

Keynes “Possibilities” Implemented in the EU Trade Policy Today

Dilyana Slavova, PhD student in economics at the Faculty of Economics and Business Administration of the University of St. Kliment Ohridski

Abstract

Keynes is one of the predecessors of the modern EU trade policy. In the context of Keynes' essay "Economic Possibilities for Our Grandchildren“, the EU's trade policy aligns with his vision of increasing prosperity and abundance. Today the EU addresses broader social objectives including sustainable development, workers' rights, and environmental preservation in addition to its efforts to improve economic prosperity and collaboration among its member nations. These goals support Keynes' position of shifting away from the unrelenting chase of wealth and economic expansion toward a more sustainable, balanced society with more leisure time and an emphasis on human development.

The paper provides a modern reading of Keynes' views on economic necessity and concludes that in the EU trade agreements economic necessity plays a significant role but social, labour and human rights principles and environmental standards take precedence over purely trade and economic issues. The statements of Keynes in the essay follow the present understanding of sustainable development where virtues, values and human-social and ethic norms are of utmost importance. Therefore, they should be strictly observed by the parties to the EU trade agreements nowadays.

1. Introduction

The EU has long been at the forefront of international trade and economic integration. Its trade policy aims to foster economic growth, enhance international cooperation, and ensure fair and open trade. In its pursuit of promoting prosperity and sustainable development, the EU has embraced various economic principles. One such ideology that resonates in the EU trade policy today is the essence of Keynesian ideas as espoused in John Maynard Keynes' essay "Economic Possibilities for Our Grandchildren." This paper explores how the EU has implemented Keynesian principles to achieve a delicate balance between economic growth and sustainability in its trade policy.

Keynes' essay continues to influence the EU trade policy today. The essay's emphasis on economic abundance, technology advancement, social welfare, ethics, and responsible planning resonates with the EU's commitment to creating a prosperous and equitable global trading system. As the EU navigates the complexities of modern trade, Keynes' vision serves as a guiding principle in shaping a trade policy that aligns economic growth with human values, societal well-being, and a sustainable future.

In this perspective Keynesian view expressed in the essay are in line with the current EU trade policy and represent a striking balance between prosperity and sustainability.

2. EU Trade Policy Today

The EU is a union of values¹ like freedom, democracy, peace, security, equality, rule of law and principles and moral categories focused on human rights, human dignity, labour and environmental standards, solidarity and mutual respect among peoples, free and fair trade.

The EU, as an economic and political union of 27 European countries, plays a significant role in shaping trade policies both within the region and with other countries around the world. Under Article 21 of the TEU², the EU's action on the international scene shall be guided by the principles that lay at its core, such as democracy, the rule of law, human rights and the principles of international law. Article 21 also aspires to safeguard a number of objectives and interests that are not economic in nature (i.e. to preserve peace, strengthen international security, and preserve the environment). As Article 207 of the TFEU³ clearly instructs, the EU's trade policy must be conducted in the context of those principles and objectives.

The modern EU trade policy lays on the principles of sustainable development. They are a central component of the EU trade agreements. The trade policy of the EU aims to promote trade while fostering sustainability in its economic, social and environmental dimensions.

In February 2021, the European Commission published Trade Policy Review – An Open, Sustainable and Assertive Trade Policy, which places the nexus between open trade and sustainability at the focus of the EU's trade policy strategy. Since 2011, EU free trade agreements (with Canada, Central America, Colombia/Peru/Ecuador, Georgia, Japan, Korea, Moldova, Ukraine, Singapore, United Kingdom and Vietnam) include trade and sustainable development chapters. These chapters commit the parties to respect international rules and standards related to labour rights and environmental protection, including climate. By prioritizing sustainable development in its trade agreements, the EU strives to create a more equitable and environmentally responsible global trading system, contributing to a prosperous and sustainable future for all.

Since the beginning of the 70s of the last century, questions related to environment have reached the forefront of policy debate and progressively led to the adoption of the concept of sustainable development, which now appears to be a new worldwide objective.⁴ Numerous writings of Keynes contain various perspectives of the modern understanding of sustainable development. Indeed, Keynes's positions on uncertainty, money, arts, philosophy, etc. are consistent with a strong sustainability based approach.

3. The Essay In Brief

In 1930, just as the Great Depression threatened his prosperity and that of the world, Keynes wrote a classic essay on "Economic Possibilities for Our Grandchildren". It presents his thoughts on the long-term economic future. A careful reading of the long-term economic and

¹ https://european-union.europa.eu/principles-countries-history/principles-and-values/aims-and-values_en#:~:text=uphold%20and%20promote%20its%20values,strict%20observance%20of%20international%20law

² Consolidated version of the Treaty on European Union, https://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0023.02/DOC_1&format=PDF

³ Consolidated version of the Treaty on the Functioning of the European Union, <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:12012E/TXT:en:PDF>

⁴ Eric Berr, 2009. "Keynes and Sustainable Development,"

technological trends, he stated, and a cursory glance of the world today is a proof how right he was in a number of aspects.

From a Post Keynesian perspective, Vercelli⁵ defines a viable policy definition which states that economic development can be ‘...considered sustainable only when future generations are guaranteed a set of options at least as wide as that possessed by the current generation.’ The power of this definition is that as a policy guide it underscores the need to keep viable options open. Keynes exactly does the same in his essay.

He explores the potential future of economic prosperity and the changes that technological advancements could bring. Keynes predicts that advancements in technology and productivity will lead to increased economic abundance. He envisions a future where society produces enough to satisfy its needs, freeing individuals from the scarcity that has historically plagued humanity.

With increased productivity, Keynes believes that people will have to work significantly fewer hours to meet their material needs. He imagines a world where the standard workweek is drastically shortened, providing more leisure time for individuals. Keynes does not foresee the end of capitalism but anticipates its evolution. He believes that as economic abundance is achieved, the focus of capitalism will move from production and accumulation of wealth to broader societal goals.

In this essay, Keynes makes the prediction that productivity and technological advances will eventually result in more wealth and a sizable reduction in working hours. In future, individuals would be able to enjoy more leisure time and independence from the demands of work thanks to economic prosperity and wealth.

Keynes agrees that the transition to an abundant future could be difficult. He talks on how social and economic structures need to change to accommodate shifting dynamics and deal with potential disruptions brought on by technology advancements.

The author outlines his moral and ethical philosophies. He raises moral concerns about how society will make use of its increased leisure time and affluence. Keynes stresses the need to use wealth for the benefit of both individuals and society, as well as the significance of considering human values.

While Keynes' essay emphasizes economic growth and prosperity, he also highlights the need to prioritize social welfare and human well-being. He envisions a future where economic progress aligns with the broader welfare of humanity.

Keynes encourages thinking about long-term consequences and societal goals, rather than being solely focused on short-term economic gains. He advocates for responsible planning and decision-making to shape a better future for future generations.

Overall, "Economic Possibilities for Our Grandchildren" is an optimistic and positive vision of the future, where technological advancements lead to economic prosperity and greater leisure for individuals. It challenges societies to consider how they will use and avail of the benefits of

⁵ Vercelli, A. (1998), ‘Sustainable development, rationality and time’, in S. Faucheux, M. O’Connor and J. van der Straaten (eds), *Sustainable Development: Concepts, Rationalities and Strategies*, Dordrecht, Kluwer Academic Publishers, pp. 259-76.

economic progress and emphasizes the importance of aligning economic goals with broader human values and social welfare.

4. Keynes Insights From the Essay and the EU Trade Policy

The EU's trade policy is a testament to its commitment to achieving economic prosperity while addressing contemporary challenges. Drawing from Keynes' vision of a future with increased leisure time and technological progress, the EU has implemented sustainable development goals, prioritized inclusive growth, and fostered social dialogue. By embracing Keynesian principles, the EU seeks to strike a delicate balance between economic prosperity and sustainability, with a focus on the well-being of its citizens and the global community.

In the context of Keynes' essay, the EU's trade policy aligns with his vision of increasing prosperity and abundance. The EU's focus on international trade and economic integration⁶ has contributed to the region's economic growth and development over the years. By fostering trade relationships with other nations, the EU has facilitated the exchange of goods, services, and investments, creating economic opportunities and benefits for its member states and trade partners.

Moreover, the EU addresses broader social objectives including sustainable development, workers' rights, and environmental preservation in addition to its efforts to improve economic prosperity and collaboration among its member nations. These goals support Keynes' vision of shifting away from the unrelenting chase of wealth and economic expansion and toward a more sustainable, balanced society with more leisure time and an emphasis on human development.

In several ways, Keynes' essay relates to on trade and sustainable development chapters of the EU trade agreements.

Keynes first examines the potential for continued economic growth and rising wealth in his essay about trade and economic growth. The objectives of trade agreements, including those negotiated by the EU, are in line with this growth-oriented viewpoint. Trade agreements seek to advance economic growth.

Keynes' essay raised concerns about the excessive pursuit of wealth and material gain. Similarly, modern trade agreements acknowledge the need to balance economic objectives with social and environmental considerations. The EU's approach to trade agreements often includes provisions related to sustainable development, environmental protection, and responsible business practices.

Keynes' essay discussed the potential for economic growth to address income distribution issues. Similarly, some EU trade agreements consider the distributional impacts of trade liberalization and include provisions to support vulnerable groups⁷ and reduce inequalities⁸.

In long-term perspectives, Keynes' essay takes a long-term view of economic possibilities. Likewise, trade agreements are designed to provide a stable and predictable framework for economic relationships among countries, fostering long-term cooperation and growth.

⁶ https://international-partnerships.ec.europa.eu/policies/sustainable-growth-and-jobs/economic-integration-trade-and-connectivity_en

⁷ Trade Policy Review - An Open, Sustainable and Assertive Trade Policy, Brussels, 18.2.2021, COM(2021) 66 final

⁸ Gender equality in EU trade agreements, European Parliament resolution of 13 March 2018 on gender equality in EU trade agreements (2017/2015(INI))

Second, Keynes envisioned a future where technological progress would lead to reduced working hours, allowing people to focus on non-economic pursuits and human development. The EU trade agreements, especially those with a focus on sustainable development, recognize the importance of improving human well-being, labour standards, and social conditions. These agreements often include provisions that promote decent work, protect workers' rights, and ensure social and environmental sustainability.

Keynes highlighted the potential for technological advancements to drive economic progress. In contemporary trade agreements, cooperation on innovation, research, and technology transfer is often encouraged to promote economic development and sustainability.

Third, the United Nations' Sustainable Development Goals (SDGs) echo many of the themes Keynes touched upon, including poverty reduction, quality education, sustainable economic growth, and environmental protection. EU trade agreements often align with these SDGs, aiming to support global efforts towards sustainable development. This is valid especially for the EU-Republic of Korea free trade agreement, EU-Canada Comprehensive Economic and Trade Agreement (CETA), EU-Japan Economic Partnership Agreement, trade agreements between the EU and the countries of the Andean Community, EU-Central America Association Agreement, EU-Vietnam Free Trade Agreement, and EU-New Zealand Free Trade Agreement.

4.1. Keynes' essay and the labour provisions in the EU Trade and Sustainable Development (TSD) chapters

When considering the labour provisions in the trade and sustainable development chapters of EU trade agreements, there are some connections and contrasts to be drawn with Keynes' ideas. In his essay, Keynes looked forward to a future where technological progress would lead to reduced working hours and greater leisure time. Similarly, labour provisions in EU trade agreements⁹ often focus on promoting and protecting workers' rights, including fair wages, safe working conditions, and the right to organize and collectively bargain. These provisions aim to ensure that economic growth resulting from trade benefits workers and does not lead to exploitation.

There is inclination on decent work in the essay as well. Keynes' vision of increasing prosperity aligns with the concept of the "decent work agenda," which is a central tenet of the International Labour Organization (ILO). The EU includes elements of the decent work agenda in its trade agreements, seeking to create opportunities for quality employment and social protection.

Social dialogue has its roots in the text as well. Keynes emphasized the importance of societal well-being and non-economic pursuits. EU trade agreements often include provisions encouraging social dialogue¹⁰ and consultation with stakeholders, including labour unions and civil society organizations, to ensure that trade policies consider broader societal interests.

Regarding sustainable development and inclusiveness Keynes' essay laid out a vision for economic growth that benefits all members of society. The labour provisions in EU trade agreements often aim to contribute to sustainable development and inclusive growth by addressing social inequalities, promoting gender equality, and ensuring that economic gains are distributed equitably. Keynes' concerns about income inequalities resonate with the EU's efforts

⁹ Labour rights in EU trade agreements: Towards stronger enforcement, , European Parliamentary Research Service, January 2022

¹⁰ Promoting and enforcing compliance with labour provisions in trade agreements, ILO 2023, Marva Corley-Coulibaly, Gaia Grasselli and Ira Postolachi

to address these issues through trade agreements. Labor provisions may include measures to support vulnerable workers, enhance skills development, and promote social protection systems to reduce disparities.

The essay gives as an idea even of trade union rights and collective bargaining: Keynes' recognition of the importance of labour in the economic system aligns with the inclusion of trade union rights and collective bargaining provisions in EU trade agreements. These provisions help ensure that workers have a voice in shaping their working conditions and benefits.

However, it is worth noting that while Keynes' essay emphasizes the potential for technological progress to reduce working hours, modern trade agreements may not explicitly focus on reducing working hours. Instead, they tend to address labour standards, workers' rights, and social protections to ensure that economic growth resulting from trade benefits workers and does not lead to exploitative labour practices. Examples of prevention of labour exploitation are the consequences of the EU-Republic of Korea free trade agreement and EU-Japan Economic Partnership Agreement. On 20 April 2021, the Republic of Korea deposited the ratification of three fundamental ILO Conventions in a clear demonstration of its commitment to promoting freedom of association and eliminating forced labour. These are the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87), the Right to Organize and Collective Bargaining Convention, 1949 (No. 98) and the Forced Labour Convention, 1930. Similar is the case of Japan. On 19 July 2022, the Government of Japan deposited with the International Labour Office the instrument of ratification of the Abolition of Forced Labour Convention.

Overall, the labour provisions in the trade and sustainable development chapters of EU trade agreements reflect a commitment to promoting decent work, workers' rights, and inclusive economic growth, which aligns with some of the broader themes present in Keynes' essay. However, it is essential to recognize that trade agreements are complex and multifaceted documents that aim to balance various economic, social, and environmental considerations.

4.2. Keynes' essay and the environmental provisions in the TSD chapters of the EU trade agreements

Keynes' essay primarily focused on the potential for economic growth and increased prosperity, but it did not directly address environmental concerns. However, the environment provisions in the trade and sustainable development chapters of EU trade agreements seek to address environmental issues while promoting economic growth¹¹ and development.

Keynes' focus on economic prosperity raises the question of how societies can achieve growth while ensuring environmental protection and sustainability. Modern economic thinking emphasizes the need to strike a balance between economic objectives and environmental conservation to secure a more sustainable future. Modern EU trade agreements recognize the importance of protecting the environment¹² and achieving sustainable development. The environment provisions in these agreements aim to ensure that trade activities do not lead to environmental degradation and are conducted in a manner that is environmentally sustainable. Keynes' essay did not directly discuss environmental protection and sustainability, as at that time environment was not a governmental priority at all. However, it raises broader questions

¹¹ https://policy.trade.ec.europa.eu/development-and-sustainability/sustainable-development_en

¹² Environmental credentials of EU trade policy, Institute for European Environmental Policy, April 2021

about the nature and purpose of economic progress. Today, environmental concerns have become central to the discourse on economic growth and development. The challenge lies in finding ways to achieve economic prosperity without compromising the planet's ecological integrity, which calls for incorporating sustainability principles into economic and policy frameworks.

Keynes' optimism about technological advancements leading to increased prosperity is relevant to the contemporary understanding that technological innovation can play a vital role in addressing environmental challenges. Green technologies and sustainable practices have the potential to mitigate environmental damage and foster more sustainable economic growth.

Keynes' essay touched on societal values and non-economic pursuits. In today's context, this relates to the importance of shaping societies that value environmental sustainability, conservation, and responsible resource use.

In contrast to Keynes' essay, modern trade agreements acknowledge the urgent need to address climate change. Many EU trade agreements include commitments to support global efforts to mitigate greenhouse gas emissions and adapt to the impacts of climate change. The EU's trade and sustainable development chapters often include provisions aimed at conserving natural resources and promoting responsible resource management. This can encompass issues such as deforestation, biodiversity protection, and sustainable fisheries. Trade agreements may include provisions that encourage trading partners to adopt and implement environmental standards and regulations consistent with international agreements and best practices. This helps to level the playing field and prevents a "race to the bottom" where countries weaken their environmental regulations to attract trade.

Some trade agreements¹³ seek to promote sustainable practices in industries such as agriculture, forestry, and fisheries. These provisions can encourage the adoption of environmentally friendly methods that support long-term ecological health. Recently the EU institutions adopted the EU Directive on Corporate Sustainability Due Diligence¹⁴ and the EU Regulation on Deforestation-free Products¹⁵. Both acts aim at creating more responsible corporate behaviour and enshrining environmental measures throughout global value chains.

In summary, while Keynes' essay did not address environmental protection and sustainability explicitly, it provides an opportunity to reflect on the interplay between economic growth, technological progress, and the need for responsible environmental stewardship in today's world. Integrating sustainable practices into economic models and policymaking has become a critical goal for ensuring a prosperous and resilient future.

5. Best examples of the modern reading of Keynes in relation to trade and sustainable development

I present some insights and Keynes' statements expressed in the essay that could be interpreted from the point of view of the modern EU trade policy and the principles of sustainable development:

- *„I would predict that the standard of life in progressive countries one hundred years hence will be between four and eight times as high as it is today”.*

¹³ CETA, EU-Singapore agreement, EU-Korea agreement, EU-Central America

¹⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0071>

¹⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023R1115&qid=1687867231461>

Keynes made this prediction in 1930, a time of significant economic and political challenges, including the Great Depression. Considering this context, his optimistic forecast reflects a belief in the potential of human ingenuity and innovation to overcome societal challenge. Nowadays the EU member states have high standard of living and even more through trade, they try to promote it and impose it to developing countries. For instance according to a research of Kiel Institute for World Economy, thanks to the customs union, the euro and trade agreements with third parties, the EU provides its members with high income gains by reducing trade costs and the real GDP is about 940 billion euros higher each year. The abolition of nontariff trade barriers, for example, through the mutual recognition of norms and standards, has brought the greatest welfare gains to the member states, making the EU as a whole 643 billion euros, and Germany 132 billion euros richer each year¹⁶.

In 2019, more than 38 million jobs (one in five) in the EU were supported by exports to countries outside the EU. For example in France in 2019, exports outside the EU supported 3.4 million jobs. For example, in Germany exports to non-EU countries support 7.7 million jobs. In total, 20% of jobs in Germany rely on EU exports. Most of those export-related jobs are well paid. They are on average 12% better paid than other jobs.¹⁷

From the EU's perspective, Keynes' prediction has proven to be reasonably accurate in terms of economic growth and progress. Many EU member states have experienced significant economic development and increased standards of living over the past century. This growth has been driven by technological advancements, trade integration, and social advancements.

While some countries, including those within the EU, have indeed achieved substantial economic growth and improved living standards, it is important to note that global inequality remains a significant issue. Many developing countries have not experienced the same level of progress as the progressive countries Keynes referred to in his prediction. A study by the World Bank¹⁸ shows that nowadays majority of people live in countries where poorer residents are more exposed to disasters like droughts, floods and heat waves and that higher income countries nearly always have better infrastructure and planning in place for environmental disasters. In this aspect, the EU's commitment to promote economic growth while addressing social and environmental concerns reflects an evolving perspective on what it means to improve the standard of living in the 21st century.

- *„If one believes at all in the real values of life, the prospect at least opens up the possibility of benefit“.*

Real values are included in the trade and development chapters of the EU trade agreements. They are related to labour and environmental values. EU trade policy based on sustainable development reveals that the real benefits could come after the implementation of the labour, social and environmental values and ethics based on the ILO conventions, Paris Agreement, etc.

¹⁶ Kiel Institute for the World Economy, Kiel Policy Brief Nr. 125 Mai 2019, Gabriel Felbermayr, Jasmin Gröschl, Inga Heiland und Jürgen Stehn, Die (Handels-)Kosten einer Nicht-EU

¹⁷<https://www.europarl.europa.eu/news/en/headlines/economy/20190603STO53520/benefits-of-economic-globalisation-in-eu-facts-and-figures>

¹⁸ Shock Waves. Managing the Impacts of Climate Change on Poverty, 2016, Stephane Hallegatte, Mook Bangalore, Laura Bonzanigo, Marianne Fay, Tamaro Kane, Ulf Narloch, Julie Rozenberg, David Treguer, and Adrien Vogt-Schilb

The author reflects his optimism about the potential benefits of increased economic prosperity and abundance resulting from technological progress.

Keynes' words convey a positive and hopeful outlook on the potential benefits of economic progress. He believed that advancements in technology and increased productivity could lead to a better quality of life and open new opportunities for individuals to pursue meaningful and fulfilling endeavours beyond material wealth.

Keynes recognized that real values in life. While economic growth and prosperity are essential, he emphasized the importance of balancing these aspects with non-material values, such as art, culture, leisure, and personal development.

The statement suggests that individuals' well-being and fulfilment can be enhanced by progress and prosperity. As societies become more affluent, people may have greater access to resources and opportunities that contribute to their overall happiness and satisfaction.

The phrase "if one believes at all in the real values of life" acknowledges that individuals' perspectives on what constitutes real values and benefits may differ. It recognizes that the definition of a good life can be subjective and influenced by cultural, social, and personal factors.

Keynes' ideas remain relevant in today's world, where debates about sustainable development, societal well-being continue. His focus on human values and the long-term impact of economic decisions echoes in contemporary discussions on well-being economics and sustainable growth models. It encourages us to consider the multifaceted nature of prosperity and to strive for a balanced and inclusive approach to development that enriches people's lives in meaningful ways.

- *„When the accumulation of wealth is no longer of high social importance, there will be great changes in the code of morals. We shall be able to rid ourselves of many of the pseudo-moral principles which have hag-ridden us for two hundred years, by which we have exalted some of the most distasteful of human qualities into the position of the highest virtues.“*

The statement highlights the impact of societal priorities on the perception of human qualities and virtues. The social importance is the core of the sustainable development and especially its social pillar. Human qualities, virtues, moral principles are indispensable part of the sustainable development aspects of the trade agreements.

Keynes' statement touches upon the societal implications of shifting values away from the relentless pursuit of wealth. Keynes criticizes the materialistic culture that prioritizes the accumulation of wealth above all else. He suggests that this emphasis on material gain has led to the elevation of certain negative qualities, like greed and selfishness, as virtues in the pursuit of economic success.

According to Keynes, if societies shift away from the central importance of wealth accumulation, their moral compass is likely to undergo significant changes. This reassessment could lead to a realignment of societal values, with virtues that prioritize community, compassion, and well-being taking precedence.

Keynes' statement draws attention to the potential consequences of changing societal priorities and values away from the relentless pursuit of wealth. It encourages a critical reflection on the

relationship between economic systems, cultural values, and the overall well-being of individuals and societies. By reevaluating our moral code and promoting virtues that prioritize the collective good, empathy, and sustainable development, societies may pave the way for a more equitable and fulfilling future.

- *“I see us free, therefore, to return to some of the most sure and certain principles of religion and traditional virtue-that avarice is a vice, that the exaction of usury is a misdemeanour, and the love of money is detestable, that those walk most truly in the paths of virtue and sane wisdom”.*

This statement of Keynes follows the modern understanding of sustainable development where virtues, values and human-social ethic norms are of utmost importance. Keynes' words emphasize the significance of returning to certain principles of religion and traditional virtue that caution against excessive greed and the love of money. These principles offer a moral compass that discourages the pursuit of wealth and promotes values that prioritize the common good and well-being. Keynes' words are in fact a balance between economic pursuits and moral principles and encourage societies to consider the ethical implications of economic decisions and policies. Nowadays they resonate with the growing interest in sustainable and responsible economic practices that prioritize social welfare and environmental stewardship over profit maximization and promote motivate societies to reconsider their values and priorities in shaping a more just and sustainable future.

- *“We shall once more value ends above means and prefer the good to the useful. We shall honour those who can teach us how to pluck the hour and the day virtuously and well, the delightful people who are capable of taking direct enjoyment in things, the lilies of the field who toil not, neither do they spin”.*

Preference of the good to the useful in fact is fully in line with the modern EU trade policy where human rights, social and environmental protection are set first prior any benefits and usefulness. As the CETA and the Free Trade Agreements with Vietnam, Singapore, Japan explicitly show.

Keynes' words urge us to re-evaluate our priorities and reorient our focus on what truly matters. Valuing ends above means suggests giving greater significance to the purpose and meaning of life rather than being solely preoccupied with pragmatic and utilitarian concerns.

While recognizing the importance of utilitarian considerations in daily life, Keynes advocates for striking a balance by giving due importance to virtues and ethical choices. This perspective reminds us of the need to maintain a holistic approach to life that encompasses both practicality and morality.

Emphasizing the ability to "pluck the hour and the day virtuously and well" encourages mindfulness and being present in the moment. It urges us to find joy and fulfilment in life's simple pleasures and experiences.

Keynes' reference to "the lilies of the field who toil not, neither do they spin" serves as a reminder to resist the relentless pressure of productivity culture. It encourages a re-evaluation of the constant pursuit of material gain and excessive busyness.

The statement celebrates leisure as an essential aspect of life and challenges the modern tendency to undervalue it. Embracing leisure allows for personal growth, creativity, and fostering meaningful relationships.

In today's fast-paced and consumer-driven society, Keynes' message remains relevant. It calls for a re-evaluation of our values and an acknowledgment of the significance of leading a purposeful and meaningful life.

Keynes' words offer a profound reflection on the essence of life, urging us to value intrinsic ends, virtues, and direct enjoyment in the pursuit of the good. By embracing the present moment, finding joy in life's experiences, and balancing utilitarian concerns with moral virtues, we may find greater fulfilment and contentment in our lives. These insights remain pertinent in our modern world, where redefining success and prioritizing what truly matters can lead to a more meaningful and satisfying existence.

- *“I look forward, therefore, in days not so very remote, to the greatest change which has ever occurred in the material environment of life for human beings in the aggregate. But, of course, it will all happen gradually, not as a catastrophe. Indeed, it has already begun. The course of affairs will simply be that there will be ever larger and larger classes and groups of people from whom problems of economic necessity have been practically removed. The critical difference will be realised when this condition has become so general that the nature of one’s duty to one’s neighbour is changed”.*

Keynes predicts a monumental shift in the material environment of human life, pointing towards the emergence of a post-scarcity society. He envisions a future where economic necessity will be greatly diminished for ever-larger groups of people, leading to fundamental changes in societal structures.

Keynes emphasizes that this transformation will occur gradually, not as a sudden catastrophe. He recognizes that societal changes of such magnitude take time and that they are already underway.

As economic necessity decreases for larger segments of the population, the dynamics of society will undergo significant alterations. A reduction in economic struggles and survival concerns may reshape human interactions and priorities.

The transformation described by Keynes raises important questions about income distribution and social equity. It prompts reflection on how society will handle wealth disparities and what mechanisms will be put in place to ensure the well-being of all.

As economic necessity diminishes, people's sense of duty to one another may evolve. The traditional responsibilities associated with mutual support and cooperation might undergo reevaluation in a society where basic needs are more widely met.

Keynes' vision has global implications, as the changes he envisions would influence societies worldwide. Cooperation and international coordination might be crucial in addressing the challenges and opportunities that arise.

Keynes' words remain relevant in contemporary discussions about the future of work, automation, universal basic income, and the potential for advancing toward a more equitable and prosperous society.

Keynes' anticipation of a profound change in the material environment of human life reflects his forward-thinking vision. The transformation he envisions would not only alter economic circumstances but also have far-reaching implications for societal dynamics, values, and responsibilities. As we continue to navigate societal and technological developments, considering Keynes' insights can help shape a future that embraces progress while prioritizing human well-being and collective prosperity.

6. In Conclusion

Exploring modern EU trade policy, Keynes is one of its forerunners. His essay is a brilliant analysis of the social and moral consequences in a materially satiated world debating on “the improvement in the standard of life”, “balance of our economic and social life”, values and virtues - all necessary principles of sustainability of the EU Trade Agreements nowadays where environment and labour issues and decent living are an absolute priority.

As the EU navigates the complexities of modern trade, Keynes' vision serves as a guiding principle in shaping a trade policy that aligns economic growth with human values, societal well-being, and a sustainable future.

The significance of Keynes' essay, "Economic Possibilities for Our Grandchildren," extends beyond its relevance to the EU trade policy. It offers profound insights that have implications for economic and societal considerations on a global scale.

Keynes' vision places humans at the centre of economic activities, emphasizing the importance of economic systems that serve the well-being and flourishing of individuals and communities. This human-centered approach has been influential in shaping discussions around well-being economics and alternative measures of progress.

Keynes' concerns about income inequality and the need for inclusive growth resonate in modern debates on social justice and wealth distribution.

Keynes' “Possibilities” continues to influence the EU trade policy today. The essay's emphasis on sustainable development, social welfare, ethics, and responsible planning resonates with the EU's commitment to creating a prosperous and equitable global trading system.

As the EU continues to navigate an ever-changing global landscape, the wisdom of Keynes' ideas will remain invaluable, guiding policymakers in their quest for a prosperous and sustainable future for all. By staying true to these principles, the EU can remain a trailblazer in promoting progressive trade policies that prioritize both economic growth and social welfare.

Keynes' essay inspires the EU to use trade agreements as incentives for sustainable practices. The EU leverages its economic power to encourage partner countries to adopt environmental and social standards, promoting responsible business conduct worldwide.

In conclusion, Keynes' essay continues to be significant as a source of inspiration and guidance for contemporary economic and societal discussions. Its emphasis on sustainable development, human-centered economics, and responsible capitalism influences the way we approach global challenges and envision a prosperous and equitable future. Keynes' ideas serve as a reminder that economic progress should be aligned with human values, social well-being, and environmental sustainability, providing a timeless foundation for shaping a more inclusive and sustainable world.

References

- Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other, OJ L 346, 15.12.2012, p. 3–2621
- Comprehensive Economic and Trade Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part, OJ L 11, 14.1.2017, p. 23–1079
- Agreement between the European Union and Japan for an Economic Partnership, ST/7965/2018/INIT, OJ L 330, 27.12.2018, p. 3–899
- Comprehensive Economic and Trade Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part, OJ L 11, 14.1.2017, p. 23–1079
- Consolidated version of the Treaty on European Union, https://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0023.02/DOC_1&format=PDF, Retrieved on July 4, 2023
- Consolidated version of the Treaty on the Functioning of the European Union, <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:12012E/TXT:en:PDF>
- Environmental credentials of EU trade policy, Institute for European Environmental Policy, April 2021
- Eric Berr, 2009. "Keynes and Sustainable Development"
- Free Trade Agreement between the European Union and the Republic of Singapore, ST/7972/2018/ADD/5, OJ L 294, 14.11.2019, p. 3–755
- Free Trade Agreement between the European Union and the Socialist Republic of Viet Nam, ST/6051/2019/INIT, OJ L 186, 12.6.2020, p. 3–1400
- Gender equality in EU trade agreements, European Parliament resolution of 13 March 2018 on gender equality in EU trade agreements (2017/2015(INI))
- Labour rights in EU trade agreements: Towards stronger enforcement, European Parliamentary Research Service, January 2022
- Kiel Institute for the World Economy, Kiel Policy Brief Nr. 125 Mai 2019, Gabriel Felbermayr, Jasmin Gröschl, Inga Heiland und Jürgen Stehn, Die (Handels-)Kosten einer Nicht-EU
- Promoting and enforcing compliance with labour provisions in trade agreements, ILO 2023, Marva Corley-Coulibaly, Gaia Grasselli and Ira Postolachi
- Proposal for a Directive of the European Parliament and of the Council on Corporate Sustainability Due Diligence and amending Directive (EU) 2019/1937, COM/2022/71 final
- Proposal for a COUNCIL DECISION on the signing, on behalf of the European Union, of the Free Trade Agreement between the European Union and New Zealand, COM/2023/82 final
- Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010 (Text with EEA relevance), PE/82/2022/REV/1, OJ L 150, 9.6.2023, p. 206–247

Stephane Hallegatte, Mook Bangalore, Laura Bonzanigo, Marianne Fay, Tamaro Kane, Ulf Narloch, Julie Rozenberg, David Treguer, and Adrien Vogt-Schilb, Shock Waves. Managing the Impacts of Climate Change on Poverty, 2016,

Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, OJ L 354, 21.12.2012, p. 3–2607

Trade Policy Review - An Open, Sustainable and Assertive Trade Policy, Brussels, 18.2.2021, COM(2021) 66 final

Vercelli, A. (1998), ‘Sustainable development, rationality and time’, in S. Faucheux, M. O’Connor and J. van der Straaten (eds), Sustainable Development: Concepts, Rationalities and Strategies, Dordrecht, Kluwer Academic Publishers, pp. 259-76.

https://international-partnerships.ec.europa.eu/policies/sustainable-growth-and-jobs/economic-integration-trade-and-connectivity_en, Retrieved on July 10, 2023

<https://www.europarl.europa.eu/news/en/headlines/economy/20190603STO53520/benefits-of-economic-globalisation-in-eu-facts-and-figures>, Retrieved on July 4, 2023

https://policy.trade.ec.europa.eu/development-and-sustainability/sustainable-development_en, Retrieved on July 10, 2023

https://european-union.europa.eu/principles-countries-history/principles-and-values/aims-and-values_en#:~:text=uphold%20and%20promote%20its%20values,strict%20observance%20of%20international%20law, Retrieved on July 12, 2023