Economic Agents, Ethics and International Economic Organisations

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The last sixty years have seen international economic organisations maintain a position at the forefront of promoting economic growth and socioeconomic development. These organisations have not achieved as much against certain benchmarks, and several observers have accused them of being unqualified to meet the needs of the poor, and even found them guilty of something worse, such as famine and disease. Although these organisations have organisational behaviour and skills, many of their funded projects lack forcefulness to such an extent that they should only be answerable through achieving certain economic facts by way of ethics and morals. We design ethics and morals as two interconnected concepts, and the rationale that binds all economic agents to their respective obligations must be interpreted by effective courses of action dictated by economic realities.

Key Words: ethical and moral codes, international organisations, national agents, political economy

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Introduction

No doubt, economic opportunities have been missing in the world, though unevenly over the last decades. In the light of the outcomes of the international course of actions that have been confused, pressures for more results have come from international organisations such as the United Nations, for example, that held the Millennium Assembly in New York in September 2000 in an endeavour to set targets and deadlines, by which better human welfare should be completed. These targets, known as the millennium development goals, were set for 2015. By then, the

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international community seems to be committed to halving that 30 per cent of the world population that in 1990 lived in the absolute poverty of less than one dollar a day. It should also provide universal primary education, ensure a sustainable growth compatible with the preservation of the environment, reduce under-age-five mortality by two-thirds and maternal mortality by three-quarters, and halve the population without access to safe drinking water. Nevertheless, was the game played by international agencies dealing with national difficulties a cause of unconstructive economic outcomes? Will these organisations be able to reach the millennium development goals? Is there anything else that these organisations can do apart from diminishing the effect on the autonomy in domestic economic choices?

The aim of this article is to approach these challenging questions by looking at a special feature of ethics and morals. The thesis is to view the conduct of international organisations as lacking in exact ethical and moral codes in order to gain distinctive consensus and commitments on mainstream programmes. Ethics and morals must be designed as two interconnected concepts to enable all national and international economic agents design effective policies and commitments. The next section outlines the achievements in international economic affairs and focuses on the distinction between ethics and morals. We unveil distinctive levels of ethical involvement for domestic and external partners, and suggest a new ethical value commitment, which, *inter alia,* concerns all actors, engaging them to agree on mutually accepted conditions and programmes and accomplish targets through equal bases. This new logic stimulates domestic economic ownership and international commitment for credible programmes while keeping all of the actors involved fully accountable. The final section provides concluding remarks.

Ethics and Moral Codes

Actually, there are many aspects of understanding how ethical values have developed over the last few decades. They concern domestic economic and political affairs as well as international affairs. Although these values originate from religion and are tied to the Greek word *ethos,* while morals derives from the Latin word *mores,* morality pertains more to a personal sphere of ethics, and ethics itself is connected to rules and widely accepted principles, which affect a much larger audience.

Besides the substantive issue concerning distinctions between moral and ethical codes that are magnified by phases of deepening interaction between nations and regions, there is still the requirement to envisage an ethically satisfactory behaviour in the sphere of international economics, thus complementing critical scrutiny of domestic values regarding truth and social justice. Living in harmony with valuable norms and standards of excellence, attending to the betterment of social well-being, these are the ultimate goals of any international community.

The exact role of ethics and morals was not mentioned much in the past literature. They are crucial to strengthening international relief and world financial stability, but this must occur not at the expense of country's effective economic upturn. Their authority pertains to international and domestic economic dimensions; the ethical components of institutional policies and norms, and efforts to revitalise the economy when it is either in danger of even a tiny slowdown, or to help rescue suffering populations and offer protection in perilous emergencies. This sounds like going back to Adam Smith's 1759 (2002) observations on charity, in some ways. Serious efforts by the institutions to overlook economic troubles are very revealing in a financial world of certain selected market failures and domestic ineptitudes. We reject Mises' (1949) critique of economic interventionism and the state's manipulation of the market, because it could produce an undesirable consequence and, in turn, further rounds of intervention. On the other hand, we support the issue of a government recipient's behaviour and recognise a determinant of charitable giving, as long as there are specific forms of assistance by international agencies (see Birch 1998). Still, the literature debates on the quality of institutional design and the part played by geography and natural endowment as additional causes of the missed socio-economic development. In fact, the trait of national institutions might be the cause of differences in income levels (Acemoglu et al. 2001; Rodrik et al. 2002). These differences could be caused perhaps also by geography and resource endowments as claimed, among others, by Jeffrey Sachs (2003). Still, this drives us to understand the difference between what is moral and ethical and what has to be done to combine these two values in a judicious setting.

Besides the moral attitude to lend support, we make the case for an ethical approach that binds international organisations not to supersede local realities. In fact, economic crises in specific regions of the world, the challenging transition in East Europe, famine and diseases are all evidence that a large share of the world's population is far from enjoying a minimum and ethically satisfactory living standard. As aforementioned, the United Nations Millennium Assembly put forward a commitment to halve the 1990 rates of poverty, hunger and access to safe drinking water by 2015, as well as to reduce the rate of child mortality by two thirds. The international community renewed these commitments at the Monterrey and Johannesburg meetings in 2002, when it took concrete steps towards official development assistance of 0.7% of donor countries' GNP. However, even that 0.7% would generate $ 142 billion each year, while the sum should rise to $ 443 billion if the millennium development goals are to be met (Besley and Burgess 2003). While the UK finance minister, Gordon Brown, advanced the proposal to create an international finance facility aimed at doubling aid, at the end of January 2004 the presidents of Brazil and France insisted on a special global alliance against hunger and poverty, including a taxation of profits generated by globalisation through taxing arms sales or unspecified financial transactions. With this in mind, the point of our discussion is to call for a new ethical approach to these issues, and make a clear distinction between moral and ethical views upon methods of action or the logic followed by international organisations.

The Logic of International Organisations: Domestic Affairs

The years of the Great Depression, exchange rate instability, and unproductive protectionism that had damaged the world economy leading to the Second World War, led to the creation of major international economic agencies responsible for stabilising global financial markets. The complex commitment to establish an acceptable base for an ethical behaviour prompted a set of policies aimed at achieving economic and financial stability, and providing adequate economic resources to poor countries. Tackling inflation and unbalanced public finances, prompting trade liberalisation, creating governance and strengthening financial systems appeared to be ethically truthful, guiding principles. In contrast with this is the current negative perception that the IMF appears much like a global sovereign, which does not enhance and improve wealth at the community level. The case of Russia in the 1990s is revealing, economically and politically, as it rests on the most authoritative examples of what actually occurred during the past decade throughout much, if not all of East Europe. Linking Russia's, Argentina's and other countries' economic failure to the IMF, is revealing at several levels.

Observers have elaborated on this point. Joseph Stiglitz (2002), the prominent former chief economist of the World Bank, and former White House chief economic advisor, states, for example, that the much-touted transition strategies of international agencies like the IMF were responsible for moving Russia and other transitional countries into poverty, beginning in the very early 1990s. What is the underlying theme of Stiglitz's writing? Stiglitz (2000) argues that economists working at the IMF are frequently not very professional. Although many come from prominent universities, Stiglitz states that they would often not be as good as better-trained local economists. At the same time, Stiglitz casts doubt on the logic the IMF has followed in Russia.

This unenthusiastic view relates more to the specific Russian case, but the essence of the argument has common characteristics, similar to those we have observed when we looked at economic performance among regions. Although we cannot substantiate a causal linkage between international economic organisations and economic performance, one fact is clearly indisputable: real economic growth has collapsed throughout East Europe since 1989. If the level for 1989 is set at 100, the Commonwealth of Independent States witnessed a fall in real GDP to 54.2 by 1998, whereas Central Europe recorded a fall in 1993 when it reached 76.9. The years 1993 and 1998 were also the transition low points in industrial production. In Latin America, economic growth and crises have been managed thoughtlessly. The catastrophic crisis of late 2001 and early 2002 marked the tragic end of the Argentina's initially successful, decade-long experiment with sound money and market-oriented economic reforms. The IMF consistently supported Argentina's stabilisation and reform efforts in the decade leading up to the current crisis, and often pointed to Argentina's policies as examples for other emerging market economies to emulate.

A parallel with Stiglitz may be suggestive: Stiglitz was former chief economist at the World Bank, while Mussa is the current IMF chief economist. While the former focuses on overall commitments of the IMF globally, the latter addresses the question of what went wrong in Argentina and what important errors the IMF made either by supporting inappropriate policies or failing to press for alternatives that might have avoided catastrophe. While Stiglitz's view implies a direct responsibility on the part of the IMF, Mussa emphasises the persistent inability of Argentina's authorities to run a responsible fiscal policy at all levels, and that this was the primary, avoidable cause of the country's catastrophic financial collapse.

The IMF failed to press aggressively for a more responsible fiscal policy, says Mussa (2002), but without an ethical commitment, no one may ask for any type of direct ethical approach to policy. Even Stiglitz lacks this type of approach. Mussa (2002) also addresses the role of the Convertibility Plan, which linked the Argentine peso rigidly and at parity with the US dollar, thus playing a central role in both the initial success and ultimate collapse of Argentina's stabilisation and reform efforts. While the IMF accepted this plan as a basic policy choice of the Argentine authorities as long as it remained viable, it erred in the summer of 2001 by extending further massive support for unsustainable policies rather than insisting on new policy strategies that would possibly mitigate some of the damage from the tragic crisis that became unavoidable.

Economic and Political Rationalisations

A point must be clarified at the outset. There are economic and political rationalisations regarding policymaking. Political explanations concerning IMF involvement and disaster exist especially with regard to the Soviet empire, when this was too important not to be helped (Sergi 2003a). The IMF needed a simple ethical validation to be able to offer loans to transition countries as well as finance efforts to link them with the West. Nor did concrete, substantive concerns about economic risks matter. Was a resurgence of trade and capital flows between East and West demanding market stability? Unquestionably yes. The world economy would have influenced transition economies by opening local markets to foreign linkages. In addition, balance of payment disequilibria could have threatened international stability by creating waves of financial contagion from one country to the next, with the world economy not being able to bear the consequences of additional economic disorders. The risks of further economic and political implosions were immense. Moral charity and ethical yardsticks became crucial suddenly as further instability was expected to become the principal outcome should effective responses not be put through. Consequently, the IMF started signing loan and conditionality agreements with almost every country in the former Soviet bloc, and instructions for treating external imbalances, government deficits, etc. became common in the conditionality agreements.

IMF involvement in transition economics has been extreme; also the World Bank, NGO's and scholars working at academic institutions' think tanks have exercised a variety of conditionality. Whilst certain NGOs were considered watchdogs or were associated with given interests, there have been unsupported and false statements that NGOs and independent experts would be much superior to governmental agencies.

Tutelage Policy

In principle, targeted aid and debt relief may serve as a takeoff into self-sustained growth or conditionality policy tutelage and as a substitute for the inertia of entrenched domestic institutions and poor macroeconomic policies. However, Boone (1996) states that aid serves to finance consumption instead of growth and that international aid has a positive impact in the countries exhibiting good macroeconomic policies, while it has no impact in those countries carrying out poor policies (Burnside and Dollar 2000). Bird (2002b) states that it is not empirically confirmed that the role of the IMF conditionality policy is positive. Indeed, the majority of fund programmes were incomplete and not subject to accurate scrutiny (Bird 2002a), whereas inflation projections and outcomes of programmes supported by the IMF have been missed completely (Musso and Phillips 2002). The World Bank comes under a similar allegation: reviewing and evaluating past investment projects has been unsuccessful. For instance, only some 5% of World Bank's loans are evaluated, yet only after three to ten years from the time when the last disbursement takes place. Indeed, these evaluations are made on a self-evaluation basis, that is, by the same functionaries and implementing agencies, and are thus far from being fair and independent. NGOs or other international agencies also do not show superior records in such fair evaluation of objectives, and 'they face some of the same incentives as official agencies to emphasize observable effort rather than focus on less observable results' (Easterly 2003, 38–39).

Unachieved targets might put under risk the credibility of future programmes, but too much criticism on their activities is unfair as well, otherwise, one would opt for a dismantlement of international agencies. The aforementioned agencies have also actually played an important role in East Europe and other regions of the world. Nevertheless, the reason for the discrepancy between what had been targeted and what was in fact achieved lies in the fact that coordination with internal actors is missing and policies are not calibrated locally. Transition economies and corrupt political leaders did not coherently comply with the logic of the western consensus, despite a variety of views on the subject. However, numerous interplays shaping economic variables could not lead an international watchdog to keep an eye on economic well-being without exercising tutelage on the complexity of the phenomenon; this is a matter of fact. Despite the fact that the IMF overrules national players in the preparation of policies and does not believe in the transparency it urges on others, its ethical choices could not be concealed over time.

Yet, a generalised criticism (including all the outcomes occurring in all nations) fell squarely in the lap of the IMF, which was not equitable. Anyhow, it is possible to attribute reform failures either to domestic flaws or to poor external advice characterised by incompetent sequencing of economic strategies. While foreign advisers and international organisations have no total knowledge of local markets, they force fixed-format programmes on many. In fact, when circumstances are right, the IMF, for instance, does exactly what the model predicts to tip the balance of incentives in favour of a long run strategy of fiscal and monetary restraint, but this is only a partial reinforcement of the credibility of national governments that are not all regarding credible political economies. Whatever the proper rationale, operational decisions are firmly based on a few rigorous economic rules of conduct, which – if they existed – would provide a straightforward counselling concerning a broad set of instruments. The intended beneficiaries have no voice in how money is spent or economic conditionality worked out, although not much was said about how to design an overall policy concerning domestic incentives and accountability of all players involved in aid and conditionality. In Easterly's words, 'research would likely involve principal-agent theory, organisation theory, game theory and political economy' (Easterly 2003, 39).

In the light of criticism, the IMF has recently concluded an extensive review of conditionality aimed at enhancing the effectiveness of its support programmes. This recent consultative process recognises that successful economic policy programmes must be founded on strong, credible in-country support. This remarkable development started in September 2000, when Horst Köhler took up his post as new IMF managing director, and soon after made a big pitch for a new Interim Guidance Note on Streamlining Structural Conditionality that would replace the original one issued in 1979. Although an independent evaluation office was created in July 2001 to have an independent evaluation of the IMF's programmes, the IMF's Executive Board adopted revised conditionality guidelines in September 2002. The new focal point shifted to distinguish between what is relevant but not critical to the objectives of a supported programme, and improve the division of the working operations between the IMF and World Bank in ways that both would share the conditionality policy.

Meanwhile, the World Bank has placed economists in the field 'to have staff working shoulder-to-shoulder with clients' (Stern 2003, 49). Whilst the World Bank's recent strategy partially reflects the issue of having credibility in its economic policies, because countries have to be co-partners and not clients, the shared conditionality policy between the IMF and World Bank provides only an unfinished ethical agenda regarding criticism of what the 1979 guidelines missed. The WTO is trying to help the process intended to insure free trade and equality among countries, but this is a complex task.

It is unquestionable that the IMF has been refocusing the entire spectrum regarding its very unsuccessful idea of conditionality, with the number of structural benchmarks having decreased and come under coordination with that of the World Bank. This may develop into an important step, although not definitive in itself (Sergi 2003b). Critics are numerous and scholars continue to advance proposals, for instance to lend only to pre-qualifying countries, except in the case of a systemic need as proposed by the Meltzer Commission in March 2000 (Meltzer 2000), or to create two departments: a contingent-market department and a crisis department – a case advanced by Caballero (2003). Nevertheless, there are prominent defenders such as Stanley Fischer (1999), who advocates the need of the IMF as a lender of last resort.

While the scientific economic community should be pleased with these responses coming from the international economic organisations, we criticise this evolution for lacking rigorous ethical underpinnings. Some argue that the IMF and World Bank may in fact have contradictory goals since the crucial task of the IMF is to eliminate current account deficits, whilst that of the World Bank is to attract private capitals into a country, or simply to spur loans and aid towards low-income countries. The IMF is not an aid agency, but has in fact delivered concessional loans that have partially been forgiven, making loans equivalent to aid. Fabricius (2002), who draws on field research conducted in Ghana, Pakistan, Peru and Vietnam, recommends that the IMF and World Bank pursue a case-specific approach in deciding whether they should take the same stance. Yet, what critics do not seem to comprehend is that, even though the number of structural benchmarks is reducing, and even put under coordination with the World Bank, a combined actors' commitment to credible, long-term adjustment polices is still lacking. Even in view of the contradiction regarding theoretical IMF–World Bank outcomes, the fact is that any actual support for a programme cannot guarantee credibility and commitment; therefore, a mutually shared policy may encompass the entire set of economic policies and transform such a possible contradiction into short- and long-term components of credible economic programmes. The IMF sets its conditions *de jure* or *de facto,* but in the light of a missing coordinated strategy, actors might blame the failure on something else and this might result in continuous shifting of responsibilities (Sergi 2003a).

The Effectiveness of Policy Design

An intriguing question is why ethics as well as the achievement of proper balance regarding domestic-external *raison d'être* have not been addressed in international economic relations, when economic institutions and actors should fit into a global ethical agenda representing stability and assistance. Financial and economic stability is a requirement for a global well-being to which all agents must adhere. The real world asks and wants supranational intervention of *ad hoc* agencies, keeping within the principles of ethics and capitalism, without a stopping momentum towards social economic justice. For instance, Novak (1993) defines the civil society project concerning government and social activism, in which civil society operates between community and state. The IMF and World Bank have been involved in domestic affairs since the international community in the 1960s called on the IMF to apply broader concepts regarding financial stability, while looking into real growth as well. This may be regarded as the first step concerning ethical innovation, bringing about more discussion, while strengthening IMF performance as lender of last resort. Nevertheless, the international community cannot first profess distinctive duties for the IMF, and then assess its policy as disruptive, causing a loss of national sovereignty. This contradiction exists because there has been an unclear institutional distinction between moral and ethical values, and the international community failed to recognise that these two concepts must fit the same operational agenda. Recent global economic realities have called out for international institutional supervision and national equilibrium, but this could only be accomplished if an ethical and moral value commitment were to be accepted at both international and domestic sides. A mere international involvement is not sufficient *per se* to achieve results. As long as the IMF and other organisations do not have to give away free money, a different ethical and moral commitment could pay off, securing a better business environment at home through a distinctive commitment by national leaders and agents.

Because ethical principles and the vast involvement of world institutions are widely shared around the world, failure of past attempts was more a matter of naiveté, and, at times, of policies uncommitted to ethical guidelines, than of deliberately dishonest actions by international agents. Put in a different way, without a simultaneous involvement of all domestic and international economic actors, the responsibility of especially the IMF and other organisations may look omnipresent and always ineffective, yet nobody assumes national responsibilities. We should consider the structural adjustments sponsored by the IMF and the World Bank as being insufficient to introduce coordination and credibility, as these two concepts have been kept separated in the past. Instead, we reinterpret the concepts of ethics and morality so that an effective international moral agenda becomes compatible with ethical principles. To circumvent this criticism we propose a new way of reasoning based on four broad steps. First, the involvement in domestic affairs has to be reckoned in terms of morality. Second, the record of socioeconomic goals ought to be within the reach of coherent policies. Third, the choice of policy instruments that are available to policymakers must be viewed in terms of arranging a credible policy, in which both players adhere to ethical and moral obligations. Fourth, the outcome has to be coherent with devised policies and outcomes, which are answerable to all actors.

The first step for international institutions involved pertains to moral spheres. It is virtue-centred as an individual conception based on the ideals of reciprocal help (Smith [1759] 2002). In fact, international organisations have been established for these ends.

The second step is to agree on economic targets, e. g. inflation, exchange rates, fiscal policy and privatisation, and this policy has an ethical dimension, because the international community has placed its trust for righteous and virtue-centred commitments with institutions created *ad hoc.* Nevertheless, we cannot deny that domestic authorities must follow rules of moral conduct in laying down the terms, objectives, instruments, and that they are fully committed to them. In other words, IMF experts ought to disentangle this second step in harmony with national policymakers who have a broader knowledge of domestic conditions. Ignoring this would be ethically unproductive.

The third step combines values with both agents and credible policies to which these values adhere. An international agency has to guarantee world stability and apply ethically accepted rules, but the country obtaining a loan has a moral duty to commit itself to policies in an effective manner in order to increase socioeconomic impacts and long-term objectives. However, steps two and three may have an anomalous ethical impact as long as agents propose rival explanations concerning economic strategy, or domestic agents do not commit themselves to any cost-effective policy. Adam Smith ([1759] 2002), for instance, refers to a judicious recipient behaviour to obtain aid, but the commitment to conditions chosen by an international agency might be based either on implausible objective values or on the use of non-efficient instruments.

The above mentioned directs us to the fourth stage. If the IMF and other aid agencies were successful beforehand, this subject matter would not be confronted, since a superior, ethical commitment by these organisations would supplant further debate over conditionality. However, this has not been the case, because they had no full knowledge of domestic circumstances, and simply applied an unchangeable ethical programme that was in contrast with domestic and international short- and medium-term strategies. An economic strategy that is dictated or at best inspired by others than national experts and policymakers must be projected to help prevent a further lack of credibility, and establish a national commitment. As long as the international commitment fails, this policy is an ethical failure, which pushes back to the way in which stages three and two have been undertaken. As long as these two phases are absolutely set by an international ethics, the failure is unethical to the international institutions. When a proper reading of steps two and three is made and a definition of ethical sustainable commitment is ensured, then this sheds light on the moral commitment of a country with both the moral obligations and the ethical attitude of the international organisations.

In fact, how can we resolve the issue if the unethical failure is due to a recipient's uncommitted behaviour and not, say, to the IMF, but the IMF itself is to bear full responsibility for it as having forced a stabilisation or recovery programme that may be correct in theory but not properly accomplished by national authorities? Alternatively, what would happen if implausible discordance concerned both social and economic standpoints? These two hypotheses commonly surface. The failure of the IMF's and the World Bank's approach is that they have overemphasised mainstream theories and applied them everywhere without considering the differing national state of affairs, and have inspired their programmes without taking into account a country's programmes. These international organisations have simply misconstrued the second and third phase of international policy effectiveness and produced unethical results. There should be no autonomous approach at either extreme, that is, these organisations should not simply force or inspire a conditionality based on their own ethics, nor should they finance countries with free money without asking them to engage in a moral commitment in a sort of agent problem. What is suspicious is that the objectives underlying prior approaches were not credible because they were defective in the social sphere, and tight economic policies had scarce credibility when carried out. This led either to uncertain commitment by domestic agents or, at best, to a series of compromises when a country was able to influence international decision-making. Yet, policies are credible when they are jointly and efficiently agreed by domestic and international agents, and do not fall under the economic guidance of the pure ethical orthodoxy of international organisations which – lacking the adequate domestic knowledge – generally imposed recipes that were not tailored to national commitment and capabilities, thus bringing about inconsistency and failure. As the recent commitment of the IMF and World Bank seems to go in the direction of a new ethical approach, which will broaden the involvement of national actors, all agents must arrange definitive operational procedures in a way to enable policy makers to deal with and commit themselves to realistic programmes. Agents ought to introduce the right balance between ethical long-term outcomes and judicious internal commitments by implying a full commitment through four stages of international experts, national government and the civil society or local experts.

Because a worldwide eye constantly oversees the economy, we do not side with those who find it realistic to dismiss the IMF and perhaps other multilateral agencies. Because they serve an essential global task, they could not be written off, but recent economic fears of world economic instability and the call for extending further aid to deprived populations have given us an opportunity to suggest the way these organisations might be working in an ethically superior manner, and we should not pass it up. We have to rethink the logical involvement of international and domestic actors according to their best interests, as so far the actions have been to some extent ineffective. If the risks were that these organisations would continue to draw on their theory, and simplistic approaches might stand in their way, the proposed approach would drive domestic players to a position of greater trust. In the end, responsibility for the programmes implemented or simply inspired by international economic organisations would be attached to all, and all players would be able to come to each other's support. Such a new ethics in international economic relations requires us to look at a closer working relationship with national experts and policymakers on one side, and international experts on the other. This could help share information, knowledge and expertise in order to support effective policies that result from that networking. We could not implement an ethically satisfactory reshaping without a closer working activity among the actors.

Conclusion

This article tries to reinterpret the functions and roles of international economic organisations in today's global environment by offering a new perspective, which opens the way to a fresh logic of tackling national sufferings in global markets. Although international economic organisations have been established to deal with these issues, many observers regularly accuse them of causing economic adversities. The criticism has gone so far that some demand the closure of these organisations. The two Washington-based institutions and the Geneva-based WTO, for example, are blamed for being unethical in pursuing their statutory commitments. The economic rationale pursued by these organisations did not comply with unique domestic economic conditions and complex realities. Nor was it recognised that poor economies are unable to stick to western market principles overnight, although there is ample evidence that market principles are superior to non-market ones.

Nevertheless, the IMF as well as other organisations will operate well into the next decades and we do not join the chorus of who would derive pleasure from their disruption. In contrast, to achieve the most of the new economic agenda proposed in this article, we turn the attention to strategic economic guidelines shaped by those actors who are ethically and morally capable of designing a credible programme of recovery and structural reforms. Not counting the skill premium that international organisations convey and that may have been a roadblock to domestic involvement, the proposed novel involvement of domestic institutions and international experts must become answerable to results and to operational principles. Therefore, it is mandatory to take forward specific working procedures and plans in order to achieve economic results by way of ethics and morals. As it is unavoidable to design ethics and morals as two interrelated concepts, we must decipher the rationale that connects all economic agents to their respective obligations by considering specific national timing and asymmetries, and viewing national and international authorities as dependable and agreeable. A set of policies that is operative must be arranged in a manner that compels all actors into sharing their own responsibilities for credible programme outcomes. Only by drawing up plans that are ethically and morally compulsory to all, is it possible to keep all actors fully accountable.

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