

Solution to the world economic crisis

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The present world economic crisis has a much deeper root that it appears¹. The great efforts that are being done by the governments worldwide have temporary effects to remedy the situation, only abling to cure the symptoms of a much deeper cause².

The present economic systems are inadequate for the globalized world. The growing process of globalization, that came about due to the advancement of technologies of communication and transport, has created a total interdependency among all the nations of the world in all aspects being economic, cultural or otherwise. Before the advent of industrial revolution and the process of mass production, the production to supply consumer goods to the peoples became the essential basis of the economic systems³. In the past, the ability to produce was so limited that even slavery was used to obtain the necessary production. This need for the functioning of

¹ **New paradigm:** The world is going through the process of globalization that brings with it new paradigms. The globalized world requires a completely different economic system that we have today. This is due to the increase in world population, desiring ever increasing standard of living, but living on the surface of the Earth having limited natural resources and environmental limitations.

² **Inadequacy of the basics:** Often we establish a system based on an inadequate basis but we expect good and adequate results. We adopt an economic system that the stimulation for its success is destructive to the environment. We adopt a system of election based on nomination and electoral campaign and expect to elect incorruptible politicians, forgetting that corruption is inherent to such a methodology. How can a candidate receive financial support for his campaign without becoming compromised to those who provide him with the financial support?

³ **Economic system:** Any economic system needs a basis by which individuals are stimulated to work and provide the material and services needed by the others. In the socialist and capitalist economic systems, the basis is production. The division of labor made production an important factor of economy since came into existence groups that were not contributing directly to the production while they were consumers.

economy was so intense that even prevented the Founders of the past religions to forbid slavery⁴.

Any economic system needs a stimulus to make the individuals to work. The capitalist economic system promoted by Adam Smith made production and consumption the basis for the functioning of the system. In such a system, the production, not only the production of useful goods but even the superfluous items, need to be stimulated to keep the economic system functioning. The production of superfluous goods results in the exhaustion of the worlds' limited natural resources and increase in pollutions⁵ destroying world's ecological equilibrium. The superfluous consumption leads to false economic well-being and permits speculative economy and building of pyramid schemes based on false economic growth⁶.

The future economic system needs an adequate stimulation through which people are motivated to work⁷ and satisfy the legitimate needs of humanity

⁴ **Slavery:** Even though the Founders of past religions could not forbid slavery, due to the shortage of material goods and services, but they established laws to reduce the suffering of the slaves. Moses established the law of "Shabbat" in order to guarantee at least a day of rest per week for the slaves. Christ emphasized the law of love and brotherhood among all the Christians, even though the slave Masters created a conception that Negroes are different and do not fall in this category. Mohammed gradually eliminated slavery declaring that the children of slaves who become Moslems no longer are slaves because all Moslems are brothers. Baha'u'llah clearly and emphatically forbids slavery.

⁵ **Energy & Pollution:** Generally speaking, any item that is produced comes about from the combination of materials and energy, principally electric energy. Electricity produced from thermal sources are governed inevitably by the Second Law of Thermodynamics, and thus only about 1/3 of it turns into electricity and 2/3 turns into pollution. The production of thermal energy of all kinds (except nuclear energy) involves in production of gases that cause global warming. Therefore, production of any item involves increase of pollution besides reduction of the Earth's natural resources.

⁶ **Real economy:** The purpose of a real economic system is to bring about the necessary physical and material means for individuals and the society in order to live in comfort and be able to dedicate their lives to the activities of higher values and their spiritual progress. In the false economy instead of producing useful goods and services for all humanity, the production of superfluous things, including war equipments, became the stimulus for the economic system. One of the consequences of an unethical attitude in economic process is speculative economy.

⁷ **Importance of work:** The advance of civilization depends on the dedication of individuals to work. In the present capitalist society, the "desire" to consume goods and services, motivates the majority to work. This "desire" may correspond to the "need" of the individuals or not. This desire makes the high quality people to work beyond their minimum needs and keep the society growing. Should such "desire for superfluous consumption" turn into "contentment" and no other motivation of higher values take its place, there is a danger of bringing stagnation to the advancement of the society. Baha'i Faith teaches that work in the spirit of service to humanity is an act of worship to God.

and thereby advance the progress of civilization. The real economy should be the result of a sustainable production and consumption process stimulated by the higher principles of a value system such as service and cooperation⁸. This requires re-education and transformation of individuals through the development of human's spiritual qualities⁹. The consequences of the collapse of the present day economic systems; although, will be very painful, but hopefully will force humanity to embark on building a new world economic system in such a way to bring about prosperity for humanity. Prosperity¹⁰ of humanity should become the goal of any future economic system¹¹.

True prosperity is the holistic¹² fulfillment of all the physical and spiritual needs of human being. The spiritual needs are related to the intellect, sentiment, and volition. Thus wealth and economic growth are the necessary but not sufficient conditions for prosperity. The future economic system and its activities should bring about, in a sustainable manner, material as well as intellectual and emotional growth, empowering people into action at the service of humanity¹³. Prosperity may therefore be considered as the goal of human life.

⁸ **Service & Cooperation:** The concept of unity of mankind implies the necessity of cooperation amongst individuals and service to humanity. That is why the establishment of unity of humankind is the basis to the construction of the future society. Unity is not uniformity, but it is a dynamic process of unification of diverse peoples in a common understanding thus bringing about unity in diversity.

⁹ **Spiritual qualities:** Human being differs from the animals by his spiritual qualities that involve intellect, sentiment and volition.

¹⁰ **Concept of prosperity:** There are various concepts of prosperity. (1) Prosperity as wealth. Even though wealth is a necessary condition for prosperity, but it is not sufficient condition. Otherwise, there would not exist any unhappy rich or happy poor. (2) Prosperity as the ability to satisfy any immediate desire. This cannot be real prosperity as we know many immediate pleasures must be sacrificed for future gains; i.e., a student refuses to go to a party on the night of an important examination for the sake of future gain as a capable professional. (3) The real prosperity involves the satisfaction of all the physical and spiritual needs of the individual.

¹¹ **Economic Rights:** An economic system should provide the minimum necessary for the survival, health, and education of every human being thus eliminating the extreme of wealth and poverty.

¹² **Holistic:** It is important to note that the human well being comes from a balance between our material well being, intellectual satisfaction, sentimental feelings, and sense of freedom of actions in an equilibrium manner.

¹³ **Service to humanity:** In today's economic system, we produce things in the manner to gain maximum profit, but in the future we will be motivated to produce items with maximum benefit to the consumers having highest quality to last longer and being multipurpose to effectively consume less material and energy resources for their production.

A value system that claims to be able to supply an adequate basis for such a world economic system is the Baha'í Faith that deserves to be carefully examined ([www. bahai.org](http://www.bahai.org)). At the present, there exist no such a thing as Baha'í economic system, but there exist principles upon which such an economic system will be built that can best serve the globalized world¹⁴.

The moral values will be implemented in the society through the process of education¹⁵ that will bring about the transformation of the individuals. This process of spiritualization¹⁶ will bring about the future golden society made of noble individuals who will be engaged in the growing process of higher intellect, more noble sentiment and motivated to work to contribute to an ever advancing civilization¹⁷. The educational process will have emphasis on the moral and spiritual values in order to create a society that its authority and power are harmoniously interconnected in the pyramid of society top to bottom and bottom to top respectively¹⁸. The authority¹⁹ in such a society

¹⁴ **Certain basic principles:** Some of them are as follows: (1) considers that the purpose of work is not merely material gain, but elevates the value of work done in the service of humanity as an act of worship to God. In this way, the best quality of work by the individual is guaranteed. Also encourages work as an honorable human activity discouraging lazy attitudes. (2) Considers basic human needs such as education as human rights in a society. (3) Eliminates extremes of wealth and poverty through progressive taxation. (4) Establishes a special fund called “Huququllah” to be spent globally anywhere on any matter to create an equilibrium amongst the peoples of the world. (5) Gives a special importance to education and provides the teachers with economic advantage of receiving inheritance from their students. In this way, one may imagine that most talented people will be attracted to the academic career educating ever increasing individuals who can contribute to the economic system. (6) The emphasis on the purpose and quality of work will provide the world with highest quality and utility of products. The products will have higher aggregate values with lesser materials consumed and increased durability. (7) Equality of the rights of men and women will have a dramatic economic effect. (8) Put agriculture at the basis of economic system. (9) Etc.

¹⁵ **Education:** Education differs from instruction in that forms the individual and brings about the transformation.

¹⁶ **Spiritualization:** The concept of spirituality according to William Hatcher is the process of a full, adequate, appropriate and harmonic development of the human beings spiritual capacities such as intellect (reasoning, memory, perception, and imagination), sentiment (love, intuition, compassion) and volition (free will – the ability to start an action and give continuity to it).

¹⁷ **FBNR:** For example, under such a belief, the inventor of the FBNR Nuclear Reactor (www.sefidvash.net/fbnr) feels very happy, fortunate and fully realized that he could spend more than 30 years of his professional life developing a small, inherently safe, proliferation resistant, and environmental compatible nuclear reactor that can provide electricity and desalinated water to the future world although he did not gain any material benefit from his invention except a moderate daily living.

¹⁸ **Top-bottom and bottom-top interconnection:** The power is with people who are at the bottom of the pyramid of the society and who elect the members of the governing institutions. The authority is with the governing institutions. There is “spirit” in the institutions when these two are interconnected through love and respect. Therefore, the society to function effectively,

will be achieved through love and respect of individuals to the institutions governing the society.

The elected authorities in such a society must have the highest moral values possible to be able to achieve such trust and love. Therefore, they cannot be elected through the present day process of election customary in the so called democratic societies. Corruption is inherent to the present system of nomination and electoral campaign. The elected individual becomes “corrupted” before starting his work as he no longer can act freely according to his conscious but need to act in favor of those who supported and paid for his/her electoral campaign²⁰. The authorities elected by the Baha’í electoral system are able freely to act according to their conscious and moral values.

the power and authority should be interconnected bottom-top and top-bottom through love and respect.

¹⁹ **Authority:** There are four types of power behind an authority; (1) force, such as military force that executes the orders, (2) negotiation, that involves the exchange of favors, (3) integration, that uses logic and the principles of human rights such is used in the present day societies, and (4) love, that is to be the mechanism used in the future world society. The prosperous society will come about when its peoples and authorities will interconnect through love and respect guided by the higher spiritual values.

²⁰ **Inherent corruption:** The present democratic societies are proud of their election system by which they nominate a candidate and carry out an expensive electoral campaign and through it elect the best man for the job. Corruption is inherent in such a system since the candidate in order to pay for the cost of campaign needs to promise favors and agree to the desires of those who have given financial support to his campaign. This obviously limits the elected person in his future decisions and thus “corrupts” him before he/she gets into the office (corruption refers not only to material gains but also not being able to act according to one’s ethical and moral standards). In the Baha’í system of election there is no nomination and no electoral campaign is allowed. The elected authority is free to act according to his conscious. The Baha’í administrative system is a balanced combination of all the traditional systems.