Erasmus University Rotterdam

Erasmus Initiative

Dynamics of Inclusive. Prosperity

Annual Report 2018

Erasmus School of

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RSM _______ Rotterdam School of Management Erasmus University

Erasmus School of Philosophy

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1. Introduction

The Erasmus Initiative for the Dynamics of Inclusive Prosperity (DoIP) was established by the Erasmus School of Law (ESL), Rotterdam School of Management (RSM), the Erasmus School of Philosophy (ESPhil) and the Executive Board of Erasmus University Rotterdam. It is a research initiative that brings together insights from several angles to a topic of increasing academic and societal relevance: letting different groups in society share in growing opportunities to live meaningful and comfortable lives and giving the stakeholders representing them a say in the decision processes.

What follows is the annual report of its first year of operation: 2018. This year was characterized by new hires, the organizational structure gradually evolving into the regular shape it would assume in 2019 and a large launching conference on 29-30 November held at Hilton Hotel Rotterdam and Campus Woudestein. Considering that 2018 was a startup year, this report is limited in size and coverage, relative to subsequent ones. It covers the actions undertaken to hire staff, an overview of key output, an overview of budgetary items and highlights and future prospects.

The authors of the report hope the information included will offer the reader an inspiring overview of DoIP activities and progress in its founding year.

Remi van der Leer, Operations Manager Roel van den Berg, Business Director Martin de Jong, Scientific Director

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2. Organizational Structure

By the end of the year 2018, the organizational structure of DoIP took on its mature shape. During the majority of 2018, the daily management of the initiative was in the hands of the three trailblazers and Dr. Jeroen Timmermans as managing director. Each of the participating faculties in the initiative were represented by one trailblazer. These were Professor Evert Stamhuis for ESL, Professor Joep Cornelissen for RSM and Professor Jack Vromen for ESPhil. They were tasked with defining the mission and the underlying themes of the initiative and appointing the academic team and PhD candidates who would implement it.

The selection and appointment of the very qualified and interdisciplinary team that DoIP consists of now, was one of the main activities in 2018. This was done through either a sophisticated internal process or with elaborate international search procedures. The trailblazers were running many search committees, and as time went on, associate professors joined in by helping with the PhD procedures. The DoIP initiative would hereby like to express its gratitude to the trailblazers and all others who helped with bringing together such a strong and committee team.

As shown in the overview, the academic team members of the initiative were assigned over the course of 2018. All three participating faculties are represented in the academic team with two scientists; one associate professor and one assistant professor. A note should be made that Professor Alessandra Arcuri was an associate professor at the time she was assigned, but was promoted to full professor in October 2018. The appointment of Professor Martin de Jong as scientific director of the initiative, took place in September 2018. From this moment on, he was in control of the daily management.

Both ESL and RSM are represented at the initiative by two PhD candidates and ESPhil is represented by one PhD candidate. The PhD candidates of both ESL and ESPhil have been appointed over the course of 2018. One of the two PhD candidates from RSM has been hired in 2018 and the second one would follow in 2019. All PhD candidates were hired by interdisciplinary committees and selected specifically for the initiative, based on their interdisciplinary research projects, interests and background. Key members of the initiative were co-members of the respective admissions committees for ESL, ESPhil and RSM. During their PhD trajectory they are being co-supervised by someone from one of the other participating schools of the initiative. Besides these five PhD positions, Negar Noori has also been appointed as a PhD candidate at the initiative. She followed her supervisor Martin de Jong from TU Delft for the final two years of her PhD. Fully financed by the initiative for these two years, she is officially appointed at ESL and will graduate there.

Professor Martin de Jong reports to the steering group of the initiative, which is responsible for overseeing the administration and management. It ensures the long-term continuity and provides advice where needed. The steering group consists of the deans and vice-deans of RSM and ESL and the dean of ESPhil. The chair of the steering group is the dean of ESL; Professor Suzan Stoter.

In September 2018, Dr. Jeroen Timmermans resigned from the initiative. Professor Evert Stamhuis and Dr. Jeroen Timmermans were jointly responsible for organizing the kick-off conference of the initiative, which was scheduled in November 2018. The resignation of Dr. Jeroen Timmermans therefore placed an extra burden on the trailblazers and Professor Evert Stamhuis in particular. After the departure of Dr. Jeroen Timmermans, Professor Evert Stamhuis was in need of operational support. This support was found in an agreement with ESL, as they seconded Remi van der Leer to the initiative. Over time Remi van der Leer's contribution to the initiative grew beyond the organization of the kick-off conference, as he got more and more involved with other operational aspects of the initiative.

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2.1 Overview

Steering group	School	Starting date	Contract	Remarks	
Prof. Fabian Amtenbrink	ESL	1-1-2018	n.a.		
Prof. Pursey Heugens	RSM	1-1-2018	n.a.		
Prof. Suzan Stoter	ESL	1-1-2018	n.a.		
Prof. Steef van de Velde	RSM	1-1-2018	n.a.		
Prof. Hub Zwart	ESPhil	1-1-2018	n.a.		
Trailblazers					
Prof. Joep Cornelissen	RSM	1-1-2018	0,2 fte	In-kind contribution by school	
Prof. Evert Stamhuis	ESL	1-1-2018	0,2 fte	In-kind contribution by school	
Prof. Jack Vromen	ESPhil	1-1-2018	0,2 fte	In-kind contribution by school	
Scientific Director					
Prof. Martin de Jong	ESL/RSM	1-9-2018	1,0 fte	50/50 at ESL and RSM	
Managing Director					
Dr. Jeroen Timmermans	ESL	1-1-2018	0,6 fte	Resigned 31-08-2018	
Operational Management					
Remi van der Leer	ESL	1-8-2018	1,0 fte	Seconded by ESL	
Academic Team					
Prof. Alessandra Arcuri	ESL	1-4-2018	0,5 fte	1,0fte appointment, 75% paid by school, 0,5fte available for DoIP	
Dr. Lieselot Bisschop	ESL	1-4-2018	1,0 fte		
Dr. Yogi Hale Hendlin	ESPhil	1-11-2018	1,0 fte		
Dr. Conrad Heilmann	ESPhil	1-4-2018	0,5 fte	1,0fte appointment, 75% paid by school, 0,5fte available for DoIP	
Dr. Emilio Marti	RSM	1-4-2018	1,0 fte		
Dr. Marta Szymanowska	RSM	1-4-2018	0,5 fte	1,0fte appointment, 75% paid by school, 0,5fte available for DoIP	
PhD Candidates					
Lydia Baan Hofman	ESPhil	1-9-2018	1,0 fte		
Roy Heesakkers	ESL	1-9-2018	1,0 fte	For each DhD considers, the Initiative covers 40% of the order i	
Negar Noori	ESL	1-10-2018	1,0 fte	For each PhD canidate, the Initiative covers 40% of the salary costs. The remaining 60% is covered by their respective schools.	
Heleen Tiemersma	ESL	1-9-2018	1,0 fte		
Yannick Wiessner	RSM	1-12-2018	1,0 fte		

2.2 People

Steering Group

Prof. Fabian Amtenbrink

Fabian Amtenbrink is full professor and vice dean at the Erasmus School of Law where he holds the Chair of European Union Law. Since 2009 he is also visiting professor at the College of Europe in Bruges (Belgium). His research, publications and public appearances focus on constitutional and institutional aspects of European Union law, as well as legal issues of (European) economic and monetary integration.

Prof. Pursey Heugens

Pursey Heugens is the vice-dean of the Rotterdam School of Management and professor of organisation theory, development, and change at the Department of Strategic Management and Entrepreneurship. His research interests include comparative corporate governance, business ethics, and bureaucracy, institutional, and demographic theories of organisation.





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Prof. Suzan Stoter

Suzan Stoter has been in charge of the Erasmus School of Law as Dean since February 2013. In addition, she is professor in Sociology of Law. Her special teaching task encompasses innovation, focusing on how our legal system manages to absorb technical and social innovations.

Prof. Steef van de Velde

Steef van de Velde is the dean of the Rotterdam School of Management and professor of operations management and technology. His research interests lie in the areas of operations excellence, service operations, and supply chain management.

Prof. Hub Zwart

Hub Zwart is the dean of the Erasmus School of Philosophy. The focus of his research is on philosophical and ethical issues in the emerging life sciences with a focus on genomics and post-genomics fields such synthetic biology, nanomedicine and brain research, but he is also interested in research integrity and academic authorship.

Proximity to and interactive involvement with researchers working in the fields of study is a core component of his approach. Special attention is given to the use of genres of the imagination (novels, plays, poetry) in research and education.

Trailblazers

Prof. Joep Cornelissen

Joep Cornelissen is Professor of Corporate Communication and Management at Rotterdam School of Management. The main focus of his research involves studies of the role of corporate and managerial communication in the context of innovation, entrepreneurship and change. In addition, he also has an interest in questions of scientific reasoning and theory development in management and organization theory.

Prof. Evert Stamhuis

Evert Stamhuis is professor of law and innovation at the Erasmus School of Law. His research focusses on Innovation of/in law, inclusive prosperity, criminal law and procedure, cybercrime issues and regulation ϑ governance in the AI era.

Prof. Jack Vromen

Prof. Jack Vromen is professor of Theoretical Philosophy at the Erasmus School of Philosophy. The main research area of Jack Vromen is the Philosophy of Economics, with an emphasis on conceptual and meta-theoretical aspects of the relation between evolutionary and economic theorizing.

Scientific Director

Prof. Martin de Jong

Along with his position as scientific director of the initiative, Martin de Jong is professor at both ESL and RSM (each for 50% of his time) and has a part-time professor position at the School of International Relations and Public Affairs (SIRPA) of Fudan University in Shanghai. Given his 25 year international experience in research,













education and entrepreneurship on public policy and urban studies, it is his goal to make the initiative both locally relevant through knowledge dissemination in the Randstad Area and to give it strong global exposure by establishing partnerships in a number of leading universities around the world. During his career, Martin de Jong has specialized in the following topics: policy and governance, planning and decision-making in China, transport infrastructures, sustainable urban development, city branding, Corporate Social Responsibility and cross-cultural management.

Managing Director

Dr. Jeroen Timmermans

Jeroen Timmermans holds a doctoral degree in Philosophy and was the managing director of the initiative. He resigned from the Erasmus University in September 2018 to continue his career at Leiden University.

Operational management

Remi van der Leer

Remi van der Leer graduated in organizational psychology at the Erasmus University Rotterdam in 2017 and manages the operational and organizational aspects of the initiative. Apart from this, he shares in the responsibility for the policy of the initiative, communication and the organization of events.

Academic Team

Prof. Alessandra Arcuri

Alessandra Arcuri is a Full Professor of Inclusive Global Law and Governance at the Erasmus School of Law. Alessandra's research studies how different international and EU legal regimes are implicated in the production of environmental degradation and social injustice. More concretely, she focuses on the field of international economic law and the relationship with human rights, environmental and public health law as

well as on the global governance of risks and the emergence of global technocracy. By investigating and charting mechanisms by which exclusion and inclusion are produced through international legal institutions, her research contributes to better understand structural problems of the existing legal system and identify concrete ways to address them.

Dr. Lieselot Bisschop

Lieselot Bisschop is assistant professor in criminology at the Erasmus School of Law. The Dynamics of Inclusive Prosperity Initiative aims for people to benefit from inclusive prosperity while minimizing harm. One type of harm that goes hand in hand with growing prosperity is environmental degradation, which also brings with it dimensions of inequality and exclusion. Lieselot's research therefore focuses on

gaining insights into the drivers and dynamics of exclusive prosperity with a particular focus on environmental harm, especially when connected to industrial processes (e.g. oil and gas, waste, shipping, natural resource extraction and trade). By better understanding the characteristics of exclusive prosperity, she aims to contribute to answering the question how governments, businesses and civil society can cooperate to reach inclusive prosperity in environmental matters. While environmental harm is Lieselot's main topic of research, she is also involved in research projects about organised crime (i.e. drugs crime in the port of Rotterdam), about its undermining effect on society and about the balancing of public and private actors' responsibilities to prevent and control serious crime.









Dr. Yogi Hale Hendlin

Yogi Hale Hendlin is an assistant professor in theoretical philosophy at Erasmus School of Philosophy. Yogi is specialized in environmental philosophy at the intersection of public health policy. His work in the Dynamics of Inclusive Prosperity Initiative focuses on the impact of the chemical and fossil fuel industries on health and the environment. He especially examines the unintended consequences and

synergistic harms of pollution in its various forms vis-à-vis environmental justice, harms on nonhuman organisms, and ecological and intergenerational impact. The positive program stemming from this investigation is what he calls "disruptive regulation," analyzing best practices in ecology and health that meet human needs through shared agency, non-domination, and sustainability. Particular projects include carbon tax, glyphosate, e-waste and industrial epidemics (how industrial processes generate chronic disease).

Dr. Conrad Heilmann

Conrad Heilmann is an associate professor of philosophy at Erasmus School of Philosophy. Conrad's research focuses on two main themes: fairness and finance. He aims at developing a comprehensive theory of fairness that tells us how to be fair. Applying this theory to the notion of fair profit sharing, fair trade, and fair distribution of wealth more generally will yield critical insights for inclusive prosperity. He also

explores how finance models explain. Which ethical and epistemic values are and should be at play in finance modeling and theory? Answering these guestions will contribute to our understanding of inclusive prosperity. Besides these themes, he is also interested in various topics in the philosophy of social science. These topics include scientific measurement and expertise, behavioural policy (such as nudging), procrastination, decision-making about the future, and sustainability.

Dr. Emilio Marti

Emilio Marti is an assistant professor in the Business-Society Management Department at the Rotterdam School of Management (RSM). Emilio's research focuses on how pressure from shareholders makes companies more or less sustainable. For example, with Tanja Ohlson, he currently conducts an ethnography at a London-based shareholder engagement fund to explore the conditions under which shareholder

engagement can make companies more sustainable. Emilio also explores, with Mark DesJardine, the potentially problematic interplay between pressure from activist hedge funds and the CSR activities of companies.

Dr. Marta Szymanowska

Marta Szymanowska is an associate professor of Finance at the Rotterdam School of Management. Marta is studying the relation between financial markets and the real economy with a particular focus on global commodity markets. Her work within the initiative has two strands. Both focus on the role of finance in fostering inclusive prosperity. In the first strand, she studies how financial markets can deal with

macroeconomic shocks. For instance large commodity price swings that could jeopardize sustainable food production or the stability of emerging economies. In the second strand she studies how the epistemic and non-epistemic values (i.e., ethical or environmental) in finance research translate into finance industry that facilitates prosperity (e.g., promotes CSR, financial inclusion). Despite being highly theoretical, academic research in finance has direct and significant practical implications.









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PhD Candidates Lydia Baan Hofman

Promotor: Prof. Marli Huijer (ESPhil)

Co-promotor: Prof. Alessandra Arcuri (ESL)

Baan Hofman's research interests lie in (intersections between) ecophilosophy, (feminist) science and technology studies and aesthetics. In her PhD project, she elaborates on Donna Haraway's notion of response-ability towards the urgencies of climate change.

Roy Heesakkers

Promotor: Prof. Maarten Verbrugh (ESL) Co-promotor: Dr. Conrad Heilmann (ESPhil)

Roy Heesakkers studies the inclusion of public interests in corporate governance, from a corporate law perspective. His approach combines insights from systems thinking, regenerative economics and pluralistic notions of social justice.

Negar Noori

Promotor: Prof. Martin de Jong (ESL/RSM) 2nd Promotor: Prof. Evert Stamhuis (ESL) Co-Promotor: Dr. Thomas Hoppe (TU Delft)

Negar Noori's current research focusses on the policy and governance domain of smart city development, supervised by Prof. Martin de Jong (DoIP) and Dr. Thomas Hoppe (TUDelft). She contributes to an inclusive city to address the question: To what extent can a smart city be an

inclusive city? It aims to show how technology and innovation can help cities to be more inclusive.

Heleen Tiemersma

Promotor: Prof. Martijn Scheltema (ESL) 2nd Promotor: Prof. Rob van Tulder (RSM)

Heleen Tiemersma studies the potential of financial institutions to exercise their

leverage on corporate clients and business partners to contribute to the realisation of human rights. The research will take a multidisciplinary approach (legal and managerial), focussing on the combination of innovative management stances and innovative legal arrangements for responsible and pro-active business conduct beyond compliance.

Yannick Wiessner

Promotor: Prof. Alessandra Arcuri (ESL) Supervisor: Dr. Brian Pinkham (RSM) Supervisor: Dr. Frank Wijen (RSM)

Yannick Wiessner's academic background is in International Business. He is interested in foreign trade and especially in foreign direct investment (FDI), most notably in

emerging markets. In particular, his research explores how FDI as a foreign impetus can contribute to a host country's sustainable development, not only in economic terms, but also considering legal, social, and environmental aspects of investment impact.



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3. Output

The initiative aims to achieve both scientific and societal impact on the basis of multidisciplinary research around specific themes. In both domains impact will be based on: results, use of those results and recognition. Note that the precise nature of these three types of effect differs for the academic realm and society at large. It is obvious that during this first year impact creation was still in an initial stage. However, achievements were encouraging. In particular they reflect an ability to work towards interdisciplinary results and also a competence to reach out to relevant audiences beyond academia. To accelerate our impact in the first year, so called "small grants" were awarded to interdisciplinary groups of scientists who aim for inclusive prosperity. Below we will briefly outline our scientific output, the projects that were supported by our small grants and our societal output.

3.1 Scientific impact

The primary type of academic results is academic publications. At the start of the initiative, three research themes were proposed to demarcate its scope. Each one of these themes has a high level of societal relevance and together they cover the expertise of the researchers involved in the initiative. We will assess on a regular basis if the scope of the themes requires adjustment, depending on how our activities develop. The three themes are as follows.

The balance between public and private responsibilities

The boundaries between public and private regulation are becoming increasingly blurred. In recent decades, we have seen increasing self-regulation within the private sector, while the government is seeking to build new partnerships with the private sector to arrive at tighter regulation. This development produces various questions and dilemmas. Since public regulation and private regulation work in fundamentally different ways, one could wonder whether the two can actually be reconciled. Is the private sector a suitable party to control its own socially responsible behavior? Another question concerns the effectiveness and operation of the various forms of regulation. Now that not only the government, but also the market and social movements are starting to regulate, we see that besides inspection and enforcement, financial incentives, boycotts and social pressure are also having a regulatory effect. Furthermore, very little research has been done into the effectiveness of regulation by many parties. With the rise of new multinational corporations that are active across the globe, we can see a flurry of new developments in the field of regulation. Although many transnational quality marks and certifications are being created, little is known about the effects of such measures. Examples of scientific output under this theme in 2018 are:

- Arcuri, A. and Montanaro, F. (2018). Justice for All? Protecting the Public Interest in Investment Treaties, *Boston College Law Review*, 59, 2791.
- Bisschop, L., Strobl, S., & Viollaz, J. (2018). Getting into deep water. Coastal land loss and state-corporate crime in the Louisiana bayou. *British Journal of Criminology*, 58, 886–905.
- Koppenjan, J. & Jong W.M. de (2018). The introduction of public–private partnerships in the Netherlands as a case of institutional bricolage: The evolution of an Anglo-Saxon transplant in a Rhineland context. *Public Administration, 96*, 171-184.
- Marti, E. and Gond, J.P. (2018). "When do theories become self-fulfilling? Exploring the boundary conditions of performativity," in: *Academy of Management Review, 43,* 487–508.

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Opportunities and risks of start-ups and technological developments

Start-ups and technological developments are rapidly changing society and the market. What do we mean today by 'disruptive innovation', and what are the consequences of these developments for society? Are the differences decreasing equality or are they actually contributing to it? Since these innovations are distinguished by their disruptive character, regulation has often proven problematic and goals like stability and sustainability are coming under pressure. In sectors with a high level of disruption where the consequences of innovation may be dramatic, like finance, farming or manufacturing, it will be necessary to perform dedicated research to develop a better understanding of the eventual effects. Examples of scientific output under this theme in 2018 are:

Hendlin, Y. H. (2018). I Am a Fake Loop: the Effects of Advertising-Based Artificial Selection. *Biosemiotics*, 12, 131-156.

The role of the financial sector

Within the financial system, markets, banks and institutional investors (such as pension funds) influence each other. The question is how a financial system can best be arranged and regulated to create an inclusive economy that promotes prosperity.

Problems in the financial sector can lead to economic depression and unemployment. In the past, financial innovations have often proven to be at the expense of financial stability. Because of the complexity of the financial sector, regulation often falls short of the mark and governments are unable to prevent major problems. At the same time, financial innovations do not just create risks; they also create new opportunities like crowd funding, microcredits and risk management. How can these innovations be used to stimulate inclusive prosperity?

For a better understanding of the world of finance, it is essential to gain insight into the motives and behavior of bankers and traders as well as of households and other actors in this sector. For that reason, multidisciplinary research that looks beyond mere economic factors is required. In addition, international institutions such as the World Trade Organization (WTO), the World Bank, the International Monetary Fund (IMF) and the European Banking Union are important players in the financial sector. How can these institutions contribute to inclusive prosperity? In order to answer such questions, value concepts like fairness and sustainability are key. These concepts will be further explored by key members of the initiative in the years to come. Examples of scientific output under this theme in 2018 are:

Wintein, S., & Heilmann, C. (2018). Theories of Fairness and Aggregation. *Erkenntnis: An International Journal of Analytic Philosophy*. 1-24.

Zhan, C., de Jong, W.M., & de Bruijn, H. (2018). Funding Sustainable Cities: A Comparative Study of Sino-Singapore Tianjin Eco-City and Shenzhen International Low-Carbon City. Sustainability, 10, 4256.

3.2 Small grants

Our small grants scheme offered financial support for research and networking activities of research active staff within ESL, RSM and ESPhil. These awards are provided to cover the cost arising from starting up a defined research project or from activity (conferences, workshops) aimed at fostering interdisciplinary research collaborations. Funding of up to 15,000 Euros was available for research or networking activities that foster relationships between researchers from the three partner schools and that help initiate larger scale research activity. Below is an overview of all the projects that received a small grant in 2018.

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Building an Erasmus Research Network on Sustainable Business & Human Rights

Prof. Rob van Tulder (RSM), Prof. Liesbeth Enneking (ESL), Prof. Martijn Scheltema (ESL), & Prof. Cees van Dam (RSM)

The Erasmus Research Platform on Sustainable Business & Human Rights seeks to identify strategies – including both business and regulatory strategies – that effectively contribute to sustainable development and corporate respect for human rights.

The Platform's focus is on the ways in which innovative management stances, which enable the transition to proactive value creation, can be linked to innovative legal arrangements to foster proactive business conduct in global value chains, beyond compliance. Examples include contractual, dispute resolution, legislative, multi-stakeholder and industry arrangements that take an integrated approach to minimize adverse impacts and generate positive impacts.

The Era of Disintegration: Taking Stock of the Dynamics of International Economic Governance in the First Two Decades of the 21st Century

Dr. Federica Violi (ESL), & Dr. Constanze Binder (ESPhil) International economic law and EU law have played an enormous role in enhancing economic integration and international cooperation. However, they seem to have lost part of their integrationist force. International and regional economic regimes seem in fact to be both sustaining and nurturing patterns of disintegration. Brexit, the Euro crisis, the US challenges to multilateralism, environmental disruptions, and resource-cursed States are only a few examples of how disintegration dynamics are unfolding rapidly at various levels.

Blockchain: A Matter of Trust?

Dr. Jurgen Goossens (ESL), Dr. Gijs van Oenen (ESPhil), & Prof. Jos de Mul (ESPhil) Although blockchain seems to offer great opportunities to improve the functioning of our democratic society, the government should think before acting. It is far from clear whether blockchain will resolve more problems than it will create. When using new technologies, such as blockchain, the government must be aware that it is wearing two hats, one as a (horizontal) user of the system and another one as a (vertical) public actor with responsibilities.

The project addresses these questions and concerns regarding the application of blockchain and smart contracts by the government and its effects on inclusive prosperity. Blockchain might generate both negative and positive effects on inclusive prosperity.

Visuals at work in the legal system

Dr. Gabry Vanderveen (ESL), Prof. Valerie Frissen (ESPhil), Prof. Henk Volberda (RSM), & Prof. Marius van Dijke (RSM).

New technologies have led to an increase in different types of visuals in the legal system, created by various public and private actors. This working conference brought researchers, (legal) professionals, practitioners and businesses together to discuss how visuals actually work in the legal system, how they affect the people involved.

When and how can visualization of information and data lead to more inclusion by enhancing access to justice and to legal information? When and how can access to and the use of visuals in civil and criminal cases lead to less justice and how can this be prevented?

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Tax incentives for corporate philanthropy to stimulate inclusive prosperity

Dr. Lonneke Roza (RSM), & Dr. Renate Buijze (ESL)

Companies increasingly play a pivotal role in creating inclusive societies through incorporating ethical, sustainable and social policies in their day-to-day operations, but also through cross-sector partnerships based on CSR and corporate philanthropy. This project studies tax incentives for corporate philanthropy. In order to address the key academic questions and enhance the collaboration within the field of corporate philanthropy, meetings were organized with top academic scholars as well as organizations active in the field and potential funders.

The use of AI in legal decision making

Erlis Themeli LLM (ESL), Dr. Stephan Philipsen (ESL), Dr. Gijs van Oenen (ESPhil), & Prof. Stefano Puntoni (RSM).

A growing number of applications is able to find, read, and summarize arguments contained in large volumes of information, called Artificial Intelligence (AI). The use of AI in legal decision making is a matter of concern to government officials, public in general, and the court constituents. AI promises to reduce costs of justice and to make complicated legislation more accessible, increasing the access to justice with technology serving as a vehicle to a more inclusive prosperity.

This roundtable aimed to gather developers of AI applications, managers of law firms or private companies, government officials and court representatives in order to reflect on this development and improve communication and understanding of AI.

The moral aspects of robotization

Prof. Jos de Mul (ESPhil), Prof. Valerie Frissen (ESPhil), Prof. Stefano Puntoni (RSM), & Prof. Evert Stamhuis (ESL).

In both the public and private sphere, more and more decisions are delegated to advanced algorithms. Although this affects management, law, and philosophy alike, as of yet no coordinated initiative exists that connects expertise and research within these disciplines. Therefore, this project was set out to jointly develop a research agenda on the moral aspects of robotization, ranging from governance and organisational ethics to the individual self-understanding as a (moral) agent within an increasingly automated structure.

In the modern praxis of the digital age, it is held, moral concepts such as responsibility could require structural revaluation. Members from the three Faculties collaborate on a joint research agenda, try to develop an overarching theoretical framework and explore new possibilities for further research.

Sharing economy in logistics

Dr. Wouter Verheyen (ESL), Prof. Rob Zuidwijk (RSM), & Dr. Niels Agatz (RSM) In the domain of sharing economy in logistics, where cooperation between market players is essential, a holistic solution to the grand societal challenges requires an integrated approach, combining expertise from logistics, operations management, modelling and law.

The evolutions that have taken place in the sharing logistics in the last years, could very much increase inclusive prosperity, but at the same time they might potentially lead to opposite results and allow for exclusion and even (social) dumping. Given these opportunities and threats, it is clear that sharing economy in logistics could be a catalyst for inclusive prosperity, but at the same time entails a risk of achieving the opposite results.

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3.3 Societal output

One important pillar of creating societal impact is the dissemination of results and insights beyond academia during conferences, workshops and other public events. Involvement of external organizations is key to increasing this type of impact. In 2018, the main concern of the initiative was building the organization and defining its purpose. Even though the focus of the initiative's activities was therefore still very much inward-oriented, the initiative did already achieve some societal impact in its first full year. An example of this societal outreach is the honorary doctorate which was awarded to Professor Debra Satz in November 2018. Furthermore, on the 29th and 30th of November, the grand kick-off conference of the initiative was held. This was a high-profile, two-day event which was co-organized by the World Economic Forum and sponsored by Royal Philips. The collaboration with these worldwide operating organizations, meant a valuable addition to the network of the initiative, also for future endeavors. Besides these internally organized events, our small grants also led to multiple conferences, meetings and roundtables.

The use of artificial intelligence in legal decision-making

On 24 May 2018 an expert roundtable took place at the Erasmus University Rotterdam entitled 'The use of artificial intelligence in legal decision-making'. This Roundtable was organized by Dr. Erlis Themeli, Dr. Stefan Philipsen, and Prof. Evert Stamhuis with the support of a small grant by the Erasmus Initiative Dynamics of Inclusive Prosperity. The experts attending the event came from the legal practice, government, academia, and ICT sector.

The aim of the roundtable was to map the developments in and research on the use of AI in legal decision-making, and to outline a research agenda for the near future. Prof. Stefano Puntoni (Rotterdam School of Management) and Prof. Xandra Kramer were invited to provide some 'food for thought' for the participants and to contribute to the discussion.

Al is one the frontiers in the digitalization of justice. It has the potential to increase access to justice and to improve the position of vulnerable parties. However, Al remains complex and its use in the application of justice carries the risk of creating a 'black-box' without transparency or accountability. As was pointed out in the Roundtable, the use of Al in legal decision-making creates legal, economic, as well as ethical dilemmas. What would happen if the judge is a machine? Is there a right to a human judge? What is the added value of a human judge? Is it possible to fully comprehend the decisions of a machine? These questions form the outline of a future research agenda into the use of Al in legal decision-making.

Honorary Doctorate Debra Satz

Prof. Debra Satz (Philosophy, Stanford University) received an honorary doctorate during the EUR Dies Natalis 2018, by recommendation of the Erasmus Initiative 'Dynamics of Inclusive Prosperity'. The American philosopher's work is of the highest quality and contributes to a wide variety of fields, such as ethics and social and political philosophy. Among other things, Satz's work looks into moral borders



in marketplaces, into the various interpretations of 'equal opportunity', and into the foundations of rational choice-making. The official ceremony, themed "Advancing Science, Impacting Society" was preceded by a lunch event that included faculty, students and alumni.

The next day, on November 9, 2018, a conference entitled "Ethics and Economics: Themes from Debra Satz" was organized. It focused on themes from ethics and economics and social and political philosophy, explored by two leading Dutch ethicists and Debra Satz herself. To celebrate Debra Satz's

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work, the Erasmus Initiative "Dynamics of Inclusive Prosperity" and the Erasmus School of Philosophy have organized multiple other events. For more information about these events click <u>here</u> or visit: <u>https://www.eur.nl/en/research/erasmus-initiatives/dynamics-inclusive-prosperity/friends-initiative/honorary-doctor-debra</u>

Working conference on visualizations & law

During two days, discussions revolved around general themes related to visualizations and law: the role of visualizations in law, how visuals actually work in the legal system and how they affect the people involved. The working conference consisted of a combination of short presentations with invited speakers, moderated discussions and roundtable activities. On Thursday November 15th the focus was on visuals as (persuasive) evidence and illustration, incriminating images, cognitive biases and the principle of a fair trial, including equality of arms and adversarial rights. On Friday November 16th the focus was on visuals as comprehensible communication, legal design, visual legal communication and access to justice.

The Era of Disintegration: Taking Stock of the Dynamics of International Economic Governance in the First Two Decades of the 21st Century

Brexit, the Euro crisis, the US challenges to multilateralism, environmental disruptions, and resourcecursed States are only a few examples of how disintegration dynamics are unfolding rapidly at various levels. On the 16th of November 2018, a conference was organized at which academics and practitioners from the fields of law, economics and philosophy of economics gathered to analyze the patterns of disintegration, trying to discern the paradox by which the very instruments and mechanisms that were introduced with the aim of achieving an ever-closer integration may have actually spurred centrifugal and structural fragmenting tendencies.

Kick-off Conference:

Dynamics of Inclusive Prosperity

The Dynamics of Inclusive Prosperity conference attracted around 200 participants from business, civil society, government and academia. The two conference days provided an excellent forum for presenting academic work. It also created an open atmosphere to discuss the research agenda for the Erasmus Initiative with partners in society.



During the opening day EUR rector prof. Rutger Engels and WEF president Børge Brende gave welcoming speeches. A panel discussion was moderated by Prof. Jan-Peter Balkenende. The discussion revolved around themes presented by Prof. Juliane Reinecke (King's College London, King's Business School) and Prof. Thorsten Beck (Cass Business School, Faculty of Finance). Members of the panel were Børge Brende (President of the World Economic Forum), Frans van Houten (Chief Executive Officer and Chairman of Royal Philips), Lise Kingo (Chief Executive Officer and Executive Director of the UN Global Compact) and Christophe Lanne (Chief Transformation Officer of Natixis). Four breakout sessions focused on topics like long-term leadership and the role of the financial sector in fostering long-term management in the business sector. The second day consisted of academic presentations under the parallel themes "Regulating Responsibility" and "Responsible Finance". Key-note speeches were given by Prof. Tim Bartley (Washington University in St. Louis, Department of Sociology) and Prof. Elias Papaioannou (London Business School, Department of Economics). The event was organized in cooperation with the World Economic Forum (WEF) and supported by Philips and the Erasmus Trust fund. For more information, click here or visit: https://www.doipconference.com

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Corporate Foundations in a Globalized World

Although corporate foundations gain territory and attention in practice, very little specific research has been done on this particular topic. During the mini-conference on the 3rd of December 2018, Dr. Lonneke Roza presented the first ever academic handbook on corporate foundations, a theoretical framework on a field of study which has largely been ignored by academics so far. The topics of the event are addressed by this academic handbook; Corporate foundations: Corporate and Civil Society Perspectives, which was published in April 2019.

Blockchain: A Matter of Trust?

This expert meeting on Monday the 3rd of December gathered experts with technical knowledge of blockchain, lawyers and academics with legal knowledge and policy experts working for the government. The goal of the meeting was to share insights on the developments in the field of blockchain. Experiments with blockchain in the government have been discussed, just as the societal impact of blockchain and the technical and legal aspects.

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4. Financial aspects

The Erasmus Initiatives were conceived as a long-term investment in particular areas of expertise at the EUR, which reflect critical mass in its scholarship and activities. This was partly done in response to the preceding Research Excellence Initiative, where investments were eventually considered too fragmented and not sufficiently focused on long-term development. Preferably, the commitment to long-term development in the Erasmus Initiatives is demonstrated by both the Executive Board and the schools. This is reflected in the budget of the DoIP initiative and it has driven the activities during the reporting year.

The current budget of the DoIP initiative is based on contributions from the Executive Board and the founding schools (ESL, RSM and ESPhil). The total budget for 5 years, effectively starting in 2018, is close to 6.5 million euro. Almost 65% of that will be covered by the Executive Board, in cash. The rest, will be covered by the founding schools.

Costs are almost exclusively related to personnel. Only 7% is foreseen for other expenses, e.g. for events. To enhance sustainability after the initial round of investment, the Erasmus Initiative planned to allocate most of the budget for personnel to faculty and only a relatively small portion to PhD students and postdoc researchers. From each of the founding schools, one associate professor (who already worked at the EUR) became involved in the Erasmus Initiative, on the basis of part-time funding, for five years. Similarly, the DoIP Initiative covered a fully funded position for an assistant professor (newly hired at the EUR) at each school, for five years.

In addition, four PhD students were hired in 2018. Part of their salary costs (40%) is covered by DoIP, the rest is financed by the school that employs them. The associate professors are supported by student assistants, paid by the DoIP initiative.

Last but not least, the Erasmus Initiative hired a scientific director during 2018. The scientific director has a dual appointment (full-time) at ESL and RSM. Although mostly concerned with the academic aspects of the work in the Erasmus Initiative, he maintains the connections between those involved and is coordinating activities.

Concerning the financial aspects, 2018 was also clearly an initial year. The first months of the year were devoted to hiring people, with very few actually on board already. Most of the appointments occurred during the second half of 2018, quite a few even in the last quarter of the year. As a result, personnel costs during 2018 were less than 40% of what they would have been for a 'normal' year.

To a somewhat lesser extent this also applied to material costs. Even though the effect of starting up was visible here too, several substantial meetings and events were organized during 2018 already. See the chapter on output for examples. In addition, a first round of small grants was launched. These grants allow researchers in the founding schools to apply for financial support to projects that are relevant for the DoIP Initiative. The maximum financial contribution for these projects was 15,000 euro.

Consequently, material costs were little over 50% of what they are forecasted for a regular year. With many of the planned positions filled by the end of 2018 and growing interest in the Erasmus Initiative, it can be expected that costs will be significantly higher in 2019 and will stay at that level during subsequent years. Where they have been lower in 2018 due to relatively late hiring, additional expenses are foreseen in 2023.

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5. Highlights and prospects

For the Erasmus Initiative Dynamics of Inclusive Prosperity, the year 2018 can be defined as creating the required foundation to excel in upcoming years. The governance structure took shape, staff was hired for various regular positions, a number of publications were produced, small grants were awarded and an impressive launching conference which required quite substantial effort was held in late November. The trailblazers representing each involved school (Evert Stamhuis representing ESL, Joep Cornelissen from RSM and Jack Vromen from ESPhil) went to great lengths to structure the acquisition process, select candidates and ensured that sufficient time was spent to structure DoIP and its governance structure (steering committee, scientific and business director, academic team, PhD students) in such a way that it would stand the test of time. The large conference symbolically and practically set the stage for a new fruitful phase in DoIP's existence in the year 2019. Given the fact that the scientific director and many other members of the academic team were only put on the payroll in the course of 2018 (often even in the second half of the year), approximately half of the 2018 budget remained unspent, funds which were transferred to the year 2019 and after. In retrospect, we believe at the time of writing this annual report (second half of 2019), it was more than worth the while to first build a solid structure before spending our budget. It smoothed the relations between the three schools, provided a reliable frame for supervision and meetings and enabled responsible people to move ahead with direction and resilience.

As a consequence of the above conservativism, many of the requirements for successful consecutive years have been put in place. The atmosphere and collegiality among the DoIP staff is excellent, demonstrating full commitment to their mission, and team members brim with productivity and interdisciplinarity, delivering DoIP's promise. The hope and expectation is that in 2019 and after, this will lead to a high number of scientifically and socially relevant conferences, seminars and workshops, publications significant both in volume and impact, gradually evolving joint research programmes among the team members, and an increasingly guiding hand reaching out to the wider community on the topic of inclusive prosperity, playing a role in the public and political debate. In 2018 the stage was set. In 2019 the players will start acting.

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