become unprofitable in Poland. Therefore, they should already be asking themselves: should we aim merely at producing a simple "product" such as electricity, or should we rather become outstanding experts in energy management, including energy efficiency? Water companies should ask themselves the same question: are we here to deliver water, or to become leading experts in water management? Centres of knowledge, centres of technology, rather than mere providers of a specific service. I tell them plainly: if you remain only providers, suppliers, you will not survive in the long run, you will not withstand competition. And what then, will you try to block it? It makes far more sense to acknowledge that simple products have ceased to be the foundation of competitive advantage. Expert knowledge has become that foundation.

I have at home a system which helps to reduce water consumption without any loss of comfort. Along with the rainwater tanks, it has brought about a 40 percent saving.

Europe has the resources to meet challenges in every field.

And there are, for instance, systems of secondary water circulation within households, and so on. This is an entire field of knowledge. And it is the future of humanity. Contrary to appearances, the Chinese are already thinking in these terms as well. And they are doing a great deal in various areas. Let me repeat: we must think creatively about how to face their competition, not how to crush it. Europe has the resources to meet challenges in every field. But first, we must open our eyes and set out on the path of the economics of values – seeking solutions precisely along that path, and not in the dead end of eliminating competition, building tariff walls, and pursuing economic autarky.

At the aforementioned leather industry convention, producers from Italy said they had no issues with the Chinese, as they were playing in a completely different league — they had established renowned design studios, shaped global fashion trends, and built powerful international brands. These, incidentally, are eagerly purchased by affluent Chinese consumers.

I do not wish to delve into the trade policies of the European Union or individual member states, which must in some way regulate the standards required of Chinese products and ensure their enforcement, and which may, if necessary, limit the overly aggressive influx of certain goods through tariffs. However, I strongly emphasise the need for European entrepreneurs, including the Polish ones, to build a fundamentally different kind of competitive advantage — one not based on the cheapness of a product or service. To achieve this, we must produce and offer more advanced and complex goods that cannot be manufactured by a low-paid worker using simple technology. We must shift our entire approach to doing business towards a different way of thinking — for instance, about what a shoe really is. Or what a blouse represents.

A hundred years ago, an average European would have said that shoes are meant to keep one from walking barefoot, and a shirt is meant simply to be worn.

But we are in the twenty-first century, and… It is worth remembering that Turkish and Asian textiles struck the Italian clothing industry quite severely – though only up to a certain point. Just like the leather industry you mentioned, the Italian clothing industry began to evolve into a design-driven sector. There is a concept known as "the Third Italy," located between the South and the traditionally industrial North. A wide range of industrial activities emerged there, based on building and developing a regional value-creation network. For instance, small artisanal workshops that, on the one hand, compete with one another – which drives innovation – and, on the other hand, cooperate. Behind this lies organisational maturity and technological modernity.

Exactly! So let us stop trying to convince others, and ourselves, that we would be better off without competition. Nonsense! Never in history has killing off competition driven progress or improved the quality of life. Admittedly, competition must be fair, ethical, and responsible. And within such competition, the economics of values is by no means doomed to lose against the economics of greed. In fact, I am convinced it is quite the opposite.

So let us stop trying to convince others, and ourselves, that we would be better off without competition. Nonsense!

From the Economics of Greed to the Economics of Values – in Search of Ideas and Hope – Jerzy Hausner

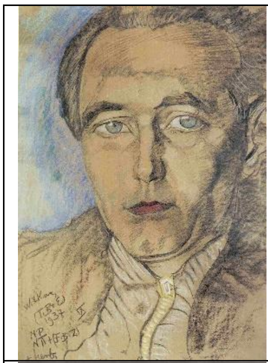
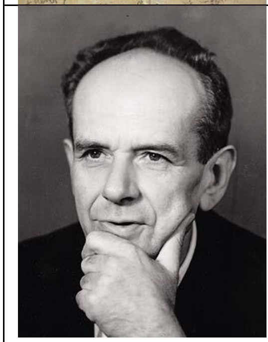
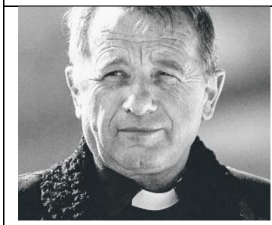
open eyes economy

On the nature of values

> Humanity has entered a deep crisis of hope. The crisis of hope is a crisis of fundamentals. People used to kill each other because they believed in the superiority of their own hope over that of others. Today they are suffocating in their own hopelessness.
>
> Rev. Józef Tischner, Kraków, November 1981

In this section of the book, I put forward the thesis that the dominant economic model – referred to here as the economics of greed – is a direct consequence of the adoption of an instrumental and objectifying approach to values. The economics of greed reduces value to price and ethics to the logic of means and ends, leading to the objectification of humans and the environment.

To establish a foundation for the economics of values paradigm, I first refer to the writings of members of the Kraków school of the phenomenology of values, which focus on the existential and relational dimensions of values. Although the members of that school – Roman Ingarden, Józef Tischner, Władysław Stróżewski and Antoni Kępiński – came from different disciplines, they were united by the phenomenological tradition and a deep conviction that values are neither a subjective projection nor a transcendent absolute, but are born in the human experience of encountering the Other. Rejecting the instrumental approach, these philosophers emphasised the axiological nature of values, which is revealed through action, dialogue, and active involvement in the creation of the Good. For them, values constitute the ethical horizon of existence; they are embedded in social bonds and are the key to understanding the modern condition.

	**Roman Ingarden (1893–1970)** A philosopher, student of Edmund Husserl, and founder of the so-called second school of phenomenology, which was grounded in realism as opposed to Husserl's transcendental phenomenology. In his works he tackled areas such as ontology, ethics, aesthetics, epistemology, and value theory. He created his own version of axiological ethics based on an analysis of the essence of moral values, in particular responsibility, the nobility of moral conduct, and the selfless multiplication of good in the world.
	**Antoni Kępiński (1918–1972)** A renowned psychiatrist and psychopathologist. He brought philosophical reflection into psychology and clinical practice, becoming one of the most influential humanist medical thinkers. Kępiński described anxiety, schizophrenia and pathologies as symptoms of the crisis of attachment and the crisis of axiology – the inability to establish an authentic relationship with the Other or the escape into defensive strategies (e.g. consumerism). He stressed that mental health is linked to the ability to be creative and actively participate in social life, and not to the passive acceptance of stimuli.
	**Józef Tischner (1931–2000)** A Catholic priest, philosopher and commentator, one of the most important Polish thinkers of the 20th century. He was the founder of the Philosophy of Drama and author of the groundbreaking work *Thinking by Values*. Tischner offered a dialogical and ethical perspective, arguing that values are not abstract entities, but are born in the 'I-Thou' relationship, i.e. in the experience of meeting another person. He emphasised that authentic being is inextricably linked to the act of saving the Other from his tragedy, which is the axiological foundation for the idea of community and the Good.
	**Władysław Stróżewski (1933-)** A philosopher, professor of humanities, distinguished educator and academic. Stróżewski's main areas of research are ontology, axiology, aesthetics, philosophical anthropology, and the history of philosophy. He examines the nature, hierarchy, and mode of existence of values, especially the highest values, which he identifies with being (meaning that values are rooted in existence itself), and deals with fundamental issues concerning human nature, including negation, non-existence, free will, and the axiological structure of humanity.

For Józef Tischner (2002, p. 10), 'thinking by values' is crucial. Such thinking need not amount to subjectivism, so long as it is refers to another human being. Only then is thinking combined with action; it ceases to be pure contemplation, and becomes phenomenon of experience – an encounter with the Other. The relationship between one human being and another is therefore an ethical relationship *par excellence*, and thus becomes the most primary form of experience (*ibid.*, p. 32).

Tischner emphasises that experiencing another person means opening up the ethical horizon of existence, the essence of which is an existentially understood dialogue of goodwill. When I rescue another from his tragedy, I simultaneously rescue myself from mine (*ibid.*, p. 365). The good is born of goodwill, and ill will destroys all good.

A person can only be led out of their self-obsession by another person. But modern technological civilisation is turning us into beings who are increasingly numb to others, who understand others less and less, and who flee from their particular suffering (*ibid.*, p. 366).

Tischner's mentor was Roman Ingarden, for whom human beings are oriented towards values. This attests to their freedom, and it is the fullest expression of the special trust humans place in their own existence, which does not allow them to waste 'their time'. To be free in this sense means to bear witness to values simply because they are values: one is truthful for the sake of truthfulness, just for the sake of justice, faithful for the sake of faithfulness. It is then the values are intrinsically important and autonomous (*ibid.*, pp. 43-44).

Ingarden (1966, p. 125) believes that values refer to people. This is also the case for values that are objectified. The object itself is not a value, but an objectified value can mediate relationships between people. Valuing (valuation) is therefore a social phenomenon. Values are not absolutes. Socially referenced valuation subjectivises values and at the same time objectivises them, by which they acquire existential power. Then they have no cause or motive; they exist because they permeate people's thinking and actions. It is thinking and actions which produce and sustain values, which would otherwise disappear. The philosophy of value, which is derived from phenomenology, does not ascribe real existence to values. But this does not mean that values have no existence or that they must be reduced to acts of valuation (Tischner, p. 267).

Among the members of the Kraków school of the phenomenology of values I included Antoni Kępiński – a prominent psychiatrist and ardent advocate of humanist psychiatry. I was inspired to do so after reading Tischner's book, cited above. Kępiński believes that the awareness of an ethical situation awakens in a person when they discover that another person is standing in front of them. That is why it is so important to give voice to the experience of survival, to the awareness that a person is a free being who, even through illness, seeks his *ethos* – a place where he can feel at home (*ibid.*, p. 398). In his examination and treatment of concentration camp prisoners, Kępiński recognised the fundamental importance of hope. He emphasised that hope gives meaning to human heroism, making it possible not only as a purely internal experience, but also as an act, an event. Hope reveals some kind of future and at the same time creates opportunities to authentically experience the present. Thanks to hope, it is possible both to free oneself from the present and immerse oneself in it by taking responsibility for what is 'now'. A lack of hope causes a person to detach himself from the world and from himself (*ibid.*, p. 409).

Kępiński's offers a poignant description of the 'person in hiding', that is, a person whose hope is diseased, governed by the desire to escape from people (*ibid.*, p. 413). While hope does not completely vanish when a person is in hiding, it diminishes, and it diminishes to such an extent that it becomes merely a hope of survival. That, in turn, is a passive hope. It can bring people together, but it does not allow them to interact creatively. For that one needs active hope, the source of social energy.

The person in hiding believes they are carrying some sort of treasure. They try to keep that treasure deeply hidden and stand guard over it. The place where the person in hiding stands is surrounded by a wall of fear. They suspect that all people who approach their place of hiding are coming to rob and destroy them. The path from a place of hope to a place of hiding signifies the Fall of Man and has a deeply ethical significance. And although it is not a fall into sin, into conscious and wilful guilt, it is still truly a fall. The person lives in a state of emptiness, beyond good and evil; they are neither guilty nor innocent, and their responsibility has wasted away. This does not mean, however, that they have lost their human dignity. The point is that dignity boils down to the value of the suffering to which the person is subjected. A characteristic feature of people in hiding is that they suffer and cause suffering to others. And, worst of all, their suffering is as great as it is unnecessary (*ibid.*, p. 413).

Kępiński believes that the way a person experiences values is a crossroads leading either to a place of hiding or to a place open to hope. Depending on their choice, a person will either follow the path of creation through life or remain in the certainty of refuge. The place of hiding is a place of anxious freedom – freedom that is concerned with the need to protect oneself. The place open to hope is a place of freedom – freedom that is concerned with the need to realise values (*ibid.*, p. 414).

If the social space is filled with fear, then this is ultimately the fear of the Other. From it emerges the structure of axiological opposition: the Other is my opponent, my more or less overt enemy (*ibid.*, p. 419).

A person is not inclined to bestow positive feelings on a world that is indifferent or even hostile to them. According to Kępiński, one can say that the world, with all its wars and atrocities, has always been a source of fear and anxiety for the rational person. The problem lies in how to overcome that fear (*ibid.*, p. 421).

In Kępiński's view, our civilisation makes it difficult to take responsibility for ourselves and our surroundings, and it also makes it difficult to express our creative tendencies. Consumerism clearly prevails over creativity. Kępiński the psychiatrist asks if we will ever find the strength to change this. To do so will require a revolution in the way we experience values. And the starting point must be that gesture of the heart and mind that allows a person to escape the very principle of opposition, which is nowadays the main factor that governs interaction with others (*ibid.*, p. 428).

Freedom is a characteristic motif in the writings of members of the Kraków school. Tischner puts it this way: 'The whole charm of the world of values probably stems from the fact that nothing from it is imposed on us by force. Nevertheless, thanks to values, we have the vague feeling that if we do not recognise that world, we may succumb to some kind of violence' (*ibid.*, p. 482). Violence destroys the substance of values. Amen.

The reflections of the aforementioned representatives of the Kraków school provide the framework for my further deliberations on the nature of values.

John Dewey (1939) distinguishes between two types of valuation. In the first case, he uses the term 'valuing', which refers to the intention behind a certain action, its underlying motive – desire or interest. He refers to the second type simply as 'valuation', in the sense of assessing or appraising, and links it to the result of an action. This proposition connects valuation with the individual. It is deeply rooted in the concept of methodological individualism. Here, valuation involves an individual recognising the value of something or assigning a value to it.

In my view, such an understanding of valuation places it within the field of instrumental values. In that field, the subject-object relationship is of key importance. Value cannot therefore be detached from something that is its objectified carrier. Dewey has in mind here a specific act or means. Values are framed in a teleological order, an order of purposeful action and a means-to-ends relationship. In this way, valuation is associated with action, effort and striving, and not with the mere desire to possess.

There is basically no room for existential values here, however. In my view, a world without them is tantamount to a life without meaning, which stems not from the purposeful, but from the fundamental positioning of values. It is only in the field of existential values that an individual's behaviour transcends and contributes to the creation and maintenance of that field.

Relating values to the specific purpose of an action instrumentalises them. And if 'valuation' is reduced to this, then the instrumentalisation of values nullifies them, depriving them of social meaning and significance. Harnessing values to the means-to-ends relationship objectifies them, and in an extreme case this leads to the objectification of people, to treating them as tools.

To avoid such negative implications, Dewey supplements the means-to-ends relationship with a means-to-consequences relationship (*ibid.*, p. 24). This is to make it possible to incorporate prior experiences into valuation as appraisal, and thus derive generalisations from them indicating the rules for the 'good' and appropriate use of certain means. Values are seen here as end-values. In this way, the basis for scientifically establishing the correctness of actions and their verification in terms of consistency between intention and result is formed.

This is a straightforward proposal for understanding values in an analytical, technical way. In this sense, they can be empirically verified and measured. It is thus possible to determine the most advantageous ways of cutting down trees, designing life insurance, or building prisons. In general, this creates a basis for optimising human behaviour.

Dewey is well aware of the moral danger of linking means and ends in the context of values. He rejects and opposes the treatment of goals as absolutes in accordance with the principle of 'the ends justify the means'. That is why he so strongly emphasises the need to distinguish between the valuation of means at the beginning of an action and the result after its completion. He adds that the means-to-ends relationship should not be understood singularly and unilaterally.

Taking into account the consequences of an action, its result should be read as the beginning of another action, a means leading to a further goal, including to a superior goal. Each result of an action becomes the means for a subsequent action. It is an attempt to go beyond the means-to-ends paradigm and incorporate a broader social context into the actions of the individual. That is why Dewey recommends that when assessing the outcome of an action, all circumstances should be analysed, including those taken into account at the beginning of the action, the change of which determines subsequent actions and the assessment of which constitutes a verification of the initial valuation. The following recommendation is an example of what is to be derived from this reasoning in practice (*ibid.*, p. 46): 'A physician has to determine the value of various courses of action and their results in the case of a particular patient, taking into account his well-being'. In this approach, however, the patient remains objectified and is the object of the doctor's medical intervention.

In my view, even the expanded cognitive perspective proposed by Dewey makes little difference. It still means instrumentalising values and failing to recognise their existential roots. For me, the key thing is that existential values, if they operate at all, operate at the beginning of an action – at the source. 'Operate' means that they permeate the action, surrounding it and giving it meaning. In this case, values cannot be assigned to something. They do not have their objectified carrier. Their carrier, transmitter and driver are the bonds between people created through joint action. Values exist as a result of those bonds and their anchoring in society and culture.

I share the view of Hans Joas (2009, p. 170), who believes that Dewey's arguments contribute little to answering the question about the emergence of values – if we understand by this something other than a rational reinterpretation of the orientation of action in the light of problem situations.

For Dewey, that which is existential emerges at the end of valuation, not at the beginning. The existential exists only in the imagined world, not in the real world. It enters the real world secondarily – from above, so to speak. Dewey's rigid linking of valuation to the means-to-ends relationship, even in this extended circular interpretation, leads to an instrumental and procedural understanding of value, which inevitably results in recommendations such as: take into account, be responsible, anticipate, act rationally.

Values understood in this way are trapped in methodological individualism and the anthropology of the rational human being. Dewey stubbornly insists that desires and interests can be controlled rationally – intellectually and empirically. Method prevails over meaning. In order to incorporate meaning – which I relate to existential values – into the consideration of values, they should be understood not only as a magnet, as Dewey would have it, but also as a driver.

At the same time, it is necessary to distinguish between valuation in two spheres of values: instrumental and existential. Although they overlap, they are qualitatively different. In the case of existential values, valuation is a revaluation resulting from interaction with others and acquired experience. Being is becoming, or in Kant's memorable phrase: 'Existence is not a descriptive predicate'. (Dukaj 2021, p. 223).

Social valuation is also the creation of values that socially radiate. Revaluation here is not a rejection or a negation, but a socio-cultural transformation. There is no objective measure, no ideal standard. It involves the gradual transformation of a given community's axiological field; transcending into the timelessness of what ethically holds it together. Individual experiences form an empathetic community of fate.

Jacek Dukaj (2021, pp. 58-59) accurately observes that if values do not act as an existential driver, it is difficult to get out of bed in the morning, to go out into the world, among people and their human affairs, and to expose oneself to the risk of failure; it is difficult to do anything, it is difficult to live. Individuals then engage in 'engineered busyness' (*ibid.*, p. 79); they do something in order to do anything. In this state of 'busyness', 'processed' by technologies that stimulate desires and eliminate hope, they might not feel emptiness (*ibid.*, p. 102). They objectify themselves, remaining in a world of isolating unfulfillment.

Dukaj warns that: ‘If there is no one who can empathise – because they have become so blurred, de-subjectified and deconstructed – we return to the very beginning of the cycle of experience, to that half-animal ‘empathy’ of simple copying, imitation and pretence, to the empty resonance box of fake humanity’ (*ibid.*, pp. 180, 173). In this way one can imprint oneself on another, but one cannot find them, for there is no bridge of understanding and cooperation. That bridge disappears when interaction is reduced to stimulus and response, and lasts momentarily – in the here and now. Time and space are irrelevant because they cannot be seen, touched or heard. A lived experience does not become acquired experience: it is overly compressed, accelerated and elliptical (*ibid.*, p. 263).

We are gripped by a pandemic of loneliness.

The vast majority of people in the world have difficulty recognising the current status of various postulates of existence – whether those are value propositions whose implementation is up to us, or ideologised decoys, the ‘assimilation’ of which turns us into slaves of ideology. Culture has not developed sufficiently effective mechanisms capable of formulating a simple and clearly expressed warning.

Existential values should have a special sensor that triggers an alarm when a politician starts manipulating them and turning them into tools of mind control (see Potocka 2020, p. 6). The ideologisation of values entails their schematic imposition on a mass scale. They then become weapons of mass destruction.

Ingarden writes: ‘Referring to Scheler’s terminology, one could say that value (...) is that set of moments which, by occurring within a certain “good”, mean that it is not just some thing, but rather a “good” in Scheler’s understanding’ (1966, p. 102). I believe that existential values are carried by the “good”, and that the “good” is a carrier of instrumental values. Thus, existential values exist differently from instrumental values. The former cannot be attributed to specific people or actions. A trait or skill is not a value, but it enables the creation of values that cannot be derived from intentions alone. They result directly from action and inaction.

Nor are values an ideal entity. Ingarden speaks of the ‘process of value realisation’ (*ibid.*, p. 105). This means that values are revealed under specific conditions.

Referring to Scheler, among others, Ingarden emphasises the ‘ought’ (*Seinsollen*) nature of values, which applies in particular to moral values. This can be understood in two ways. Obligation is inherent in values and attracts and triggers action and/or action fulfils the obligation as a condition for realising the values (*ibid.*, p. 109). This explanation undoubtedly fits existential values, but is questionable in relation to instrumental values.

In economics, value has been equated with price, valuation with pricing, and economic activity with earning. The dominant axis of economic activity then becomes exchange rather than production.

Just as other values, economic value is socially constructed. However, its instrumentalisation is different. The market plays a key role here, for it gives goods an exchange value and prices them. And pricing depends on the ‘social’, institutional framework of the market. How individual actions combine themselves into value-creating social bonds depends on how the market works.

In mainstream economics, pricing has become synonymous with valuation. Yet the problem of value creation itself has been ignored. The dominance of pricing is particularly visible when – using various methods – a ‘hypothetical’, contingent value is estimated (contingent valuation), even when there are no market transactions and the goods in question are not directly used. As a consequence, intrinsic values, e.g. the value of a forest or the value of life – in general, existential values – are eliminated. Fourcade (*ibid.*, p. 58) makes this point accurately, emphasising that ‘contingent valuation’ serves to price the value of the natural environment through the statistical aggregation of individual preferences. In that calculation, a person is reduced to the role of a consumer who makes a purchase removed from the social context. The logic of this thinking is that if the pharmaceutical or cosmetics industries generate high profits, then allowing them to pollute the water is economically justified, so long as a fair share of the tax on those profits goes to the water companies that treat the water. It pays off, after all.

Valuation is something broader than pricing. While it is a process in which individuals participate, it is social in nature and based on interpersonal relationships. A value is a value not just for someone, but also by someone. A forest is just timber if we ignore its life-assuring and social function.

Economic values (goods) cannot be explained from an individualistic perspective (methodological individualism) and from a utility perspective. An instrumental approach is necessary, but one-sided. To avoid this, we need to recognise existential values (the good). Without them, one can consider investment value only through the market valuation of return on capital, ignoring its material-tangible or intellectual-creative dimension (Beckert and Aspers 2011, p. 11).

The economics of values contrasts two different economic philosophies. 'Use less, produce more' is the foundation of an economy based on the production of goods. In economies based on market exchange, a different logic prevails – 'spend less, earn more'. Then economic activity is not about producing, but about earning. Thomas A. Murphy, chairman and CEO of General Motors from 1974 to 1980, is credited with the following statement: 'General Motors is not in the business of making cars. It is in the business of making money'.

The above juxtaposition does not imply a negation of the market economy. However, it allows us to see that unlimited commercialisation, subjecting everything to market exchange, and transforming every good into a commodity, detaches the good from its social and existential value and strengthens its instrumental value. In an extreme case, that social and existential value is eliminated – everything is priced by the market, even love.

This negates responsibility and foresight and leads to amoral opportunism. It leads to costs and risks being shifted onto others, and profit being kept for oneself – which essentially means capturing and appropriating it. When we have completely exploited a given area, we move on to the next one. Before we destroy the Earth, we will move to another planet.

The order of existential values is the order of the good. If we only care for goods, and do not create the good itself, evil prevails. Value as a good is not something one can reach for and use. Nor is it an either-or choice. As Stanisław Brzozowski points out, it is not a mental state; it is a social act (after Walicki 2011, p. 42). It reveals itself in a broad, existential axiological field, binding people together through action. The good is a common good because it is jointly created: otherwise it does not exist.

Values are socially binding – they arise from social bonds and sustain them. This was well captured by Émile Durkheim, who believed that anomie is tantamount to a weakening of the binding power of values (Joas 2009, p. 14). Social bonds are therefore a relationship through which valuation takes place. That is why values should not be reduced to a subject-object relationship. The objectification of values reifies the social world. Hans Joas (*ibid.*, p. 81) correctly points out that in a world composed solely of 'reified' facts, we would not be able to act, we would not be able to live. Therefore, it is worthwhile and necessary to distinguish between instrumental utility on the one hand, and social utility attributed to institutions on the other. It is primarily the person who uses a given thing that benefits from that which is useful. Many benefit from that which is beneficial (i.e. brings social benefit). We associate utility with various kinds of goods. The quality of being beneficial, on the other hand, is related to the category of the good.

For Durkheim (2004, after Joas 2009), the 'good' implies 'obligation'. These categories overlap: the concept of the good extends to the realm of obligation, just as the concepts of duty and obligation extend to the realm of the good (*ibid.*, p. 104). This connection is convincing when duty becomes self-obligation stemming from ethical obligation. We thus give our valuation an ethical reference point. And if we reject it completely, then through our actions we destroy the good and contribute to evil. Max Scheler emphasises that it is not the will that sanctions the primary relationship between the person and values (1954, after Joas, p. 143). When the will justifies (I want good things to happen), the world of values becomes a world of imposed coercion, not a world of voluntarily accepted obligation. The connection between the good and value then disappears.

For Georg Simmel, understanding our finiteness becomes a necessary premise for the emergence of values (Simmel 2007, after Joas, p. 125). If we associate them with people, then our individual finiteness must be essential for the existence of values. The meaning of our own life must be interpreted in relation to others. Otherwise there will be nothing left of us, and we will disappear. On this understanding, we do not relate transcendence to another world: it is immanent to human life; it expresses its value dimension. According to the principle of polar opposition, I believe that if eternal life is considered an absolute value, then we do not really need any other values.

Charles Taylor's thought goes in a similar direction. He emphasises that we cannot do without an orientation towards the good, in the context of which the question about the direction of our life arises. From the quasi-spatial structure of our attitude towards values arises the temporal dimension of our self-understanding. This does not mean that we have to persist through life with the same idea of the good and recount our life as a story devoid of any misfortune. After all, often it is not just the place to which we aspire that changes, but also our image of how much our aspiration is worth (Taylor 2001, after Joas, pp. 204-205).

From this perspective, Taylor criticises the dominant contemporary moral philosophies because:

> They focus on the rules, precepts or standards that guide action, while completely ignoring the problem of the vision of the good. Morality has narrowed its focus to questions about what we should do, ignoring questions about what is valuable in itself (...) (Taylor 2001, p. 166, after Joas, p. 222).

When considering values, the key issue is their connection with the individual on the one hand and the community on the other. The obligation-based anchoring of values cannot be separated from the person, from the specific individual. This is an area to which Dewey refers and whose importance he emphasises. At the same time, he does not overlook the role of interpersonal relationships in the context of people communicating and sharing their own experience, which thus becomes intersubjective. And this allows a rational assessment of what is possible in a given situation. In my opinion, entering into a relationship is not tantamount to creating a binding bond. That is why I distinguish between the instrumental and existential dimensions of human communication. Participation in this second type of communication (a shared space of meaning) allows us to recognise not only what is possible, but above all what is collectively, socially desirable and justified.

Taylor's approach to the origin of values – like Dewey's – is intersubjective. He believes that the intensity of the religious experience of connecting (with others) and transcending the self is due precisely to the fact that likewise individuals who are socially constituted (and embedded) in a common culture can experience unity with others only in those brief moments when they transcend the boundaries of their own selves. Ultimately, for Taylor, the source of values is the experience of self-creation and self-transcendence (Joas, pp. 254-255).

By emphasising the social embeddedness of values, I am not questioning the role of individuals and their capacity for valuation. I am not advocating for the absolutisation of values or the possibility of developing a universal axiological framework. The world of values is a world of tension and conflict, a world in which many particular reasons and justifications clash. It is a world in which valuation also means revaluation; a world in which the common fruit of our efforts is only viable when it is reciprocal and constantly co-produced.

I am persuaded by Florian Znaniecki’s view that values are rooted in experience (more broadly, cultural legacy) and created through action (1988, p. 46). In this context, he is critical of behaviourists. He argues that they lock the individual in the present, which is at most sequentially repeatable. In Znaniecki’s view, the axionormative order gains a spatio-temporal reference point, and experience acquires developmental power (*ibid.*, p. 61).

If valuation is detached from the social generation of values, then the proponents of this way of thinking have to constantly look for points of reference to make valuation objective. They believe that some alternative ways of valuing, different to prices, can and should be developed (Stark 2011). The pragmatist approach reduces the problem to valuation without values – there are no values, only valuations.

For example, Michael Hutter (2011, pp. 207–208) argues that such a common reference point is the ‘value anchor’, which enables values to be objective. For me, the anchoring of values does not occur in some sort of absolute, but in social bonds. What is transcendent is not that which is given, but that which is socially externalised. This means, in my view, ideas produced by people, constituting an essential point of reference for them; it means on the one hand something imagined, and on the other something also experienced, because it is produced in practice, created from the inside yet operating from the outside, though it is internally assimilated by individuals, their ethics and their conscience.

Individual valuation makes social reality more dynamic, while the social creation of values stabilises it and makes it less fluid. Thanks to this, people find it easier to be part of it. Values are embedded (anchored) in socially created institutions that constrain people, but at the same time enable them to cooperate based on trust. When economic activity is focused on making money, on what is profitable and paid for, every financial crash signals a breakdown of the economy and undermines its foundations, including the economic credibility of the state. Therefore, that credibility cannot be determined solely by productivity and budgetary efficiency; it must have strong institutional support – the force of rules, not the rule of force, must take precedence.

Different valuation mechanisms create different social environments. This has been convincingly illustrated by Lucien Karpik, who describes various systems for evaluating academic achievements. Karpik (2011, pp. 73, 82-83) distinguishes between substantive and formal mechanisms and discusses their attributes. In the former, cooperation is possible, albeit in a competitive environment; in the latter, competition dominates, eliminating cooperation. In the former, the quality of academic achievements is dominant; in the latter, their formal quantity is what counts.

Kenneth Boulding states:

> Nevertheless, it is an inevitable logic that has turned the study of prices into a theory of value, for the price system is simply one reflection of the general problem of "scarcity", and the choice between nuts and apples differs only in its simplicity from the choice between income and leisure, between freedom and security, between love and power, between colour and form, or between better and worse. Value, in the sense of what we have to give up of one thing in order to get a unit of another – i.e. as a 'transformation ratio' – is a phenomenon we meet in every conceivable branch of human activity, for wherever there is limitation, wherever there is choice, wherever we cannot have our cake and eat it, there the value phenomenon pops up (1985, p. 33).

I completely reject the above view, which represents the quintessential understanding of value on the basis of neoclassical economics (mainstream economics). Firstly, I reject it because it links value with exchange, interpreted here as a choice made by an individual who gives up something in favour of something else, which Boulding calls the 'transformation ratio'. Value appears automatically in an 'either-or' situation, but it doesn't matter what this choice is: choosing between apples and nuts is essentially the same as choosing between good and evil. It is always a disjunctive alternative, and the choice depends on the individual's preferences and opportunities. Therefore, even small changes in preferences or opportunities lead to significant changes in the choices made (*ibid.*, p. 48). Value, therefore, is derived from individual preferences and is revealed when an individual choice is made (Boulding 1985, p. 59).

Boulding (1985) does not restrict economics to the interpretation of market phenomena. On the contrary, he extends its scope to all areas of life. 'Value' thus becomes, in principle, an economic concept; it has an economic nature, and a social researcher cannot ignore economic instruments. Economics therefore becomes a generalised theory of choice (*ibid.*, p. 32). Boulding is convinced that such a generalisation allows us to treat economics as a moral science (*ibid.*, p. 40). On the other hand, he himself narrows its scope, claiming that he specialises in the study of that part of the social system that is organised according to the principle of exchange and deals with that which is exchangeable (*ibid.*, p. 46).

Boulding is intrigued by the relationship between economics and ethics. He tries to demonstrate that connection by translating individual choices into an ethical value system that characterises a particular culture or subculture. He writes about it thus: 'It is assumed that of all possible ways of choosing – that is, of all possible value systems – only one is "correct" or "best". This is precisely the ethical value system' (*ibid.*, p. 60). This *a priori* statement allows him to assert that in a given community, an ethical system emerges – based on individual value systems – which is created by it and which produces it (*ibid.*, p. 61).

At the same time, Boulding maintains (*ibid.*, p. 62) that in every society there is a certain tension between its overt and covert ethical systems. This type of hypocrisy is necessary to avoid stagnation. A society remains dynamic when changes in the ways choices are made lead to changes in its ethical system.

What I find interesting in Boulding's reasoning, whose basic assumptions I reject, is the emphasis on the ethical dimension of business. He states (*ibid.*, p. 68): 'We are therefore faced with the following problem: if a business society is to survive, it must develop an integrative system and institutions. Those institutions (market, corporations, banks, etc.) must be specific to it, essentially instrumental in nature, and incapable of developing strong systems of integration on their own'. Furthermore, market institutions may develop in their management units a type of personal ethics that is detrimental to the survival of those institutions.

An ignored warning

It is always worth recalling the findings of a prophetic report by the Club of Rome – "The Limits to Growth" (Meadows et al. 1973). Published over fifty years ago, it remains surprising for its relevance and intellectual insight.

Still pertinent is the statement made in 1969 by the then UN Secretary General Sithu U Thant, which was treated as a credo:

> If such a global partnership is not forged within the next decade, then I very much fear that the problems I have mentioned will have reached such staggering proportions that they will be beyond our capacity to control. I do not wish to seem overdramatic, but I can only conclude from the information that is available to me as Secretary-General, that the Members of the United Nations have perhaps ten years left in which to subordinate their ancient quarrels and launch a global partnership to curb the arms race, to improve the human environment, to defuse the population explosion, and to supply the required momentum to development efforts. If such a global partnership is not forged within the next decade, then I very much fear that the problems I have mentioned will have reached such staggering proportions that they will be beyond our capacity to control (*ibid.*, p. 37).

Today – in the context of war in Ukraine and the Middle East, the growing geostrategic confrontation between the US and China, the migrant crisis in Europe, and the unstoppable demographic explosion on some continents – the warnings expressed by Sithu U Thant sound even more dramatic.

It would make little sense and be too facile to apply a calendar yardstick to the ideas and findings contained in the report and to verify its analytical forecasts from today's perspective. This is especially true given that the authors pointed to the natural lag in ecological processes, which makes it all the more likely that preventive measures will not be taken and, consequently, that the upper limits of the ecosystem's resilience will be unexpectedly reached (*ibid.*, p. 86). Today, this idea is part of the intellectual canon.

In any case, the Club of Rome's forecasts referred to the next hundred years, during which humanity would reach the limits of its growth if the then prevailing development trends in regard to population, industrialisation, environmental pollution, food production and depletion of natural resources did not change. The Meadows team predicted that the result would be a sudden and uncontrollable decline in population and industrial production capacity. The accuracy of their forecast still cannot be ruled out (*ibid.*, p. 61), and there remains nearly half a century to go.

The report made the far-sighted prediction that the most serious consequence of maintaining the global economic growth model in the long term would be the intensification of its thermodynamic, entropic effects, as primary and generated energy consumed on an increasingly large scale must eventually dissipate as heat. Moreover, that thermal 'contamination' of the environment would have a negative impact on the global climate if it reached a magnitude equivalent to a tangible fraction of the solar energy normally absorbed by the Earth. Already back then, the authors of the report warned against disturbing the hydrobiological balance of rivers and creating urban 'heat islands' (*ibid.*, pp. 89-90).

Re-reading the report also made me realise its importance for the current debate on economic growth and the need to restrict it. The report argues that expansive global growth is linked to the widening gap between the world's rich and poor nations (*ibid.*, p. 61). Today, we know that this also applies to growing social inequality within countries, including the wealthiest ones. We can therefore conclude that the current expansionary economic growth model will inevitably deepen social inequalities globally, producing in turn the consequences already predicted by U Thant, which will in time choke growth, erase the wealth accumulated as a result of it, and destroy its associated civilisation.

The authors of the report note that when physical barriers emerged in human development, humanity generally discovered technical solutions to remove or bypass them. Subsequent technological leaps made it possible to overcome the negative feedback loops that hindered economic growth. This was successful, but at the cost of accumulating opaque and largely unpredictable positive feedback loops with effects, including environmental ones, that had future impacts. The use of more efficient trawlers for deep-sea fishing allowed production and consumption to continue to grow, but this was accompanied by the depletion of fishing grounds and a reduction in biodiversity. The same can be said about any field of manufacturing. The authors of the report conclude this theme as follows: technical solutions may have some short-term impact by mitigating the tensions caused by growth, but in the long run they do nothing to prevent the threshold from being crossed and the subsequent collapse of the system (*ibid.*, p. 168).

The desired course of action would be to recognise these positive, inevitably cumulative feedback effects and deliberately weaken them. An indispensable prerequisite, however, is the evaluation of new technical solutions to provide answers to three key questions (*ibid.*, p. 168):

1. What will be the side effects, both physical and social, of implementing a new achievement on a large scale?
2. What social changes will be necessary before it is properly implemented, and how long will it take to implement those changes?
3. If this new achievement is completely successful and removes some natural limit to growth, what will be the next limit that this growing system will encounter?

It is also important to assume that the basic material needs of every person on earth should be met and that everyone should have equal opportunities to realise their personal potential (*ibid.*, pp. 43-44). These assumptions are intended to be the basic reference point for assessing economic growth and productivity. The goal cannot be to increase production and consumption, but to improve the quality of life as a fundamental social value. The authors of the Club of Rome report believed that society – freed from having to deal with the many difficulties associated with growth, would be left with more energy and ingenuity to solve other problems (*ibid.*, p. 185).

What the economics of greed has led to?

Let us now look at the problems of the contemporary world, especially the global economy, from the perspective of the modern researchers who describe them.

Wolfgang Streeck (2016) uses the term “social entropy” to characterise the social condition of capitalism. In his view, capitalist society is undergoing deinstitutionalisation and remains below the institutionalisation threshold necessary for cohesion, in other words, it is under-institutionalised (*ibid.*, pp. 13-14). The persistent deficit of institutionalisation in collective life is causing the mass individualisation of life strategies. Individuals are adapting their behaviour to growing market pressures. They are attempting in this way – often with limited success – not to give in to despair and resignation (*ibid.*, pp. 41-43). A striking manifestation of entropic social life is the growth of social inequalities, which, in its extreme form, leads to the rich not linking their own fate and that of their families to the fate of the rest of society (*ibid.*, p. 28).

Streeck summarises his observations on the entropy of social life as follows:

> The more resilience individuals manage to develop at the micro-level of everyday life, the less demand there will be for collective action at the macro-level to contain the uncertainties produced by market forces (*ibid*., p. 40).

Social entropy therefore means a dispersion of social energy, which becomes a destructive force that disrupts the institutional order. From this perspective, authoritarianism appears as a regime seeking to stop the process by concentrating power and force. The success of this political strategy leads to the oligarchisation of the economy and the state: the fusion of economic and political power. Now the state places its power in markets, unlike before, when it was markets that determined the state's actions with their economic power (*ibid.*, pp. 24, 28).

This fundamental change reflects the severing of the link between democracy and the economic growth model. That link is the quintessence of democratic capitalism, which for several decades after the Second World War combined market competition and private enterprise with the welfare state, labour protection, and collective consumption. This egalitarian growth model has been replaced by a model driven by individual consumption and the desire to possess more and more of the goods constantly and aggressively offered by the market (*ibid.*, p. 24).

Here, by way of digression, let me return to Tischner (2002, pp. 171-172). Quoting Lévinas, he reminds us that desire is not the same need. A need is always connected with some sort of 'satiation' by the thing to which it is addressed. A desire is different, however: the thing that is desired does not satiate the desire, but rather deepens it. Insatiability is in its nature. The arousal of desire through marketing drives insatiable consumption.

To sustain such a growth model, democracy is not necessary; indeed, it only gets in the way. That is because it limits market commodification and commercialisation –

the commodification of everything. To ensure the hegemony of financial and digital capital, democracy must be excluded and reduced to a facade.

It has become the norm for the democratic order to be undermined by big finance and digital capital on the one hand and populist politicians on the other. They portray democracy as an irrational system, incapable of taking on the biggest and most complex challenges, too slow to respond to the rapidly changing conditions of the global economy, and perpetuating the tendency to engage in ineffective market interventions.

The policies of Donald Trump consistently demonstrate that political and economic oligarchs can easily reach agreement on a transactional level. The less they are constrained by the rules underpinning the democratic order and rule of law, the easier that agreement will become. Authoritarian populism is a political regime that aims to maintain the consumerist and market-based model of growth.

The question then arises: is there another type of capital that needs democracy and that advocates for and supports democracy? I believe that only productive capital builds its position on the basis of entrepreneurship, productivity and innovation; productive capital that is prevented by the hegemony of financial and digital capital from independent and entrepreneurial expansion, that does not strive for monopoly and does not shun market competition, but, on the contrary, demands fair competition and its protection through transparent public regulation.

That type of capital is eliminated by abuses typical of financial markets and institutions, such as insider trading, the use of unlawful contractual terms, or the exploitation of a dominant capital position. On the other hand, it is reinforced by the high economic credibility of the state based on compliance with rules and obligations.

What is key to understanding the basis of the state's economic credibility is Streeck's distinction between the 'tax state' and the 'debt state' in the two aforementioned models of economic growth (*ibid.*, p. 113). In the first case, the state's fiscal activity is focused on effectively taxing various forms of economic activity in order to generate revenues to enable public spending at a level that ensures the maintenance of social order and the fulfilment of broad social obligations. In the second case, the state activity's is focused on fiscal consolidation, the purpose of which to allow taxes to be reduced as far as possible while keeping public debt in check. This fundamental institutional change was brought about by the 'neoliberal revolution' of the 1980s. As a result, there was a gradual privatisation of public services (the doctrine of 'new public management') and a restriction of democratic income redistribution, especially in Anglo-Saxon countries.

A crucial factor in bringing about this change was globalisation, which weakened the economic role of nation states. Taxing the activities of global corporations, especially digital ones, became much more difficult. The tax base began to shrink, and as a result, governments had to look for other ways to fund budget expenditure. It became necessary to regularly raise financing on global capital markets. The rapid growth of capital markets was ensured by that financing. Public debt was constantly rising, but it was relatively easy to service. States guaranteed the safe and efficient investment of private capital, and capital markets were more than willing to lend it. The cheaper money became, the easier it was to borrow and the harder it was to tax (*ibid.*, p. 51).

This phenomenon was accompanied and stimulated by a fundamental change in the functions of money and capital. The architecture of the tax state is conducive to channelling capital into productive activities – the supply side of the economy. A fiscal consolidation state helps stimulate consumption. The wide availability of consumer credit and mortgage loans compensated for the destabilisation of employment conditions and unfair remuneration of workers (*ibid.*, p. 149). As a result, credit-based consumption became a key factor in economic growth and in stimulating the economy. The provision of 'cash' by financial markets became the main form of populist social policy. This grand illusion lasted until the outbreak of the global financial crisis in 2008-09.

A prerequisite for the success of fiscal consolidation is the credibility of the state. Streeck (*ibid.*, p. 122) captures this well, emphasising that fiscal consolidation is essentially a confidence-building exercise. Therefore, it should not be feigned and no actions should be taken that could weaken the credibility of the state. At the same time, it is not enough just to appear credible to the financial markets – for that, a high financial rating and timely debt servicing are sufficient. There is also a need to appear credible to all economic actors. That is because the economic basis of a state's solvency is economic growth, which is conditioned by the activities of many different actors (entities), not only those on the demand and consumption side, but mainly those on the supply and production side.

When consolidation is an illusion, what remains is to sustain consumption and growth by deregulating financial markets and maintaining ultra-low interest rates, which enables individuals and households to borrow money in order to sustain consumption and sales. As a result, however, this leads to increasing social stratification and economic stagnation (*ibid.*, p. 215).

According to Streeck (*ibid.*, p. 65), the phenomena he describes lead to the emergence of five types of disorder in modern capitalism: stagnation, oligarchic redistribution, capture of the public domain, corruption, and global anarchy.

If we accept Streeck's cognitive perspective and description of reality, we are faced with a fundamental question: what social forces (economic and political) can stop this destructive process and set a different development trajectory – a path from entropy to social cohesion?

Before trying to answer that question, let us first consider why the global financial crisis (GFC) occurred and why it did not lead to the expected breakthrough.

Even a year before the outbreak of the GFC, experts from the International Monetary Fund were arguing that financial innovations (fintech) would help strengthen the stability of the global financial system. In fact, the new financial tools and products, conceived as a form of risk mitigation and insurance, actually increased the threat to the system. Innovations led to the ratio of banks assets to equity exceeding 25, which was an extreme manifestation of the uncontrolled appetite for capital and the herd instinct that prevailed in financial markets (Turner 2016, pp. XI, XII).

Adair Turner (*ibid*.) described this kind of financial activity as socially useless. This term only makes sense if we consider 'social utility' to be a fundamental economic category. But then we would have to shift to the economics of values, thus negating the 'economics of greed', which is the essence of neoliberalism. In the economics of greed, what matters is not what you do, but how much you earn: 'the business of business is business'. A high return on capital justifies and overshadows everything.

The resulting economic model is well described by the fact that in highly developed economies, private sector debt rose from 50% of GDP in 1950 to 170% in 2006. At the same time, currency trade grew faster than exports and imports, commodity turnover grew faster than output, and capital flows grew many times faster than long-term productive investments (*ibid.*, p. 3). These comparisons perfectly illustrate the consequences of the dominance of financial categories over real categories and the dominance of financial capital over physical (productive) capital. The economy of financial results marginalises the economy of needs. As a result, public debt rises while the social product stagnates or even declines.

At the same time, it should be remembered that the rapidly growing public debt constrains the ability to adequately and effectively implement various types of public policies. The consequences of this can be described as the emergence of other types of debt, such as environmental debt (an increase in the level of environmental pollution), educational debt (a decrease in the quality of education), or health debt (a decrease in the health of the population). Public financial debt is transferred and gradually transforms into civilisational debt, reducing quality of life, especially for the economically weakest groups and communities. The experience of the GFC confirms that the unbridled growth of private debt led to massive public debt and recession, and therefore to a decline in material living standards, as well as worsening poverty and increasing homelessness.

If households are involved in gambling on financial assets on a massive scale so that the state can finance a high budget deficit by selling treasury bonds, the result is that their savings increase, but consumer demand does not. This maintains excess public spending, but does not stimulate economic growth. However, it can lead to long-term economic stagnation, a textbook example of which is the Japanese economy.

The neoliberal economic model stimulates the creation of money by private financial institutions (credit money). This money generally does not enter the manufacturing sphere. Instead, it stimulates gambling on financial assets as well as property and land speculation. It also indirectly stimulates consumption growth (*ibid.*, p. 6). Its liquidity and unlimited availability result in the transformation of used physical assets into financial assets. This is a form of appropriation of material goods, and it deprives people of the material basis of their existence on a mass scale.

We are witnessing the dramatic consequences of this in housing. The value of real estate is rising rapidly, and with this comes an increase in the number of unoccupied premises on the one hand and in the number of homeless people on the other. This is most clearly visible in American cities. Mortgage loan availability and property price growth are strongly correlated, which regularly causes speculative bubbles in housing markets and increases developer pressure on municipal authorities in large cities. In many of those cities, the blind desire to attract investors has driven up land rents and the return on capital invested in real estate. As a result, investor profits are rising, as are the costs of expanding and maintaining municipal infrastructure, which has brought many cities to the brink of bankruptcy or even to socio-economic collapse.

At the same time, other key resources and goods are becoming financial assets. While back in 1984 global futures trading accounted for less than 10% of actual diesel production and consumption, thirty years later the value of futures contracts exceeded the value of diesel production and consumption by a factor of 10 (Turner, *ibid.*, p. 25). A similar phenomenon has occurred in other global commodity markets, e.g. cereals, causing systematic price increases and limited availability. This causes capital and economic activity to shift to markets with high liquidity and high rates of return. Speculative capital does not engage in productive activity. Speculative gambling on financial assets has become a synonym for entrepreneurship.

The neoliberal economy is dominated by liquid, speculative money that is detached from its original material basis. This has enormous consequences: growing material inequality on the one hand and worsening indebtedness on the other, which together make economic activity unsustainable. At the same time, economic debate is rife with talk about sustainable development.

Speculative money creates money that is different to traditional money. Originally, this phrase referred to the accumulation of physical capital, especially productive assets, and meant that bank credit (financial capital) was used by entrepreneurs to launch productive activities, the surplus from which allowed them to expand productive assets and multiply capital. Now the accumulation of financial capital takes place without the intermediation of productive activity: money begets money, but on the production side it is ‘empty’. We are witnessing the widespread pursuit of profitability divorced from productivity.

In his theory of interest and money, Keynes distinguished between asset creation and asset trading, referring to the latter explicitly as speculation. The socio-economic effects of these two types of activities are different, although they can and should be complementary. Productive accumulation is based on entrepreneurship, productivity and competition, while financial accumulation is based on trading. In both cases, accumulation is conditioned by credit. However, if financial accumulation begins to dominate in a given economy, economic growth becomes so dependent on credit (and to a lesser extent on factors of production) that it is financed mainly by growing debt. That inevitably leads to deepening social inequalities, which in turn leads to increased public spending, budget deficits, and the additional issuance of credit money (Turner, *ibid.*, pp. 119, 120). As a result, economic activity shifts towards financial accumulation. A diabolical vicious cycle is set in motion.

A few decades after Keynes, Hyman Minsky emphasised that the mechanism of productive capital accumulation could be financially secured by repaying the original loan using the return (profit) on the invested capital. Where the mechanism of strictly financial accumulation – i.e. speculative gambling on financial assets – dominates, the collateral inevitably becomes additional money creation, which enables repayment of the previously incurred debt (see Turner, *ibid.*, p. 65). According to data from the Bank of England, in 2012 the structure of loans granted by UK banks was as follows: manufacturing loans – 14%, property loans – 14%, mortgages – 65%, consumer loans – 7% (*ibid.*, p. 63).

The degradation of wealth accumulation also means the accumulation of unrepayable debt (*ibid.*, p. 8) and its chaotic transfer, which makes economic stewardship on a global scale unsustainable, i.e. doomed and vulnerable to economic shocks.

The dependence of the world economy on 'empty money' has gone so far that stopping its further creation seems impossible. Indeed, its creation is intensifying, which is like trying to cure a hangover with the 'hair of the dog' method. When providing additional liquidity to the financial markets becomes the last resort, the stability of the economy is ultimately undermined. Speculative gambling on financial assets means that the individual benefits accruing to some players result from costs being shifted to other players, and all the while the systemic threat grows: the financial system becomes less resilient and unstable, among other things, because widespread speculative gambling becomes a self-perpetuating cumulative mechanism, producing disastrous pro-cyclical effects throughout the economy (*ibid.*, p. 103).

To prevent this from happening, Japan and Korea have for many years pursued a policy of channelling credit into manufacturing in order to accelerate the accumulation of productive capital. Currently, Australia is an example of a country that implements productivity strategies at the national and regional levels.

Turner (*ibid.*, p. 9) argues that given the deepening financialisation of the economy, excess private money creation (relative to the real sphere of the economy) need not lead to a strong increase in inflation. This is indeed what happened: before the GFC (and also after it), ultra-low interest rates did not cause a high increase in prices. And yet a catastrophic financial crisis occurred. The reason is that inflation is only one of the possible 'channels' of capital flow (debt transfer). Another might be depriving a large proportion of the population of some of their material wealth and/or reducing the quality and availability of public services; still another might be unfavourable environmental changes. We do not see this in the nominal financial picture, but it is *de facto* happening. Growing debt does not disappear: it circulates, gradually revealing its degenerative power. The effect is that of a snowball.

Another consequence of the neoliberal economic model is that capital flows, not trade, become the hegemonic form of globalisation. The world of financial assets and financial capital does not recognise any hard barriers: the game proceeds even though the Titanic is sinking. If foreign banks can make their capital freely available on the domestic financial market, then domestic measures to curb the excessive issuance of credit money will not be effective.

Turner (*ibid.*, pp. 152-153) emphasises that the net inflow of capital to a given country should be offset by long-term productive investment. Otherwise, it becomes a source of instability for the financial system. At the same time, gross capital flows on a global scale are significantly higher than their net worth, which means that financial capital flows back and forth on a massive scale in search of speculative profit based on a favourable valuation of the risk of investing that capital in a given country – the higher the risk, the higher the profit.

Indebtedness is therefore endless; it has no limits until a sudden crash occurs on the financial markets, an example of which is the global financial crisis of 2008-09. Then the possibility of rolling over debt by incurring yet more debt becomes rapidly exhausted, and the crash engulfs all participants, spreading like a flood and multiplying losses.

In various places the neoliberal economic model encounters physical and material limitations. These result from the fact that the economic growth stimulated by the model is entropic, which makes it unproductive: it consumes non-renewable resources at an increasing rate.

Continuing to sustain this market economy model is increasingly dependent on coercion and violence. This is, after all, the guiding principle of Trumpism: the fusion of authoritarian political power and big capital. Now power is becoming synonymous with capital, which imposes economic conditions on everyone. The accumulation of power drives the accumulation of capital and vice versa.

There are some who believe that in order to break this vicious circle, economic growth must be abandoned. Their creed is 'degrowth' (alternatively: 'zero growth'). The main problem with this concept is that it is utopian: how can we make the poorest countries and those that are already enjoying the fruits of growth (e.g. emerging economies) abandon economic growth? Zero economic growth would in practice mean a sharp deterioration in living standards for large segments of society, including the 'middle class', and a worsening of inequality. And this would inevitably lead to public anger, becoming political fuel for authoritarians. The effect would be the opposite of what was expected by the pious advocates of 'degrowth'. This is clearly shown by the success of Trumpism in the US. Democratic societies need economic growth, but obviously they need egalitarian growth, not entropic growth. Fetishising economic growth is one thing, but denying it is another. Taking this idea to an absurd extreme, all that would be needed to solve the problem would be to engineer a permanent recession!

The fundamental questions are therefore: What kind of growth do we need? What are its beneficial factors and outcomes? What should dominate the supply side of the economy, and what should dominate the demand side? The general answer seems straightforward: on the supply side, the prudent and productive use of available resources, and on the demand side, the satisfaction of socially legitimate needs. However, until an economic model that makes this possible is defined and implemented, these postulates will remain unrealised. We will still be stuck in a trap with no way out.

Once indebtedness reaches a critical point, traditional public policy remedies are blocked and produce effects that are the opposite of what is intended (*ibid.*, p. 84). At the same time, the dominance of the neoliberal economic model creates such a strong gravitational field that most economic entities are unable to break free of it. They remain within the orbit of the dominant players on a given market, currently the big tech companies. Over time, all the safeguards and limitations in this gravitational field prove illusory.

In the Trumpian version, the alliance of power and capital is transforming political power and military might into a predatory imperial business. One is forced to ask the existential question: who can stop it and how? From the European point of view, it cannot be an imperial power equal to the American one. In practical terms, the only alternative is Chinese hegemony. Europe can manoeuvre between these two superpowers, but the chance of such tactics succeeding depend on whether European countries are able to follow their own, distinct development path.

This is why it is necessary to refer to the economics of values as a way of thinking different to the economics of greed. It might have seemed that the GFC and growing criticism of the neoliberal model would channel economic debate, policy and activity in this direction. Ten years ago one might have thought this was happening. In the European Union in particular, proposals were put forward to stabilise the banking system, and new governance concepts, such as the Green Deal or ESG (Environmental, Social, and Governance), emerged. Their implementation was largely declarative, however, and slowed down in the wake of the Covid pandemic, the escalation of the migrant crisis, and Russia's invasion of Ukraine.

Economic and non-economic criticism of the neoliberal model should not be set in opposition. On the contrary, they should be combined and made more coherent. This will only be possible when we create a common axiological ground for both. In doing so, we will demonstrate those features of the valuation mechanism that determine good economic activity, i.e. activity that involves the creative production of goods that meet social needs and contribute to social well-being. That is what development means.

While I share Turner's diagnosis, I cannot agree that in order to overcome the syndrome of the 'dominance of speculative capital' in the modern economy, which he accurately describes, it is enough to establish that 'money' is and should be considered a 'good' of a different kind than other 'economic goods', and therefore cannot be subject to free market rules, which is especially true of 'credit money' (*ibid.*, p. 190). To accept that conclusion would mean that the necessary change in stewardship rules would apply almost exclusively to financial markets and financial instruments themselves. Following this line of reasoning, new mortgage rules should be implemented, for instance, so that the risk is shared by the borrower and the lender (Turner, *ibid.*, p. 193). Without entering into a technical discussion on whether such a contractual change would actually produce the desired results and significantly reduce the systemic threat caused by the massification of mortgage credit, I wish to point out that even if successful, this solution would be of marginal importance and would not overcome the disastrous consequences of the neoliberal economic model and the economics of greed.

A new perspective would be needed on a number of other goods that could not be considered purely market goods. This includes housing, for instance, but also water or goods related to health and education. The point is not to exclude them completely from the market, but to ensure that they cannot be fully commercialised. They require complex delivery systems to ensure universal access.

The changes needed must concern the rules and objectives of stewardship. And they cannot be brought about by purely regulatory changes or by using a different set of tools. I am not questioning the importance of economic policy here. On the contrary, it is crucial, but it cannot be reduced to influencing the business cycle. What is more important is how it is adapted to the structural features of a given economy and the evolution of those features. The effectiveness of structural policy influences the course of the business cycle and the ability of economic entities to absorb its volatility. It should be emphasised, however, that the room for national economic policy is being narrowed by the hegemonic power of the big economies and the capital domination of giant economic organisations. Global authoritarianism cannot be stopped without maintaining democratic order and social control.

Trumpism is a new iteration of what has gone before, and what always comes back in a more radical version. The economics of greed will always triumph unless economic activity is grounded in values. The lack of such grounding is the main reason for the global polycrisis. We need an economics of values.

State credibility as the foundation of the economics of values

Credibility is not binary (it exists or it doesn't): there can be degrees of credibility. It can relate to any social sphere, including the state, but also to the economy. In order to describe the category of 'economic credibility of the state' in economic theory, it is necessary to present it as follows: credibility – trust – predictability – calculation – cooperation. Since we are relating the category to the economy, the calculation takes the form of an economic balance sheet, where cooperation becomes economic activity.

If we talk about economic credibility, we need to have in mind specific economic entities. It is those entities which, when making decisions and taking actions, assess the economic credibility of the state. Economic entities calculate the risks associated with that state (economic, political, regulatory, administrative). At the same time, low or high state credibility directly or indirectly affects the conditions (and various parameters) of conducting economic activity. Credibility is therefore an important economic value, but also a regulatory category: its impact influences the formation of a favourable or unfavourable environment for economic activity.

Credibility has many subjective references (it applies to different actors) and many objective references (there are different types of credibility). These two dimensions cannot be separated, if only because some of the conditions of economic activity are established directly (e.g. tax rates). Most, however, are the result of numerous interactions, including social perceptions and expectations (e.g. the level of inflation as a consequence of inflationary expectations). The credibility of the state affects economic parameters through variables such as trust, information and knowledge.

A component of credibility is commitment –one that is kept, not just promised. Credibility is therefore relational in nature, because it is based on trust between the parties to a social relationship. When it comes to power, its essential reference point is the recognition by citizens that the actions of those in power are legitimate.

Legitimacy arises from citizens' recognition of the state as their own and from their willingness to defend it and respect the rules it creates. The opposite of legitimacy is civil disobedience, which also manifests as anarchy: disregard for the state, individual autarky, withdrawal, and distancing oneself from the country and its affairs. As a result, however, when a crisis situation occurs, how the deficit of legitimacy manifests itself in the state's inability to solve problems and in the state's ineffective, costly, misguided and delayed decisions becomes clearly visible. It is a mistake to equate civil disobedience with protest alone.

Reducing legitimacy to the rule of law is a manifestation of the 'self-closure' of the legal system and its alienation from society. It is then that legal procedure displaces and replaces the axiological order. Procedure itself becomes a normative foundation. Formalistic legalism causes legality to disappear and the state to lose its social legitimacy. The constitutional order becomes an order of legalistic, casuistic correctness.

As legitimacy weakens, the power of unlimited political decision-making seemingly grows. However, without rules embedded in legitimacy, political choice leads to one thing only – the preservation of power. And this is what distinguishes the politics of rules from the politics of events, and the politics of principles from the politics of facts.

When public authorities lose economic credibility, they resort to propaganda and try to bribe various groups important to their political interests. This leads, among other things, to reduced confidence in the national currency and to inflation. The direct consequences of a state's low economic credibility include: a higher level of risk and related costs, lower economic efficiency, lower productivity of the state's own resources, higher debt servicing costs, and lower resilience to shocks.

The value of fiat money is based on trust in the issuer, and that trust depends on the issuer's economic credibility. It is difficult to imagine an effective fight against inflation without trust in the institution that issues money.

Credit is said to be founded on trust. I agree. But is this just the trust between the lender and the borrower? It is never a one-to-one, creditor-debtor relationship. There is always an intermediary, such as a notary or a witness. A credit agreement is essentially based on the fact that the state guarantees the stability of money. The economic credibility of the state is a function of the credibility of that basic economic guarantee. It weakens, for instance, when inflation rises. When there is hyperinflation, the basic guarantee ceases to operate.

In an environment of runaway inflation, no one would lend money. In such situations trust must be supported by the state as a normative order, a system of rules, which allows people to safely enter into relationships based on trust. For trust to develop, the state must be credible to its citizens; it must create order and build the infrastructure that bolsters social relations.

Fundamental to understanding the economic credibility of a state is recognising the relationship between the short-term (current) and long-term (future) consequences of economic actions and phenomena. Let us try to look at this through an interpretation of Keynes's theory (2011). If economic activity is guided primarily by the interest rate (which, as Keynes emphasises, is a current phenomenon) and the marginal efficiency of capital, then the importance of the future in economic activity disappears, and the present becomes consolidated. The situation is different when the present is linked to the future through productive capital (Keynes 2011, p. 128). It is productive (developmental) investments that open the way to the future and lay the foundations for challenges to be met.

Becoming 'embedded' in the present and exploiting those resources that bring short-term success leads to a loss of resilience. Every success then becomes a problem, because it leads to stereotypical behaviour, which in turn leads to routine. The government, focussed on winning now, forgets to develop the ability to adapt to new rules or situations. Growth results from the use of current factors; it happens in the present. Development is possible when we create a bridge between the past (our legacy) and the future. Growth gives strength, but does not bring resilience.

That bridge includes productive investments, especially innovative ones. And this is precisely what Keynes pointed out. The complementarity of private and public investment is of fundamental importance. Public investment is not meant to displace or replace private investment. It is essential in the formation of economic infrastructure, but it is also a spatial constraint, without which short-term private interests would dominate over the long-term developmental public interest.

In the Schumpeterian market economy model, money is closely linked to credit and is never separated from it (Minsky 1990, p. 12). In the modern economy, money has been significantly detached from credit and entrepreneurial productive activity. It has become an independent entity, the ultimate manifestation of which are cryptocurrencies. The worlds of production and finance are no longer autonomous in relation to one another. Today they form a conglomerate, whose participants – unlike Schumpeterian entrepreneurs – avoid risk and try to pass it on to someone else, a concept well illustrated by the Keynesian concept of 'animal spirit' (*ibid.*, p. 15). Contemporary capitalism is much more rentier than entrepreneurial, and in this respect it significantly resembles feudalism. The income generated by entrepreneurship is reduced at the expense of income from the ownership of financial capital and its economic power. As a result, we are witnessing a progressive decline in productive investments and a weakening in the productiveness of enterprises (*ibid.*, p. 17).

Minsky (1988, pp. 31-32) contrasts financial and managerial capitalism, emphasising that the latter, which developed after the Great Depression in the early 1930s, did not experience the deep recessions that characterise financial capitalism. For several decades after the Second World War, the combination of managerial capitalism and the welfare state protected society from sudden pauperisation and the loss of a significant portion of generational wealth. In the case of financial capitalism, social and material collapse periodically occurs and – in the wake of the neoliberal revolution – in a form that is increasingly acute and insurmountable. Breaking this trend would require structural intervention by the state. The examples of the US and UK, and now also France and Germany, show how weak and unreliable countries have become in this regard when penetrated by global financial corporations and, increasingly, by big tech.

Low economic credibility erodes the long-term and productive orientation of the state and strengthens the short-term, speculative and transactional orientation.

The degree to which a state functions as a large financial institution is of fundamental importance to all its citizens. Everyone – willingly or unwillingly – is a participant in the state's financial system, both on the revenue side (the tax system broadly understood) and on the expenditure side. In a way, therefore, citizens are 'shareholders' of the state, which they maintain with their taxes, and are also its 'creditors'. For it is inevitable that, in one way or another (e.g. as a result of inflation), the state's debt becomes a burden on its citizens. How the state finances its operations, including the public debt, therefore has a huge impact on the redistribution of resources in the economy and on the well-being of citizens (Biga, Hausner and Możdżeń 2021, p. 88).

A country's financial system is a structure composed of many interconnected parts. Whether it functions efficiently strictly depends on the economic credibility of all its participants, but above all on the credibility of the state itself. The market economy is based on it. If a state's credibility is undermined, the economy becomes more vulnerable and less resilient to various types of economic shocks. Kamil Pruchnik notes that low credibility means that a state is unable to prevent a banking crisis (Pruchnik 2021, pp. 51–52). Its outbreak causes a sharp increase in the cost of financing economic activity. Credit risk and the cost of credit rise, leading to recession and a wave of bankruptcies. The process becomes a negative loop and the spiral of economic collapse is reinforced (*ibid.*, p. 129).

Although the process can be interrupted by state intervention, this will not be possible or effective if the state does not have a sufficiently high level of credibility. If the economic credibility of a state is to be maintained at a high level, establishing and observing rules that can be described as beneficial constraints it is of great importance. Their implementation and observance (e.g. rules related to environmental protection) are the foundation of the state's economic credibility.

The existence of the 'debt transfer' phenomenon means that justifying the growth of public debt as economically cheaper than private debt is a misleading argument. The currently cheaper public debt will soon become private debt, which will trigger another wave of public debt growth. It is also important to remember that a destructive financial policy in one country also has negative consequences internationally. This applies, in particular, to that country's economic partners.

The phenomenon of 'debt transfer' results from the fact that debt links the present with the future differently than in the case of work and remuneration. It has a different social and spatio-temporal character, which is defined by the debtor-creditor relationship and the resulting expectations and obligations. An important variable in that relationship is money, which expresses and measures the amount of debt. Money is itself a form of debt. When inflation occurs, it loses value, which affects the amount of debt. In this sense, the bilateral debtor-creditor relationship becomes a broader social relationship. Its spatio-temporal aspect expands, and inflation (as well as many other variables) may be a factor in this.

The transfer and redistribution of debt are also affected by the differentiated and variable fiscalisation of various types of economic activities and exchange rate volatility. Cash flows not only reflect current transactions, but also influence the formation of long-term relationships between market participants. This impact is all the stronger the more money in the economy is endogenised, which is a consequence of the weakening of fiscal rules and the *de facto* loss of independence by the central bank.

Denying the importance of, and circumventing, socially beneficial constraints causes the economic structure to become deformed. Some of its elements gradually gain a dominant position and assume the role of hegemon. An example is the cartelisation of the industrial economy. Nowadays, large technology platforms (GAFA) are achieving the position of cartels.

Structural deformation may take the form of etatism, where supremacy is assigned to state entities that subordinate market players and impose economic rules that are favourable to those entities. This is currently happening in Poland and Hungary, and is even more obvious in China and Russia. In these and many other countries we are witnessing the formation of a state-national market economy.

The ineffectiveness or low effectiveness of rules, including fiscal rules, is usually not due to how they are constructed, but to who uses them and how they are used. Rules are constraints on the freedom of decision-making. They do not eliminate that freedom, but they restrict it: you can do a lot, but not everything. Decision-makers have a natural tendency to bypass such constraints. They often choose shortcuts, which is why solutions must be put in place to prevent them from doing so. One solution is the constitutional principle of the rule of law. If it is undermined, the entire normative order is diminished. Unfortunately, we know that ultimately there are no formal legal provisions that determined decision-makers cannot dilute or even remove.

The normative order exists in society not because of sanctions themselves, but because of cultural (axionormative) social choice and anchoring, which constitutes the basis of its formal and legal anchoring. Therefore, if someone demands the abolition of rules – including fiscal rules – because they are ineffective, they should bear in mind that this will undermine the entire normative order and any rules written into it. Those rules will gradually cease to apply, and thus the constraints that arise from them, as well as the social benefits, will be withdrawn. A state cannot have credibility if there is no compliance with the rules it establishes. Observance of those rules ensures certainty, without which it is impossible to achieve stable economic conditions necessary for the economy to function.

Respect for international obligations, i.e. bilateral agreements concluded with other countries and, even more so, multilateral treaties often related to membership in international organisations, is of crucial importance for the economic credibility of a state. Those treaties and agreements define the operation of domestic entities in the international arena and the involvement of foreign entities, both individual and institutional, in the economic life of the country.

The economic credibility of a state is a kind of public good that exists and that must be instrumentalised in order to benefit from it. The point is that the ways of instrumentalising that good should sustain and not destroy it. Of primary importance is the quality of economic information produced by the state and its agencies. The opposite is the manipulation of statistical data or government propaganda in lieu of reliable information. Such instrumental exploitation of credibility undermines it and reduces trust in the state.

What kind of globalisation (internationalisation of economic activity) do we need?

'Global value chains' is one of the key concepts relating to globalisation. The UNCTAD World Investment Report (2013, p. 125) proposed the following working definition: 'GVCs are defined by fragmented supply chains, with internationally dispersed tasks and activities coordinated by a lead firm (a TNC)'. It puzzles me why 'supply chains' are called 'value chains'. The more important question, however, is whether 'chain' is an appropriate metaphor for 'value'? Of course, a chain as a linear connection of links has its specific use value. This is also the case with supply chains, which determine the continuity of economic activities, their efficiency and the generation of resulting profits. They therefore contribute to the creation of added value. And this is essentially what researchers of global value chains focus on. They believe that for individual economies, especially 'emerging' ones, participation in global value chains involves the following challenges (see Geodecki 2025, mimeo):

- joining global value chains to modernise the structure and increase the competitiveness of the economy;
- increasing the share of domestic added value in value chains;
- increasing the market power of local enterprises in value chains;
- industrial advancement of local companies in cooperation with foreign investors;

- moving away from competing on low labour costs.

However, with such a broad definition of the problem, the use of the ‘chain’ metaphor becomes all the more questionable. It would be more appropriate to use the term ‘networks’. This leads me to propose the concept of ‘value creation networks’, which opens up the possibility of including in the area under analysis not only the use values associated with supply, with cooperation in the narrow sense, but also those that can be ‘obtained’ (created) through economic partnership. Indeed, this is clearly what the above list of challenges refers to. Then, not only economic (commercial) values are included, but also other values, including non-material ones closely related to them. This approach shifts the thinking towards the ‘economics of values’, in which ‘value creation networks’ – understood as production networks, not just supply networks – are one of the core categories. When considering the benefits of ‘global value networks’, it is not enough to repeat the mantra of ‘added value’ without precisely indicating ‘to what?’ and ‘for whom?’.

Maintaining global supply chains undoubtedly stabilises the global economy. On the other hand, their sudden disruption causes economic shocks, as we have seen in the wake of the Covid pandemic. In this sense, they are a manifestation of globalisation and a condition of it. However, value creation networks, especially those that strengthen socio-economic regenerative forces, are crucial for development.

Nexus as a component of the regenerative approach

One of the more recent concepts helpful in understanding ‘sustainable development’ is the Water-Energy-Food-Ecosystems (WEFE) Nexus (Kundzewicz 2024). The authors who have popularised this concept interpret the term Nexus differently. Generally, it denotes a network of linkages or connections, and its use indicates the interconnection of different variables or phenomena and/or the overlapping of different ideas. The WEFE Nexus concept enables us to capture the relationships between different aspects of security: water, energy, food and environmental security.

This approach provides a conceptual (interpretative) framework for an integrated, comprehensive approach to the management of resources and goods that nowadays have become critical – they represent a key development challenge because, on the one hand, they are scarce and/or cost-intensive, and on the other, access to them ensures that the population's quality of life is maintained, and therefore satisfying the needs that are related to them has an existential value for society. Bringing these key issues together will help overcome the sectoral (silo) approach, which is ineffective or even counterproductive (short blanket syndrome) in the face of global changes and related shocks. The partial positive effects of sectoral actions are proving to be insufficient and unsustainable. They are also failing to provide a satisfactory level of security because they strengthen the influence of interest groups associated with a given sector, which makes the necessary adjustments impossible to implement.

The WEFE Nexus concept was conceived primarily as an analytical tool to capture the interdependencies, synergies and conflicts between water, energy and food management in the context of the requirement to protect ecosystems – to reduce environmental pressures and associated risks. An example of the application of this approach can be seen in the analysis of the water footprint of electricity generation from various sources, specifically water consumption per unit of energy (Gerbens-Leenes et al. 2020).

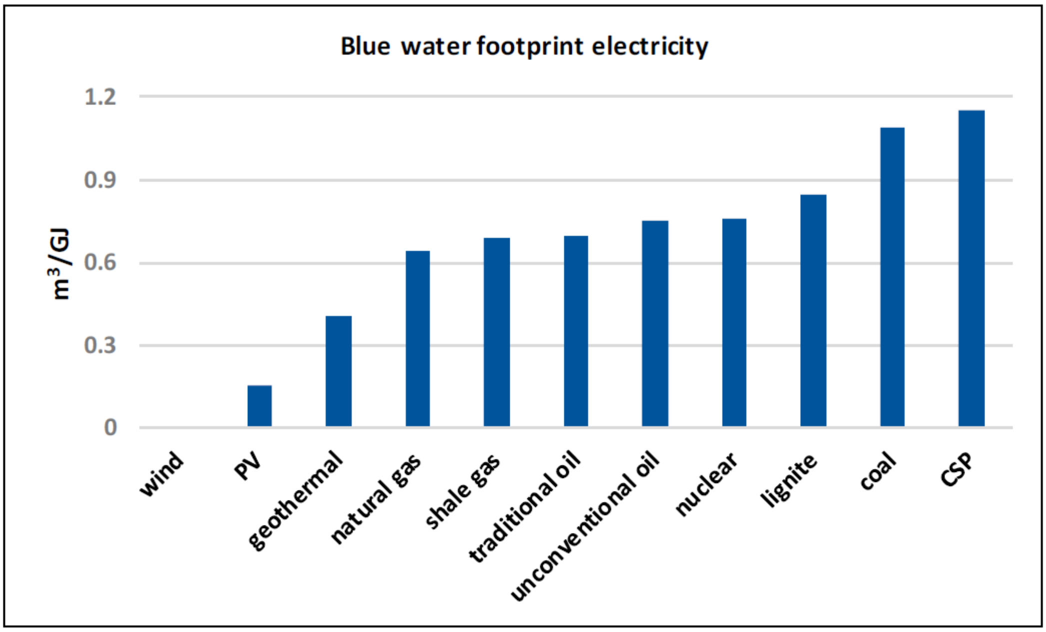


Figure 1. Blue water footprint electricity

Source: Gerbens-Leenes et al. (2020, p. 8).

However, researchers developing the concept are convinced that it also has managerial qualities; in particular, it enables the integrated planning and design of alternative development scenarios and strategies, and thus can help make public policy more efficient.

The Nexus is also presented in other, wider versions than WEFE. Bleischwitz et al. (2018) have proposed to include land and material resources within its analytical framework, thus linking the concept with the UN's Sustainable Development Goals. The authors called their proposal the Resource Nexus Perspective. In their understanding, it means a system of contextual interdependencies between two or more types of natural resources in a supply chain and supply system (*ibid.*, p. 3). Their article cites numerous research studies conducted in various countries at national and regional levels.

What is noteworthy in this approach is its emphasis on the fact that analytical studies enable those critical interlinkages to be captured and understood. This is an important suggestion, although its usefulness requires further definition of what is meant by 'critical'. In the text under discussion, it clearly refers to security. A Sankey flow diagram can be used to analytically represent these interlinkages in visual form.

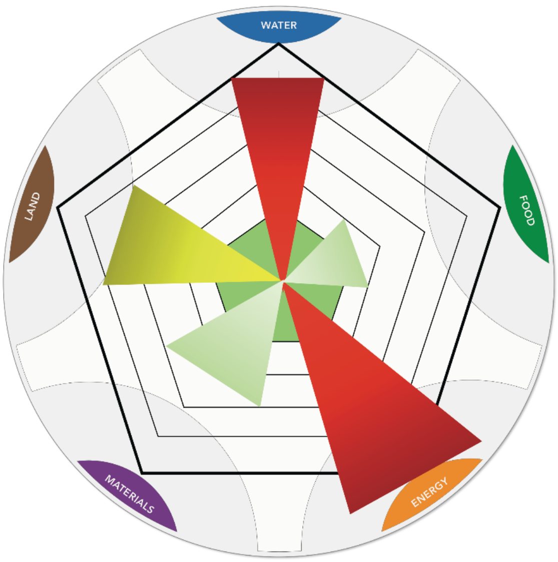


Figure 2. Interlinkages and impacts of using resources

Source: Bleischwitz et al. (2018, p. 8).

The above radar chart, according to the authors, captures the critical interlinkages between different types of supply, also taking into account their effects on different territorial scales. This then enables the creation of various types of public intervention scenarios, which is aided by the following interpretative scheme.

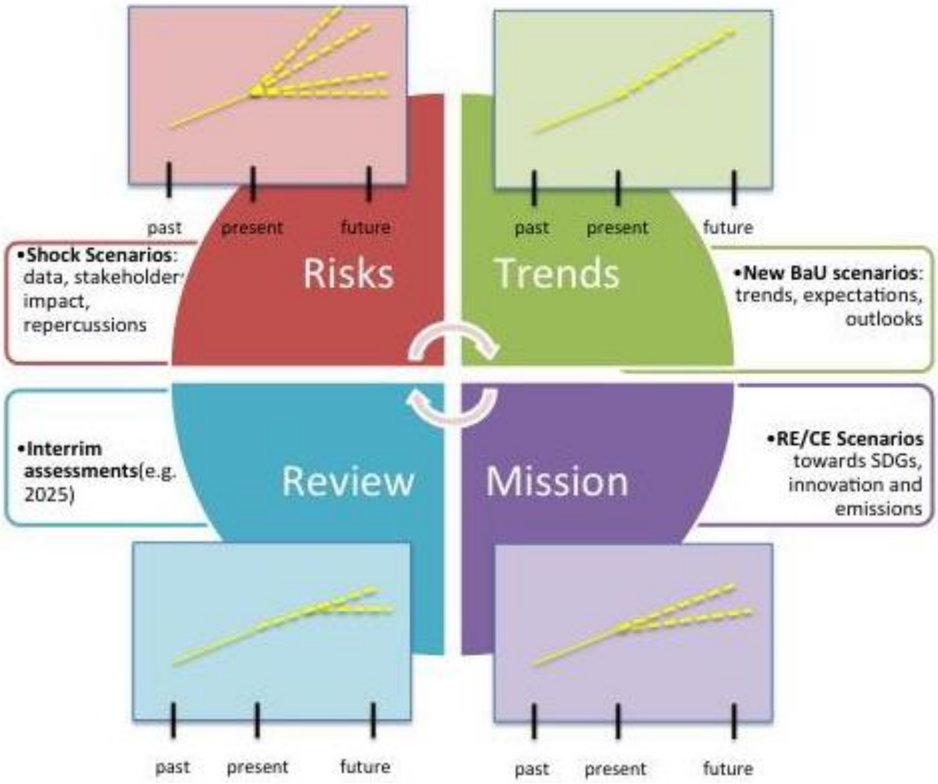


Figure 3. A set of scenarios supporting decision-making processes

Source: Bleischwitz et al. (2018, p. 11).

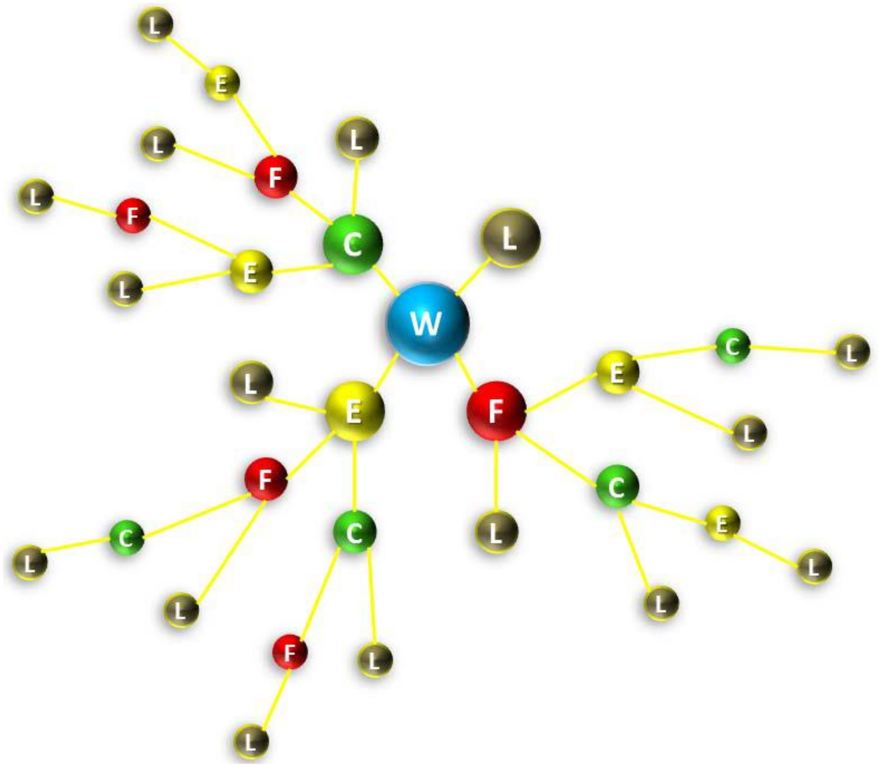
The figure describes four new types of scenarios that are relevant to Nexus research.

1. Risks: these may include shocks, e.g. when critical limits are exceeded.
2. New BaU (Business as Usual): these scenarios can take into account current environmental changes and expected saturation trends.
3. Review: this refers to the measures taken and their evaluation in terms of achieving the objectives and existing gaps.
4. Missions: these refer to new and ambitious scenarios that have a better chance of achieving their goals and attracting multiple actors (stakeholders) (*ibid.*, p 11).

One of the interesting examples of Nexus dependencies, in this case degenerative, is presented in the article by Bidoglio et al. (2019, p. 459). This is about the water footprint of almond production in California, which consumes more water than the entire population of three major cities – Los Angeles, San Diego and San Francisco. At the same time, California has been subject to severe, large-scale, long-lasting droughts for years, which increases the risk of catastrophic wildfires.

Undoubtedly, the Nexus in its various versions can be used for integrated planning.<0} It is a helpful tool, but at the same time a complex and difficult one that requires a huge amount of accurate data.

The figure below shows how difficult this tool can be to use. It shows possible fourth-order connections between water and land for a five-dimensional Nexus (W – water, E – energy, F – food, C – climate, L – land). In this frame of reference, first-order (direct) to fourth-order (indirect) connections are analysed – there are 120 of them in total. At the same time, the authors (Laspidou et al. 2018, p. 6) emphasise that the modelling architecture they propose does not take into account feedback loops that dynamize and complicate the analysed system, making it even more disordered and irregularly variable.



W to L	=	WL	+											1st order
		WEL	+	WFL	+	WCL	+							2nd order
		WEFL	+	WECL	+	WFEL	+	WFCL	+	WCEL	+	WCFL	+	3rd order
		WFLCE	+	WFCLE	+	WFLCE	+	WLCFE	+	WCLFE	+	WCFLE		4th order

Figure 4. Nexus tree for Water to Land Use, showing the formation of all 16 direct and indirect pathways by which a change in Water can bring about a change in Land Use

Source: Laspidou et al. (2018, p. 5).

For this reason, I do not believe that the Nexus can do a good (effective) job of comprehensive optimisation modelling, even though the 'modelers' firmly believe that it can. However, I see its usefulness in identifying 'critical points', which I interpret as nodes that have the strongest impact on the entire analysed area. These nodes should be addressed first and foremost by public intervention. Such an approach would help neutralise the linear, chain-like dependencies of variables depicted in a given Nexus version. This would make it easier to identify the connections that make the system more dynamic – in this sense, these are critical connections. Their interaction is not linear, but in fact dissipative.

Moreover, in the aforementioned approaches, the Nexus is biased towards ensuring security, also interpreted as resilience. This is implied by understanding the Nexus as a tool enabling the determination of a steady state. Such as approach obscures dynamics and makes it impossible to view the analysed connections from a developmental perspective, specifically through the prism of regenerative interactions, which inevitably lead not only to the reconstruction but also to the change of the system.

Capturing and strengthening regenerative interdependencies is, in my view, possible under certain conditions, which I will summarise as follows:

1) recognition and action must relate to a specific territory that contains a specific set of phenomena being analysed;
2) an institutional system capable of exploratory (including analytical) and practical-intervention activities is necessary;
3) such an institutional system must include the activity of many different autonomous actors and cannot be monocentric;
4) thanks to this, it can ensure development sovereignty for a given territory, including determining strategic developmental (regenerative) impacts;
5) this is conditioned by the development of a common axiological plane, i.e. development being related to specific values.

I would like to add in this context that in the above-cited article by Bleischwitz et al. (2018, p. 6), the authors recall the writings of Elinor Ostrom, emphasising convincingly that this outstanding economist demonstrated that good analytical tools are socially useful when they contribute to the generation of local knowledge resulting from mutual learning and shared experience.

I see the Nexus approach as particularly useful when identifying the regenerative powers of a locality. In such a case, the Nexus should not be a given analytical scheme appropriate for each locality, but a cognitive-analytical method properly adapted to a particular locality. Its purpose is to enable understanding of the critical interdependencies for a given territory and the social space-time created within it.

The ‘analytical processing’ of any crises (shocks) experienced by a local community helps to understand local critical points. One example of such a shock is the disastrous flood that affected a number of areas and municipalities in the Lower Silesia and Opole provinces in September 2024. From a distance, it is clear that there are no solutions that can prevent a ‘big flood wave’, and at the same time the anti-flood measures taken in the past were not only insufficient (they could not have been otherwise), but also largely inadequate, having been designed to prevent floods that had previously occurred in the area. Meanwhile, the inexorable advance of climate change and many other circumstances are causing new types of floods to occur (e.g. urban flash floods; the tragic case of the flooding of Valencia was referred to as a ‘river of rain’).

The Nexus approach to flood risk cannot be based on extrapolation. Creative design is necessary, taking into account at least three aspects of response: expert, managerial, and social. No institutional arrangement can be effective if it encompasses only one of those aspects. Its effectiveness is conditioned by access to information, only that this information comes in different forms and is generated, transmitted and processed in different ways. Each of the aforementioned aspects plays an important role in these information flows. They are all based on education and trust.

This structure allows us to overcome the limitations of extrapolative managerial thinking and develop a regenerative and transformative approach in which preventive actions are intelligently linked to those aimed at developing a capacity for comprehensive crisis response and regenerative adaptation.

Prevention alone is not enough. It is becoming necessary to transform physical and social space. In this way, a transition from narrowly understood use and security to Nexus management, regeneration and development will be possible.

Water security can only be achieved if we actively, developmentally, and collectively produce it. Technical and infrastructural solutions must be accompanied by social and organisational ones. Recycling (technical circularity) is reinforced by socially embedded regeneration (developmental circularity). Wastewater management alone, without responsible urban planning based on a Nexus approach, will generate excessive costs.

Water (like other critical resources) should be at the centre of public thinking and planning. And as the experience of many flood regions shows, the topic disappears from collective reflection and action when it disappears from the media, which is now the rule. Felled trees are visible, but the destruction of river life is generally not visible until schools of dead fish appear. Hence the call to give rivers legal personality and establish by law a social role for river advocates. The rationale is also that the natural 'logic' of the catchment area does not coincide with the formal 'logic' of the public administration. Only a healthy river is capable of regeneration.

The usefulness of the Nexus approach can be clearly seen in relation to public utility organisations in the water sector, especially local waterworks. They can no longer be treated as organisations dedicated to producing and supplying clean water, and focused on reducing costs and collecting fees, which determines their effectiveness. They must become advanced knowledge centres for water management and providers of a range of public services.

The value of the water sector cannot be determined by the value of assets, turnover and profit. Calculating it in this way – compared to, say, the cosmetics or pharmaceutical industry – would fully justify the profitability of water pollution.

Water as an existential good cannot be a commodity. It must be recognised as a valuable medium that determines the possibility of producing other goods, both market and public utility goods. That is why the value of a water sector organisation should be assessed according to the value and indispensability of the range of goods it provides. Some of those goods are produced directly, while others are supplied in the form of intermediate goods.

Water sector organisations, as public utility organisations, should be treated in a given locality as key cooperation nodes for various types of entities, including investors from other sectors, e.g. energy, food or health. This would make it possible to jointly define the public goals in the locality in question and develop an appropriate investment strategy aimed at the cogeneration of goods and support for regenerative processes.

In the past, we had 60 days of snow cover in Poland. Now there is an average of 40, and the phenomenon of 'winter drought' has emerged. Around 1% of ponds are disappearing every year. We are therefore seeing a drastic reduction in groundwater levels. Riverbed retention will not solve this problem. The dredging of rivers exacerbates drought. Soil retention is becoming fundamentally important.

Soil must therefore be considered a basic hydrological tool.

Farmers who cultivate land perform not only producer functions, but also environmental ones. They are key actors in the Nexus (environment-node) approach, where we see the interconnection of water and food, but also energy. Therefore, instead of thinking about agriculture and urban areas in a sectoral way, it would make sense to develop an axial approach: water – food – environment – territorial development.

Similarly, the issue of 'energy' can no longer be restricted to the energy industry, that is, to capacity generation and electricity production. Today, such thinking is a dead end, a systemic cul-de-sac. The focus can no longer be on how to produce the most energy, but on how to use it best. This is a different cognitive framework that determines the development of an energy transformation strategy and its actual implementation, including the design and creation of an adequate institutional system. Its components include: division of competences; the ability to coordinate activities; consistency of legal solutions; an efficient monitoring and control system; adequate budgeting to implement cross-sector (not siloed) projects; and effective education and public communication.

The Nexus approach is working well when it comes to health. The health resilience of the population and the ability to respond to a health crisis cannot be built into the health care system alone. To think otherwise would be to act as if we believed that the hydrological system and hydrological services will protect us against a major catastrophic flood.

Health is not the absence of disease. It must be understood much more broadly as well-being, and be recognised as the most important existential need and value. Despite Poland's high GDP growth rate, in many areas related to health the country is significantly below the European Union average. The health of the population is deteriorating. The main factor in excess mortality is unequal access to health services, including medical services. This is compounded by a mental health crisis. The health care system in Poland is disease-centric, drug-centric and hospital-centric, which means that it is expensive and inefficient. Increasing the level of funding will not resolve this.

The main way of looking at health is in terms of health risks. This makes sense when we have a good understanding of those risks, i.e. when there is an expert base that provides reliable knowledge. In order to prevent and counteract risks, well-designed health programmes are necessary – not created *ad hoc* as a result of a particular event, but based on regular analysis of the population's health.

In addition, it must be taken into account that the pattern of risk factors is changing. The Covid pandemic is an example of a fundamental, sudden change in the state of health. No health system can be sufficiently protected or have sufficient resources to withstand such a health shock. If that were the case, the system would be extremely expensive, in a word – unsustainable. What follows is that health security must be multidimensional. It depends on the conduct and behaviour of many different actors. There will always be the issue of how autonomous and independent those actors should be, and how integrated they should be as partners. Both are essential. The health of the population depends more how schools, the media, cultural institutions, sports clubs, cities and workplaces operate than it does on doctors and hospitals. Healthy companies are also a key actor in preventive health care.

Health security should be perceived in a broad, axial perspective, i.e. cross-sectional, transversal and sectoral, and not be the responsibility of a single department. It must combine the responsibilities and actions of various entities. This is currently not the case. Health is a key development axis.

Our labour resources are shrinking and will continue to do so. This is a major challenge. So how can we maintain a high rate of economic growth in a situation of shrinking labour resources and deteriorating population health? What is necessary is more productive use of our own resources, understood not only in a purely economic sense, but also in a broader social sense that includes public health and preventive health. We will be a more productive society if we are more innovative, but also if we are healthier.

The city is not a medium for restorative medicine, but it should nevertheless be a centre of public health – not one that deals exclusively with the therapeutic aspect of medicine, but one that cares about the quality of life of its residents.

Experiencing a particular shock such as Covid does not enable us to predict every subsequent one, but it does enable us to strengthen those elements of the system that proved weakest in a critical situation. This means, on the one hand, the ability to react quickly, and on the other, to think strategically and with foresight.

The need for a horizontal and holistic approach to health is often emphasised. I propose that instead of the term 'horizontal', which implies a flat perspective, we use the term 'landscape approach', i.e. one that is not two-dimensional but fully takes into account the diversity and complexity of the current state of affairs, because the components being considered cannot be treated as equivalent and they are not all related to each other in the same way. A landscape perspective allows us to move away from point-based thinking and action, and at the same time see what the landscape is like, how it is 'managed', what challenges and problems we face, and how to avoid pitfalls and threats and ultimately achieve our goals. This, in my view, encapsulates the Nexus approach.

Regeneration and locality

One of the basic tenets of the 'economy of values' is the recognition of the developmental (regenerative) power of a locality.

A locality as a regenerative force for development

The opposite of regeneration is degeneration, which means a permanent weakening in the development potential of a locality. As in the case of degeneration, regeneration can be visualised in the form of a spiral. The regenerative spiral works by automatically triggering successive levers, while the degenerative spiral works by triggering successive blockages.

The word 'regeneration' has two elements – 're' and 'generation'. It is therefore not the same as 'restoration'. The main element is 'generation', which means creation or production.

When combined with ‘re’, it suggests renewal rather than restoration – the emergence of something new rather than the perpetuation of something old. Regeneration is a socially beneficial transformation – development, unlike degeneration, which is synonymous with regression. In nature and society, the processes of destruction and creation occur spontaneously. They cannot be prevented. But regeneration can and should be stimulated, and degeneration halted.

Regeneration is a multidimensional process. It is therefore cogenerative in nature. Equally important are its other attributes, which include: complexity, temporality-spatiality, and spirality – the simultaneous and cumulative occurrence of synchronic and diachronic linkages.

Just as important as the spatial is the temporal aspect of a locality. Without considering both, it is impossible to grasp the meaning of regeneration. What we need, then, is a combined synchronic (functional-dysfunctional) and diachronic (developmental-regressive) view of a locality (Hausner 2023, pp. 103-104).

Although a locality does not exist without local government, neither can a locality or its developmental power be understood solely through the prism of how local government functions. If we ignore the other entities that exist within a local structure – local residents with their social energy and entrepreneurship, as well as other actors, we will not tap in to that power.

For local government institutions, development has long meant investment in infrastructure in the broadest sense, especially transport infrastructure. Today we know what big mistakes large cities made when they thought that improving their transport systems would give them developmental strength. In fact, those systems are becoming more and more of a burden. Development requires infrastructure, but infrastructure alone does not trigger development.

From an individual’s perspective, a locality should be understood as ‘my place on earth’. It then becomes the centre of that individual’s world –the part that he can realistically create and change. The right to a place – to creating and experiencing it with others – is fundamental. For an individual, creating history means telling the story of one’s place, which means bringing it to life. However, an individual cannot do this alone, in isolation. It is only possible in cooperation with others – those who also live in the given locality. The prefix ‘co’ means ‘together’; a community is born out of those with whom we interact and how we interact with them. In addition we need hope stemming from the belief that together we can achieve things. This is the only way to ensure that threats lead not to paralysis but to mobilisation, and are then ‘transformed’ into social challenges.

A locality is strengthened in the places where people meet – where they see each other and talk. Then they can co-create their story. And, as Italo Calvino (1975, p. 104) so aptly put it, ‘It is not the voice that commands the story: it is the ear’.

Every inhabitant has a story. The question is whether he accepts it and considers it his own. For this to happen, he needs someone to tell it to, someone who will listen and be moved by it, who will believe not only the person telling the story, but also believe in the story, i.e. show that they are not indifferent to it. Without this, social bonds cannot emerge. They emerge from the fact that someone listened to me, someone believed me, someone believed in me, and someone cared about me. A bond is an interdependence that marks the path from dependence to independence. It cannot be a passive, one-sided relationship.

A locality dies when too many of its inhabitants are refugees from life, people in hiding. They find themselves between something that does not exist, if it ever did, and something that is not possible because it cannot be imagined – they exist in a state of powerlessness. To be a person, an individual must have a place that is their own; they must be with someone and for someone.

The starting point for social mobilisation is dialogue, which begins with meetings and conversation, but it is important insofar as joint action results from it. Understood in this way, dialogue brings together dispersed resources of social energy, including resources of local knowledge, which are thus multiplied. As a result, the collective imagination is activated, enabling people to overcome prejudices and go beyond established modes of thinking. Imagination is a form of creative expression. Without it, a local community is unable to identify its development challenges and respond to them appropriately.

The opposite of creative imagination is routine, which perpetuates rules but rejects values. Routine gives a false sense of security. It locks a community into the belief that things have to be the way they have always been, because they cannot be otherwise. Values related to development become activated when change happens and when a developmental challenge is taken up. The ability to learn jointly with others and activate the local imagination has regenerative power. ‘I can’t imagine it’ means ‘I accept things as they are’.

A locality is created by events that occur on its territory and which shape its space-time. This was expressed in literary form by Italo Calvino (1975, p. 9):

> The city does not consist of this, but of relationships between the measurements of its space and the events of its past: the height of a lamppost and the distance from the ground of a hanged usurper’s swaying feet; the line strung from the lamppost to the railing opposite and the festoons that decorate the course of the queen’s nuptial procession; the height of that railing and the leap of the adulterer who climbed over it at dawn; the tilt of a guttering and a cat’s progress along it as he slips into the same window; the firing range of a gunboat which has suddenly appeared beyond the cape and the bomb that destroys the guttering; the rips in the fish net and the three old men seated on the dock mending nets and telling each other for the hundredth time the story of the gunboat of the usurper, who some say was the queen’s illegitimate son, abandoned in his swaddling clothes there on the dock.

This is by no means a description of the chaotic randomness of a city (locality). Calvino suggests that a city is like a tree whose withered branches reveal what could have developed but did not, revealing a past that is an offshoot of itself, which partly did and partly did not become the future (*ibid.*, p. 23). Looking at it this way, Calvino divides cities into two types: some, over the years and through changes, continue to impose their own form on desires; in others, either desires have managed to erase the shape of the city, or the shape of the city is erasing them (*ibid.*, p. 29).

Local space-time is formed by the collective imaginary of the inhabitants, which opens or closes it. As a result, some localities sustain and unleash their regenerative potential, while in others that potential withers and degenerates, inevitably leading to stagnation and decline. The self-sufficiency of the locality, understood as autonomy, and its developmental independence are always limited. In extreme cases, they are gradually reduced until they disappear irrevocably.

The challenge for every locality is to define the boundaries of acceptable diversity. Tolerance implies a degree of acceptance. This is passive acceptance, i.e. I acknowledge, I do not dismiss. If these boundaries are sharp and rigid, however, they can severely restrict diversity. Gradually they lead to homogeneity – they enforce it. This is what opposing immigration leads to. However, some limits to diversity are necessary for social cohesion. To defend one's difference is to defend diversity. Actions, not words, define what this means for those who accept diversity and for those who expect diversity to be ensured (see Braidotti 2014, p. 61). Diversity is not meant to be a goal, but a prerequisite of development.

The answer to the complexity of the world can be neither authoritarian simplification nor the postmodern equivalence of all points of view. Both approaches lead to the same trap. The right answer is socialised diversity, i.e. diversity that creates a space for communication and cooperation.

The social space-time of a locality is filled with tensions and conflicts. They are a source of local energy. They can reflect the creative diversity of the local community, but they can also fracture that community and paralyse its ability to communicate and act collectively. This is especially true when regenerative potential weakens, which may be caused in particular by climate change, to which the community is unable to adapt.

In such a case, it becomes crucial to generate practical local knowledge, which becomes an extremely useful creative commons. This requires overcoming the hierarchical division between those who know and those who, as a rule, do not know and therefore must be taught and instructed.

Knowledge is not a state, but a process consisting in the ability to create and maintain relationships with people. It is, of course, also stored in the minds of individuals, but their ability to store that knowledge and transmit it depends on how they are situated in social networks and social network nodes (see Hodgson 2010, p. 301). Communities are reservoirs of knowledge.

Social crises weaken the activity of social networks (social communication) and often disrupt it. This, in turn, undermines the knowledge generation process and causes it to gradually disappear. Maintaining social communication networks during a crisis is hugely important, as they make it easier to rebuild the material structure that the crisis destroys.

Investments that colonise a given locality may deplete regenerative potential, as evidenced by many cities whose attractive spaces have been commercialised as a result of the mass influx of tourists, leading to overtourism. Commercial investments denude cities of public spaces, which is tantamount to robbing residents of a common good. The material foundations for the creation of an urban imaginary are thus eliminated. Without public infrastructure, the city is exposed to enormous commercial pressures. Capital rules. The pursuit of a high return on invested capital impedes collective thinking and triggers dystopian scenarios.

Social space-time is shaped by the social imaginary of the inhabitants of a given territory; its formation requires axiological references. Quantitative references are not enough here. Social space-time is not logical; it is not binary. Mastering it with digital tools in order to authoritatively control, guard and appropriate it reduces it to a territory understood as a physical space.

The key criterion when implementing digital tools in urban spaces should not be whether they are new or innovative, but whether they actually contribute to improving the quality of life of residents.

We need a dictionary of digital urban regeneration. The traditional dictionary is based on concepts such as buildings, streets, infrastructure, property values, ownership, and return on capital. The new one would includes such terms as trust, credibility, interpersonal relationships, social infrastructure, and the value of public and ecosystem services.

Adapting a locality to the digital world requires the creation of local social communication environments – shared spaces of meaning. It is therefore worth paying attention not only to the passive, but also to the active side of digital life. Involving citizens in digital services is important. But the key is to create digital tools as well as environments capable of using and developing them independently and creatively. This requires the creation of a local urban communication space – a community of specific people in a specific place, also cooperating institutionally.

Regeneration is often associated with resilience, but this is too narrow an understanding. Regeneration is much more than that – it is a transformation, a transfiguration, going beyond mere adaptation. It requires not only new tools, but also new social and institutional roles. We need a social imaginary that will allow us to recognise what regenerative potential we have and how we can strengthen it.

A factor that can significantly undermine the developmental capacity of local communities is authoritarian nativism, which favours the native population at the expense of immigrants. It leads to the spread of distrust and resentment towards everything that is different and alien, thus escalating tensions and exacerbating conflicts. Social polarisation is an inevitable consequence of the ascendancy of political populism, which exploits the sense of threat and the layers of fear caused by pandemics, inflation, war, and other things. Populists incite and politically exploit collective insecurity and all kinds of public fears by promoting tribal, polarised explanations of the world (Amin 2023, p. 146). Tribal identification becomes a shield and an instrument of mobilisation, while at the same time consolidating group identity and rejecting diversity. Communities become divided and are unable to become undivided.

In such a situation, democratic deliberation is nonsense, and calling for it distorts reality. The question, then, is what will remain of the democratic order apart from the electoral plebiscite. It is clear that democratic values cannot be defended if they are separated from the creation of social values. Those, in turn, should have a special place in local communities.

Ash Amin (2023) provides an interesting perspective on this issue. He emphasises that the key is the 'mediation of place', which must fill the vacuity between the rooted 'somewhere' and the uprooted 'anywhere'. This is possible if a given community is able to transform its own inhabited territory into a common space for action. Joint presence then transforms into a community of experience and destiny, which determines future readiness for change. This is made possible by public infrastructure and an efficient system of public services. Vibrant cultural activity, encompassing inclusive arts education, is also helpful.

Amin's insightful ethnographic study demonstrates that social cohesion depends only in part on anti-discrimination policies broadly understood. It will not be effective unless there is a second vector in public policy aimed at providing individuals and communities with access to various forms of social capital (e.g. education, culture, health and transport). Only then, instead of opting for the populist slogan of 'we deserve it', can people take up the challenge of voluntary and active membership in the local community to ensure its independent development.

Freedom, the individual, imagination, and the social imaginary

Zygmunt Bauman (1995, pp. 14-15) believes that freedom denotes a social relation characterised by an asymmetry of social positions. This is because being free, understood as acting without restrictions, means that the actions of others are subject to restrictions. Consequently, the restrictions imposed on some determine the freedom of others. I find this interpretation simplistic and one-sided. It ignores the fact that, on the other hand, lifting restrictions on others determines our own freedom. The more enslaved some people are, the more enslaved we too shall be. Sooner or later, selective freedom for the chosen few ends in tyranny, and at that point talking about freedom makes no sense at all.

I do not believe that freedom requires the abolition of all restrictions. Some of them determine the presence and significance of freedom. But restrictions on some people do not contribute to the freedom of the chosen few. Necessary restrictions must be normative and based on law, not discretionary. Freedom is not supposed to be a privilege, but a right. In a tyranny, freedom is an act of the authorities; in a democracy, it is a state of citizenship.

I believe that the social order, defined by the constitutional order, among others, is a stronger foundation for freedom than individualism. Bauman strongly emphasises that the key to freedom is individualism stemming from the dismemberment of social forces, which creates both the need and the possibility for individual subjective motivation and personal responsibility (*ibid.*, p. 51). Individualism drives and nourishes freedom, but it does not ensure it on a societal scale.

What seems particularly questionable to me in Bauman's reasoning is the linking of modern individualism to consumption as opposed to the sphere of production and the distribution of goods and power. The world of consumption is supposed to be free from the curse of 'elimination games' and 'monopoly functions' (*ibid.*, p. 71). In my opinion, individualism focused on consumption rather than creation deprives it of its liberating power. This is especially true as consumption increasingly shifts towards the virtual world.

If, therefore, Bauman believes that freedom is a somewhat troublesome legacy, because to be oneself merely by virtue of one's own will means a life plagued by doubt and fear of error (*ibid.*, p. 76), then the individual's focus on consumption and virtual participation fundamentally exacerbates this problem. It also does so because – as Bauman recognises – work has lost its central position in society, its place having been taken by consumption (*ibid.*, p. 91). Quoting Claus Offe, Bauman emphasises (*ibid.*, p. 93) that the capitalist system in its consumer phase not only does not suppress the human pursuit of pleasure, but in its own interest even intensifies it, seeing it as a condition of its own survival.

Bauman rightly points to the negative consequences of this shift, but in my view he does not propose anything that could prevent those consequences from occurring. Among other things, he stresses that the contemporary social world is divided into a multitude of mini-dramas. In it, actions are just successive episodes, their effects temporary and reversible, which leads to the disappearance of both moral responsibility (*ibid.*, p. 96) and civic responsibility – the world of private consumption separates individuals from politics (*ibid.*, p. 103).

In an extremely interesting collection of essays entitled *Po piśmie* (After Writing), Jacek Dukaj (2021) reveals the consequences of the transition from a writing culture to a post-writing culture. He summarises them as follows:

1. We are in a transitional period between a writing culture and a post-writing culture.
2. The dominance of successive methods of transferring experiences is denoted by three eras in the history of humanity: the oral era, the era of writing, and the era of direct transfer of experiences.
3. The strength and depth of the influence of the dominant method of experience transfer on the mind of *Homo sapiens* is so great that it would be fairer to speak of three humanities conditioned by differences in these habits and powers of the mind. (...) I refer to this distinctive set of habits and abilities as thinking.
4. Every thought, directly or through the technologies associated with it (or lack thereof), influences or even determines the shape of society, culture, the economic and political order, as well as morality, aesthetics and the most intimate human experiences.
5. The more perfect the method of transferring experiences, the greater independence they gain from those who experience them (experiencers).

6. The values of a post-writing experiencer are not those of a child of writing culture. It is impossible to evaluate or plan another way of thinking from within one way of thinking. What is 'good', what is 'bad', what is 'beautiful', and what is 'ugly' cannot be transplanted from one continent of thought to another (*ibid*., pp. 186-187).

Dukaj (*ibid.*, p. 222) defines post-writing culture as a culture of experiencers who cannot/are not able/do not want to determine whether the source of their lived experiences is real. It does not concern them and does not affect the intensity of their experiences. At the same time, Dukaj emphasises that with the decline of the writing culture and the rise of the culture of experience transfer, people and societies are more defenceless against post-narrative manipulations: those which are not based on sequences of cause and effect, but which disregard cohesion and temporal succession (*ibid.*, p. 303).

Dukaj describes 'experiencers' rather poignantly:

> (…) you put your smartphone in your shirt pocket, and so – with the lens on your heart, with a lens instead of a heart – you walk through a world lived by thousands, by millions: a star collapsed into a punctuated void beneath an infinite mass of recycled experiences (*ibid.*, p. 381).
>
> (…) There is no 'home'; there is a quality of 'homeliness' given to you by a fairy tale about home, a game of home, some material construct of home, and similar packages of experiences – all of which appear equally intense, equally 'real' (*ibid.*, p. 389).
>
> In the power hierarchies of the digital world (in social media), the core experience is the satisfaction of humiliation. Effective humiliation elevates the humiliator to the top of the prestige pyramid and increases the power of humiliation in subsequent cycles of legitimisation (*ibid.*, p. 364).

In the civilisation of the Internet, empathy is more shallow. The threshold of sensitivity is much lower than in the civilisation of books. It is easy to evoke 'righteous' indignation, a violent reaction to a specific situation, because the rapid switching of attention is facilitated by the constant dopamine boost.

Dukaj maintains that we already live in a world in which information has primacy over matter, and this has become natural for us. In my opinion, this exaggerated claim obscures the role of materiality as the basis and limitation of the digital world. Without a doubt, digital technologies try to 'master' their users and turn them into addicts. They also try to capture the largest possible pool of resources, transforming data and attention into a key resource – capital. Dukaj accurately expresses this as follows (*ibid.*, pp. 325-326): ‘The border beyond which it is actually these ‘tools’ that use people is difficult to perceive, and it is almost impossible to detect before we cross it’.

The ‘virtualisation’ of reality has inevitably extended to the fundamental domains of materiality, including money. Real estate securities now mostly do not adhere to the criteria of truth and falsehood –I agree. Nevertheless, I maintain that materiality will forcefully remind us of its presence, not least because the digital world is devouring an ever-increasing pool of available energy and other natural resources. Escaping the ‘truthfulness’ test will not eliminate the ‘reality’ test. The longer this escape lasts, the more severe the fall will be. The mismatch between the development of digital technologies and material/energy productivity will deepen the global thermodynamic crisis and increase thermodynamic entropy.

Jacek Dukaj’s digressions on a ‘world without work’ are interesting. He writes: ‘Entertainment is a basic necessity, a guarantee of the mental health of billions of **nearly unemployed people** (...)’ (Dukaj 2021, p. 77). For me, the apposite term ‘nearly unemployed’ means those who have jobs but do not actually work – they perform activities but find no fulfilment in them. We value entertainment because it liberates us from the terror of being alone with ourselves. Dukaj also predicts that ‘providing society with activities effective enough to keep it above the level of decadence and degradation (like those counties in the US consumed by unemployment, hopelessness and opioids) will be the main task of the state; indeed, its *raison d’être*’ (*ibid.*, p. 81).

This is perhaps what the testing of the concept of universal basic income – a citizen’s salary paid to everyone simply for being alive – is heading towards. Dukaj makes the following observation about it: ‘You don’t have to work to survive. You don’t have to want it to have it. You don’t have to do anything’ (*ibid.*, p. 178).

He concludes his dystopian vision of the world thus:

> You have the right and the obligation to make of yourself whoever you want and whatever you want. You do not need society to live, to be safe, or to thrive. You do not need a family to reproduce. You do not need another person to satisfy your emotional, sexual, and religious needs. You can change your sensibility, sexuality, and values. Once, twice, three times, any number of times; you and the changed you; and you

changed by the changed you. You are the absolute ruler of your universe. And there are billions of you (*ibid.*, p. 179).

Dukaj writes that perhaps some sort of solution would be to introduce 'compulsory service to the state', a concept which increasingly appears in the reflections of thinkers and politicians with diametrically opposed views, but who are similarly concerned about the decay in the civic fabric of Western societies and the breakdown of the social contract between the individual and the state (*ibid.*, p. 85).

I believe that countering dystopian resignation and social catastrophe must involve a different perspective on work, which cannot be understood solely through the prism of employment as a source of livelihood. Work is people's creative activity that inspires them. This is the opposite of reducing the individual to the role of consumer. For an individual to be a citizen, he or she must be a (co-)producer, in other words, someone who doesn't need to be given something to do, because he is already doing something in order to be someone. That person is constantly searching for something and discovering something new. His hermeneutical space does not close until the end of his existence.

What an individual can do, what they are needed for, who they are, and what role they play in the economy depends on the economic system and the consumption model. The neoliberal market model consistently reduces the role of the individual to that of a subordinate worker, consumer, user.

Successive breakthrough technologies pose an imminent threat. This is especially true of AI, whose algorithms are a training course in mindlessness, freeing us from using our own cognitive abilities and leading to widespread ignorance. Communities are being transformed into inert collectivities, and cooperation and social cohesion are disappearing. In such communities, people belong but do not interact – often they do not even know the members of their groups, identifying only with avatars. Liking and hating displaces trust. Without participation in an organic community, it is inevitable that an individual will become lost in the digital world.

Digital technologies separate us from our roots, from our bonds, from the places where we function. The media operates everywhere and nowhere, and this contributes to the disappearance of responsibility. The digital platforms that rule us today are as powerful as the industrial corporations once were. Their relationship with the state is strong and difficult to break. We cannot expect the state to solve this problem on its own, any more than the market can.

It is important to distinguish between images and imagination. Images refer to cause-and-effect; they rationalise. Imagination, on the other hand, understood as a social imaginary, refers to the axiological-cultural-social sphere. Images are a manifestation of analytical and quantitative thinking, while imagination is a manifestation of critical thinking. A social imaginary encompasses a set of ideas and practices developed in a given community and bound together by an ethical framework. It provides the community with a foundation for critical reflection, essential for the creation of an open social space-time. Critical reflection allows a community to maintain developmental independence.

This is especially important in the digital age, when mentally addictive behaviours are being massively inculcated through digital technologies. Digital products (applications) create a specific behavioural profile of their users that promotes assumed behavioural patterns. AI models are not ethically neutral; their dissemination blunts ethical sensitivity. Therefore, communities understood as localities should take care of their positioning in the architecture of the digital world, mainly in order to prevent the colonisation of 'their' data segment. The creation of a local digital commons, enabling their users also to be co-producers of data and tools, will be particularly helpful. This will require the creation of small local language models that are content-rooted and related to real local problems, such as responses to flood risks. Such models would be a digital base for local social activism, digital generators of social energy. This would significantly contribute to the formation of a distributed digital architecture and prevent capture by external algorithms; it would also effectively neutralise the systemic risks of digitalisation.

We will not be able to destroy the systems of mass dumbing down, but we can build alternatives. In a democracy, technology can serve people, but in a dictatorship it will always be used against them. As anger grows, it becomes more difficult to defend democracy than to attack it and impose anti-democratic solutions. That is why we need an engaged democracy, new forms of citizen activism, and social innovation that will counterbalance the power of hegemonic technologies. A procedural democracy is a passive democracy – it turns citizens into passive beings. That is why it can be easily attacked and undermined by those who comfortably lie, casting aside any scruples and moral limitations (see Potocka 2020).

The negative consequences of the digital technological revolution are global and require responses that will address quality of life, civil rights, and, above all, belonging to authentic communities. Only then will we be able to respond to external pressures and create a modern economic environment that serves people.

Democratic parties must change their addressee – not the voter, client or consumer, but the citizen who wants not only to know, understand and experience, but also to act, take responsibility, and be an authentic creator of the local environment in which he or she lives. Authoritarian parties always point to an enemy and choose a new one depending on the circumstances. Views change and are adjusted to the given situation, but the method is always the same: the calculated, ruthless exploitation of fear, anger and prejudice.

Chiara Bottici (2014, p. 3) notes the paradox that the social world is filled with images and yet is devoid of imagination, which results from the fact that, in its social reception, the spectacle prevails over the content of the message, becoming a particularly desirable commodity (*ibid.*, p. 2). This muddies the distinction between staging and real life. At the same time, the global nature of the contemporary media spectacle spreads the imagery associated with it. Freeing oneself from that imagery is problematic for most people (*ibid.*, p. 118).

Bottici is wrong to think that the spectacle detaches the audience from the 'here and now'. On the contrary, I believe that the culture of the spectacle confines us to the present (*ibid.*, p. 119). Liberation from it is aided by the imagination, which opens and expands the social space-time. The social imagination is modal in nature. It emerges only in a shared space of meaning. There is no place for it in a society of isolated and alienated individuals. It is replaced by individual images. The social imagination is created by individuals who have personal relationships with other individuals. When personal ties disappear, impersonal, atomistic interactions take their place and there is no social space for a communal imaginary.

Botticci (*ibid.*, p. 5) tries to connect the individual and the social by introducing the term 'imaginal'. I am not convinced by this term. In my opinion, it introduces an excessive – interpretatively unnecessary – concept. What the author wants to express is sufficiently captured by the modally understood concept of the (social) imagination (communal imaginary).

Nevertheless, I understand the need to demonstrate that the social imaginary is a reality: it is a field of meaning within which the individuals who co-create it circulate. Thanks to this, individuality and community complement each other, generating voluntary (unforced) and spontaneous (unprogrammed) commonality. Created in this way, it is an expression of individual freedom and social interdependence. It is a prerequisite for the individual imagination to be liberated from established patterns of thinking and turn instead towards common (collective) practical action.

The social imaginary is a form of shared knowledge. It should not be opposed to, or separated from, object-oriented (analytical) and systemic (conceptual) knowledge. It works in a different – modal – order. The social imaginary as modal knowledge refers to what is ideologically imagined, but at the same time real. A shared idea of what is good and right has causative power. It involves individual and collective actions.

This approach allows us to go beyond the absolutist dichotomies – subject-object, subjective-objective, real-ideal, theoretical-practical – the dominance of which impedes and excludes many new and possible cognitive perspectives. And – what seems very important to me – their activation and emergence is dependent on modal knowledge – the social imaginary, which is a necessary means of triggering the individual imagination.

My understanding of the social imaginary is well captured by the definition Charles Taylor proposes, namely:

> (…) the ways in which people imagine their social existence, how they fit in with others, what they have in common with them, what their expectations are, and what constitutes the deeper normative justification of those expectations and their imaginative basis (2004, p. 23).

An important issue is whether the social imaginary should be considered only in its cognitive dimension or also in terms of actions. I firmly believe that it combines both of these things, which gives it causative power. It does not act as a neurological stimulus that triggers specific reactions, but as an ideological, mental, and semantic framework for human actions, both passive and active. It defines what should and should not be done. Normatively, it restricts freedom of action, but at the same time justifies and enables it. It represents a limited field of possibilities (Bottici, *ibid.*, p. 61), within which ideas emerge. The social imaginary normatively constitutes the community. Without it, it is a collectivity and not a community, and as a consequence loses the characteristics of subjectivity.

Bottici (*ibid.*, pp. 51, 146), quoting Castoriadis (1987, pp. 101-107), emphasises the radical aspect of the imaginary. It is not a description of social reality, but its communal interpretation; a critical view of the world. It loses causative power when it becomes ossified and ceases to be creative. The radical vector of the imaginary opens up new fields and cognitive perspectives that have hitherto remained beyond people's perception. It enables the creative incorporation of new components into the imagination and a critical re-evaluation of existing ones. This process is set in motion by innovative, creative individuals. Thanks to them, what is realised on an individual level is gradually made common. As a result, the individual imagination is transcended – its creative subjectivity becomes subject to social objectification. The imagination of a creative individual, a personality, in a sense bursts the collective imaginary, but at the same time feeds and equips it, thus sustaining it.

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When I promoted the economics of values 10 years ago, I was seen as a utopian; as someone who said things that might be right, but were impossible to implement. My views could be given a hearing, but were to be taken to heart. Now I feel that the economics of values is making a breakthrough – albeit slowly and with some disruption.

We need an economics of values in order to restore the beneficial interdependence between, on the one hand, the market economy, with its specific features such as entrepreneurship, innovation and competitiveness, and on the other, representative democracy and social cohesion. In the second half of the 20th century, the democratic order made it possible to find effective answers to economic, social and political challenges. Today, the power of democracy is clearly waning, and new answers are missing.

A growing problem is that oligarchic authoritarianism is leading to the *de facto* loss of economic independence for an increasing portion of the population. Without economic independence, people cannot function as citizens, that is, as members of a collective capable of organising themselves and expressing and defending their position. Thus, there is no space for democracy and civil society. Co-creators capable of self-organisation can be citizens, but consumers cannot – they will remain, at best, supplicants and clients of the ruling oligarchs.

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