

PROUT

A Journal of Proutistic Views and Neo-Humanistic Analysis

Re-envisioning India Towards a New Reorganization of States

“ Since the liberalization of the Indian economy we see how the Central and State governments have been openly violating the norms and values of the Indian constitution. However there is no one to enforce the Constitution or social contract. ”

Offices in India : New Delhi, Raipur, Chandigarh, Shimla, Mumbai, Bangalore (Bengaluru), Ananda Nagar (WB), Patna, Chennai, Trichur, Vishakhapatnam
Overseas Offices : Copenhagen (Denmark), Washington DC, Manila (Philippine), Nairobi, Berlin(Germany), Taipei (Taiwan), Singapore, Brazil, Qahira
e-mail : prout.am@gmail.com facebook : prout_journal



PROUT

Progressive Utilization Theory

A Vibrant Magazine which Informs & Inspires

Cry of the Suffering Humanity

What is PROUT :

PROUT is an acronym for the Progressive Utilization Theory. Conceptualized in 1959 by Indian Philosopher Shrii Prabhat Ranjan Sarkar, PROUT is a viable alternative to the outmoded capitalist and communist socio-economic paradigms. Neither of these approaches has adequately met the physical, mental and spiritual needs of humanity. PROUT seeks a harmonious balance between economic growth, social development and cultural expression.

Combining the wisdom of spirituality, the struggle for self-reliance, and the spirit of economic democracy, Proutist intellectuals and activists are attempting to create a new civilizational discourse. PROUT news-magazine aims at conveying comprehensive and visionary goals of PROUT Philosophy.

PROUT magazine invites scientists, economists, politicians, artists, intellectuals and others to join us in the creation of a new, spiritually bonded society by propagating and popularising unambiguous elevating thoughts. Through Proutistic views and Neo Humanistic analysis, it strives to serve as beacon for the benighted civilization of our times.

Main principles of PROUT and Neo-Humanism :

Neo-humanism expands the humanistic love for all human beings to include love and respect for all creation - plants, animals and even inanimate objects. Neo-humanism provides a philosophical basis for creating a new era of ecological balance, planetary citizenship and cosmic kinship.

Basic necessities guaranteed to all : People can not strive toward their highest human aspirations if they are lacking the basic requirements of life. PROUT believes that access to food, shelter, clothing, education and medical care are fundamental human rights which must be guaranteed to all.

Balanced economy : Prout advocates regional self-reliance, cooperatively owned and managed businesses, local control of large scale key industries, and limits on the individual accumulation of excessive wealth.

Women's Right : PROUT encourages the struggle against all forms of violence and exploitation used to suppress women. PROUT's goal is coordinated cooperation, with equal rights between men and women.

Cultural Diversity : In the spirit of universal fellowship PROUT encourages the protection and cultivation of local culture, language, history and tradition.

World Government : PROUT supports the creation of world government with a global constitution and a common penal code.

For both civilization and science, intellectual knowledge is indispensable.
Spiritual or intuitional development is possible through the happy blending
between civilization and science. - Shrii Prabhat Ranjan Sarkar

Editor

A'ca'rya Santosananda Avadhuta

Contributory Editor

A'ca'rya Maheshvarananda Avadhuta

Copy Editor

Minakshi Chakraborty

Editorial Board

A'c Vedaprajananda Avadhuta

A'c Krsnasevananda Avadhuta

Sohail Inayatullah

Ganga Grace

Sarabjit Prakash

Correspondents

Kanhu Charan Behura

Rajesh Singh

Layout & Design

Pranav Koul

Suman Jha

Head Office

Prout Bhawan, JC-48,

Khirki Extension Main Road,

Malviya Nagar, New Delhi - 110017

Mobile No. : 09212199658

Email : prout.am@gmail.com

General Manager

Ramkesh Choudhary - 9350860274

Circulation Manager

Rajiv - 09650055058

Rate (INDIA)

Newstand Price - ₹ 20/-

Annual Subscription - ₹ 210/-

Two Years Subscription - ₹ 380/-

Three Years Subscription - ₹ 550/-

Five Years Subscription - ₹ 900/-

Overseas (BY AIRMAIL)

Annual - US\$ 40

Payments in India may be made by cheque favouring

Neo-Humanist Education Foundation

mailed to Acarya Santosananda Avadhuta,

JC-48, Khirki Extension, Main Road, Malviya

Nagar, New Delhi 110017 or online by

Paypal using id prout.am@gmail.com.

For outstation remittance from non

computerized banks/branches add

Rs 30.00 for bank clearance charges.

Or amounts may be deposited directly

to any branch of the State Bank of India

as per details below:

Neo-Humanist Education Foundation

State Bank of India

Malviya Nagar Branch,

C-30 Malviya Nagar,

New Delhi 110017

A/C No. 30379188250

IFSC SBIN0001493

Overseas remittances may be made by Paypal

using id prout.am@gmail.com

or electronic bank transfer referring above

details and Swift Code SBININBB382

Printed, Published and Edited

by A'carya Santosananda Avadhuta

on behalf of Neo Humanist Education Foundation

JC-48, Khirki Extension, Main Road,

Malviya Nagar, New Delhi - 110017

and printed at Cyber Creations,

JE-9, Khirki Extension,

Malviya Nagar, New Delhi-17

Online link <http://www.earthrights.net/prout>

INSIDE

October 2013

COVER STORY

27

RE-ENVISIONING INDIA

Towards a New Reorganization of States



contents

08 EXPLOITATION
Cultural and Religious Exploitation

11 SOCIAL ISSUES
Socio-economically Neglected Tribal Societies

18 PROUT FUTURES
PROUT's Pathway to a Bright Future

22 PRINCIPLES OF PROUTIST ECONOMICS

23 NEO HUMANISM
Alternative Futures of Neo-humanism

32 CAPITALISM DOWNFALL
The Fall of the American Empire and the Rise of a New Economy

43 FINANCIAL MATTERS
Should USD be Restored Back to Gold Standard



regulars

- 05 EDITORIAL**
- 06 LETTERS**
- 07 INSPIRATIONAL**
- 48 ACTIVITIES**

For Enquiries

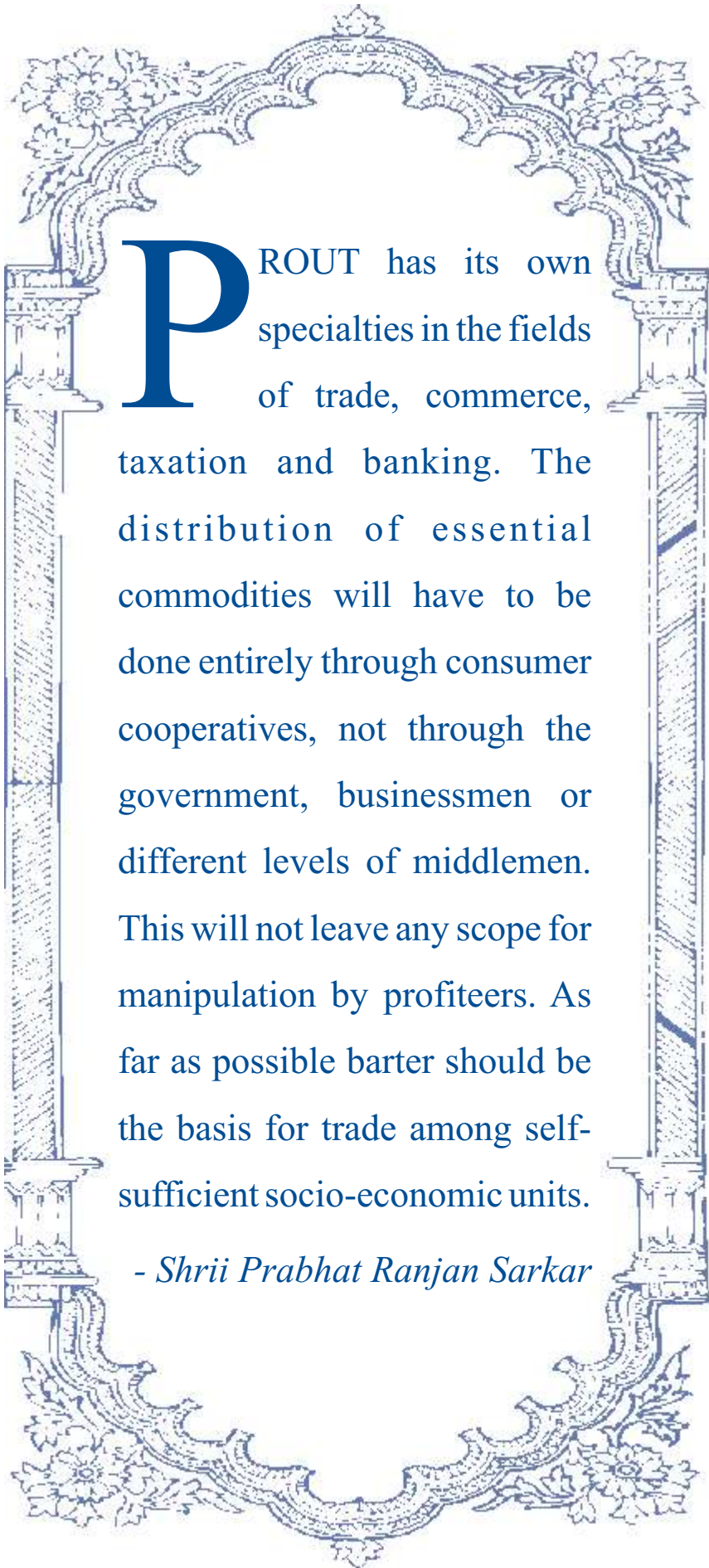
Please Contact

Mob. : 9650055058, 9350860274

Email. : proutcustomercare@gmail.com

Fundamental Principles :

1. No individual should be allowed to accumulate any physical wealth without the clear permission or approval of the collective body.
2. There should be maximum utilization and rational distribution of all mundane, supra mundane and spiritual potentialities of the universe.
3. There should be maximum utilization of the physical, metaphysical and spiritual potentialities of unit and collective body of the human society.
4. There should be a proper adjustment amongst these physical, metaphysical, mundane, supra mundane and spiritual utilizations.
5. The method of utilization should vary in accordance with the changes in time, space and person and the utilization should be of progressive nature.



PROUT has its own specialties in the fields of trade, commerce, taxation and banking. The distribution of essential commodities will have to be done entirely through consumer cooperatives, not through the government, businessmen or different levels of middlemen. This will not leave any scope for manipulation by profiteers. As far as possible barter should be the basis for trade among self-sufficient socio-economic units.

- Shrii Prabhat Ranjan Sarkar

Food Wastage Worldwide

It is ironic that in a world of 870 million hungry people 1.3 billion tons of food goes waste every year. This waste also gravely impacts the environment. As per a new United Nations report one-third of the food produced worldwide is wasted, annually costing the global economy around \$750 billion (more than Rs. 47 lakh crore). The Rome-based Food and Agriculture Organisation (FAO) reports that Asia region including China are the worst culprits. High-income countries waste during the food consumption phase, while developing countries are losing food during production. The report points at Asia in particular, estimating that over 100 kilos vegetables and 80 kilos of cereals (mainly rice) per capita are wasted every year on average in "Industrialised Asia", a region including China, Japan and South Korea. In India Rs 60,000 crores is lost every year with food grains rotting in storage or eaten or spoilt by rodents. Even worse, produced but uneaten food occupies 30% of the world's farmland.



Food thrown away beside a river in Ahmedabad

Achim Steiner, head of the United Nation's Environment Programme (UNEP), says, "This is a big wake up call. We may not even have captured many of the more indirect impacts of food waste... and the costs which will be borne by our children and grandchildren. It will take less than 37 years to add another two billion people to the global population. How on earth will we feed ourselves in the future?" He adds that this has enormous potential to reduce hunger and called on citizens to take individual action to tackle the issue. "Each one of us has a role to play. Starting with the ridiculous phenomenon in wealthy countries of not buying cooked vegetables anymore," he said, adding that over-zealous observation of sell-by dates was also leading to huge quantities of food being thrown away.

FAO Director-General José Graziano da Silva exhorts everyone, "Farmers and fishermen, food processors and supermarkets, local and national governments, individual consumers must make changes at every link of the human food chain to prevent food wastage from happening in the first place, and re-use or recycle it when we can't".

PROUT supports this rational approach and would like to add that ways and means should immediately be found by the Government how to pass on excess food to the poor hungry people instead of throwing it away. Local leaders who know their area and people should approach hotels and restaurants to start such a grass roots movement which will not only feed the hungry but also provide employment to the people.



GREAT PERSONALITIES

Shrii PR Sarkar’s narrative about great personalities of the world shows how such people worked tirelessly facing mountains of obstruction and oppression to bring about change in the world. WE are what we are today thanks to the legacy of such personages – the really true leaders of mankind.

Atul Das, Howrah, West Bengal

PRABHAT SAMGIITA

Indeed what an achievement by any standard of art and literature, composing 5018 songs, giving their tunes – all extempore. These songs are truly a beacon of hope in the troubled times of today, acting as a soothing balm for people oppressed by many facets of life

Sonakshi, Patna, Bihar

THE SARKAR GAME

Professor Sohail Inayatullah has give new meaning to “Game Theory” by interfacing thoughts of Shrii PR Sarkar to these modern management techniques. This is the need of the day that gives new insights to the meaning of leadership in today’s world.

Sayeeda, Brisbane, Australia
by email

SHOULD GARLIC BE STAPLE FOOD

Ravi Logan has clearly shown that garlic is of medicinal value and should be had only as a medicine when required. Though scientifically proved people unknowingly use it as a staple. The increase in violence e.g. at home, road rage etc. happening frequently these days is possibly due to excessive garlic consumption which damage brain cells. I will inform all those I know about this because it is better to realise now than never.

Latika Chakrabarty,
Navi Mumbai

FALL OF THE AMERICAN EMPIRE

Garda Ghista’s expose makes frightening reading. Giving historical ref-

erences interposed with modern political and military events she has very clearly explained these dangerous portents. It’s true that most insidious forms of imperialism are cultural and linguistic and today – economic. I look forward to the second part.

Sherry Thomas,
Ujjain, Madhya Pradesh

GLOBAL POLICE STATE

While free thinking people the world over are applauding Snowden for exposing the nefarious designs of autocratic Governments, the latter seem hell bent on hounding him. Thomas Gaist’s piece is very informative. Fortunately he has got refuge in Russia.

Mohan Chandy, Kottayam, Kerala

PHYSICALLY CHALLENGED WOMEN

Shampa Sengupta and Saptarshi Mandal have done society a great service by exposing the plight of physically challenged women who face such varying degree of exploitation. Shocking that society has reached such depths, where instead of protecting and empowering such people, there are a depraved few who do just the opposite.

Suhasini, Gangtok, Sikkim

COVER STORY ON JHARKHAND TRIBALS

Garga Chatterjee has lucidly

explained how the tribals of Jharkhand are getting systematically marginalised. Apart from the inhumanity of it, it is against the Constitution of India. These people who have a rich culture and heritage of their own should be encouraged to preserve it and move forward on the path of economic empowerment in areas best suited to them.

Felicita Soreng,
Goomla, Jharkhand.

WAR AND WATER

Someone has rightly forecasted that the next big war will not be fought over land; it will be fought over water. What is happening in Africa and elsewhere in the world are portents of the future. Wayne Madsen has done well to highlight the dangers of such hydro-politics.

Raja Tahulka,
Jind, Haryana

BIHAR’S MALNUTRITION

It’s sad to note that child malnutrition rate of Bihar is the highest in the world. It’s time the Government did something tangible and realistic. Merely committing funds will not do. It has to be ensured that full value of these funds reach the people they are meant for, so that children as in the pictures get a smile back on their face and luster in their eyes. Kudos to Ronald and Andrew.

Sharada Srivastava,
Barabanki, Uttar Pradesh



Determination and Persistence



John Augustus Roebling

This is a real life story of engineer John Roebling building the Brooklyn Bridge in New York, USA back in 1870. A creative engineer named John Roebling was inspired by an idea to build a spectacular bridge connecting New York with the Long Island. However bridge building experts throughout the world thought that this was an impossible feat and told Roebling to forget the idea. It just could not be done. It was not practical. It had never been done before.

Roebling could not ignore the vision he had in his mind of this bridge. He thought about it all the time and he knew deep in his heart that it could be done. He just had to share the dream with someone else. After much discussion and persuasion he managed to convince his son Washington, an up and coming engineer, that the bridge in fact could be built. Working together for the first time, the father and son developed concepts of how it could be accomplished and how the obstacles could be overcome. With great excitement and inspiration, and the headiness of a wild challenge before them, they hired their crew and began to build their dream bridge.

While conducting surveys for the bridge project, Roebling sustained a crush injury to his foot when a ferry pinned it against a piling. After amputation of his crushed toes he developed a tetanus infection which left him incapacitated and soon resulted in his death, not long after he had placed his 32-year-old son Washington in charge of the project. Washington also suffered a paralyzing injury as a result of decompression sickness for working underwater in the caissons shortly after the beginning of construction on January 3, 1870. With this debilitating condition he was unable to physically supervise the construction firsthand.

Still, in spite of his handicap with his mind sharp as ever, and having a burning desire to complete the bridge Washington never felt discouraged. He conducted the entire construction from his apartment with a view of the work, designing and redesigning caissons and other equipment. He was aided by his wife Emily who provided the critical written link between her husband and the engineers on site. Under her husband's guidance, Emily studied higher mathematics, complex calculations, strengths of materials, bridge specifications, and the intricacies of cable construction and spent the next 11 years assisting her husband to supervise the bridge's construction. The Bridge 1825 metres long was completed and opened for use on May 24, 1883 and Emily was the first one to cross.

This is one of the best examples of a never-say-die attitude that overcomes a terrible physical handicap and achieves an impossible goal. Often when we face obstacles in our day-to-day life, our hurdles seem very small in comparison to what many others have to face. This shows us that dreams that seem impossible can be realised with determination and persistence, no matter what the odds are.





At times when the intellectual art and literature of the vipras failed to convince the common people of their greatness, the vipras composed countless fanciful purānas [mythological tales], stories about gods and goddesses, all designed to dazzle people's eyes and confound their intellects.

SHRII PRABHAT RANJAN SARKAR

Cultural and Religious Exploitation

The vipras' culture included music, dance, arts and crafts. It emphasized the sharpness of the vipra intellect rather than the sentiments of the human mind, so the down-to-earth sentiments of ksatriya culture were substantially lost.

The vipras' culture was not for the common mass. No doubt it stimulated the nerves of a small handful of people, but it could not move in step with the general mass. Vipra artists wished, through their intellectual brilliance, to conquer the world. Through their poems, dramas, writings and drawings they induced common people to pay homage to the superiority of the intellectuals. But the ignorant people could not understand these big things. The common people thought, "What we cannot

understand must be something great," and with this mentality fell obediently at the vipras' feet.

At times when the intellectual art and literature of the vipras failed to convince the common people of their greatness, the vipras composed countless fanciful purānas [mythological tales], stories about gods and goddesses that satisfied their own standards, and colourful mythological tales, all designed to dazzle people's eyes and confound their intellects. They also warned the masses that if they failed to follow the teachings of these stories, or doubted their veracity, they would most certainly go to the deepest level of hell.

Everything in the practical world has some value as well as some defects. The ksatriyas, as an expression of their svabhāva dharmā [natural characteristics], had thought deeply about how to increase their numerical strength, and as a result – quickening the pace of human beings' struggle against nature – had not only laid the foundation of the vast edifice of human civilization, but had also flung themselves into the task of constructing the walls. Similarly, the vipras' expression of their natural characteristics induced them as well to increase their numbers, and for that reason increasing the number of their followers became one criterion of their vipra-hood. Of course in order to succeed in swelling the ranks



Goddess Durga leading the eight Matrikas in battle against demon Raktabija - Markandeya Purana.



of their followers, the vipras had to develop a due amount of proficiency; and their efforts to develop it served to build the roof on the edifice of human civilization.

Phallus worship had been invented by the primitive, uncultured ksatriyas as a symbol of increasing their population. The cultured vipras now interpreted it in a new way. They contended that the linga was a symbol for Parama Purusa [Supreme Consciousness] and the piitha [vulva] a symbol for Prakrti [Supreme Operative Principle]. The interpretation the vipras gave was, Liun□gate gamyate yasmad talliun□gam ["The entity from which everything originates [[and towards which everything is moving]] is called liun□ga"] or Yasmin sarvani liiyante talliun□gam ["The entity in which everything merges is called liun□ga"]. When examining the history of phallus worship one should not only consider the mentality of the ksatriyas, but also give due consideration to the mentality of the vipras. However, the vipra interpretation has no relation to reality. Phallus worship belonged to primitive ksatriya society.

And not only phallus worship; most of the gods and goddesses described in the mythologies of different countries were representations of actual ksatriya leaders. People in the Ksatriya Age

worshipped these gods and goddesses out of fear and devotion. Indra, Agni, Varuna, etc., of the Vedas had been mighty ksatriya leaders. In the Vipra Age they came to function as gods after winning the support of various scriptures.

The undeveloped ksatriyas would worship all those leaders, or "gods", by offering them their (the ksatriyas') favourite foods in order to propitiate them. After those leaders' deaths, all such food would be burnt in a fire, thereby going to waste, for the supposed satisfaction of their souls in heaven. Even in the Vipra Age good-quality food and drink was destroyed by offering it to an imaginary god in a sacrificial fire. Moreover, the vipras received a commission for doing this.

Later, after the vipras had fully established their dominance in society, they began to receive more than a mere commission. A sizeable part of the offerings intended for the sacrificial fires was not burnt, but found its way into their storerooms. That is, the shudras and ksatriyas had become totally subservient to the vipras. Taking advantage of their tyrannical power and superior intellect, the vipras used every means to consolidate their system of exploitation. Regardless of whether a ceremony was concerned with religious practices, charitable activities, the first step in a child's pursuit of knowledge, harvesting

crops, marriage, a baby's first solid food, commemoration of the dead, or anything else, a share in the [anticipated] benefits had to be offered to the vipras, otherwise the ceremony would not conclude in karmasiddhi [attainment]. And the vipras had to be feasted and paid, otherwise the ceremony would not produce any result.

The vipra priests also adopted the different gods and goddesses that had been born out of the fear complex of the masses in the Shūdra and Ksatriya Ages. (For example, they adopted Dakṣiṇārāya, the crocodile-god or tiger-god of South Bengal; Viśahari or Manasā, the snake goddess of snake-infested areas; Shiitalā, the goddess of smallpox; and Olai Candii, the goddess of cholera.) They also composed various types of dhyāna mantra(11) for such gods and goddesses; prescribed according to their own needs the specific materials that should be used for different kinds of worship of those deities; and, conveying strange commands from the deities at odd times, took to fleecing people out of donations, dakṣiṇā [sacerdotal fees], sidhā [uncooked food given in exchange for a priest's services] and various types of materials to be used for worship.

Another interesting thing about this is that in referring to the gods and goddesses created out of their fear complex, the shudras and ksatriyas used colloquial language, while the vipras, in order to establish their supremacy and prove their intelligence, erudition and close relationship with God, used ancient languages. They always tried to make the masses believe that they, the masses, did not have the right of access to God, but had to go through the vipras. In other words, the vipras had a monopoly as agents in such matters.

The vipras have invented and are still inventing new ways of exploiting different communities of people in different parts of the world. In some places they have lured people with the prospect of eternal heaven, injecting into them at the same time the fear of eternal hell. By claiming the doctrine of some particular vipra leader to be the word of God, they have blocked the natural expression of the human intellect and made people intellectually bankrupt. With the intention of permanently securing for themselves an exalted position in the eyes of the ordinary people, some vipra leaders have declared themselves to be the incarnation or the appointed prophet of God. Through their own so-called scriptures, they have indirectly let the common people know that no one can achieve the same proximity to God as they – so that an inferiority



Tiger god and forest goddess

complex will remain forever in the minds of the masses, and due to this inferiority complex the masses will always follow their teachings, either out of fear or out of devotion. That is why even intellectual people have fallen into their trap and have been compelled to say, Vishvāse milay vastu, tarke vahu dur ["The goal is achieved not by reason but by faith"] or Majhab men ākl kā dakhil nahii haen ["There is no room for reason in religion"].

Even today there is a group of vipras who keep shouting about "religious education", or rend the air with their calls for a "religious state", but what they really want is to entangle the minds of children, which are naturally inclined towards rationality, in a net of religious superstition, so that later they will become puppets in the exploitative hands of the vipras.

If God is considered to be the perfect ideal, it will have to be accepted that God is always just. Even though God loves everyone, He punishes sinners. But it can be said that when He punishes sinners, His aim is not to give them pain but to rectify their behaviour. In my opinion this concept of God is the highest concept. If God is considered to be the Universal Father, He should not have any racial, national or communal feeling, or any other type of limited feeling. If this is true, how can the vipras contract that the soul of a certain dead person will reach heaven?

I have heard that in some communities vipras claim to have the key to heaven. People even say that for the donation of a sum of money, vipras will sing akhanda kiirtana [constant chanting of the name of God] on behalf of the donor to ensure his or her passage to heaven. It is said that if others sing spiritual songs and kiirtana in the donor's name, the donor will receive the benefit and go to heaven. What a wonderful philosophy for condoning sin!

Anyway, we can see that vipras never have missed an opportunity to exploit human weaknesses, nor do they miss such opportunities today.



Integrating tribals to the national mainstream is a false notion. Tribals have no caste hierarchy and are far more civilised and cultured than the so-called civilised world. They are carrying on their own tradition. They are mainstream.

Socio Economically *Neglected Tribal Societies*

* Arun Prakash

Shrii PR Sarkar, PROUT's founder during a discourse on elevating backward classes in June 1979 at Calcutta mentioned, "The population of several groups in the world is rapidly decreasing, and some groups are in danger of extinction. These include the Zulus and Pygmies of Africa; the Lodhas of Bengal; the Birhars of Chotanagpur; the Málas of Malda; the Angars of Rohtas in Bihar whose language is Bhojpurii; the Ladakhis of Kashmir; the Scheduled Castes of Kinnaur; the Romanis of Europe; and the Maoris of Australia and New Zealand".

The term 'tribe' was introduced in India by writers of the British colonial era in the last quarter of the nineteenth century. The lead was taken by the Census department. Most of the tribes and the castes continue to use the term 'jat' or 'jati' to denote their social category. For example terms for the tribe in some of the tribal languages as given in parentheses viz. Bodo (jat, jati), Dimasa (jati), Garo (jat), Tripuri (jaiti), Khasi (jaid), Konyak Naga (jat), Phom Naga (jat), Zeliang Naga (jati), Kabui Naga (jati),

Santal (jat, jati), Ho (jati, patki) and Kurukh (jat, jait, jaypuy, khut) confirm this. However, most of us non tribals who have not come in contact take it for granted that tribal pertains to caste or community. Nothing can be further from the truth, for in each community varied and colourful social traditions flourish guided by social beliefs and taboos. Moreover tribal does not necessarily mean one caste or community – it is an amalgamation of many tribes and communities.

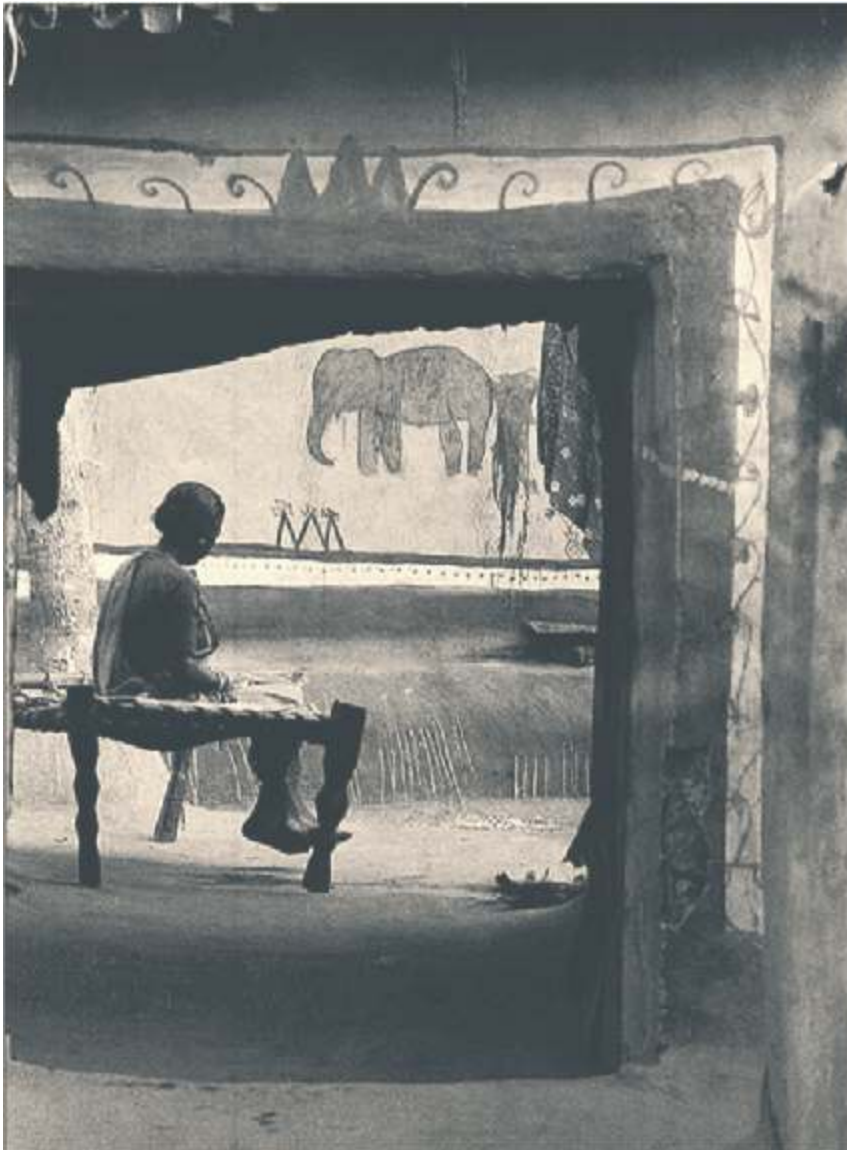
Tribal folk lore and literature is also totally different from that of non tribals. Each tribe has its own traditions of art and craft. Even languages and dialects are different. A study of these people in India is important because with 67.6 million – (8.08 % of the population) we have the largest tribal population in the world. In this feature we briefly touch upon two tribes in India, the Lodhas of West Bengal and the Birhars of Chota Nagpur and observe how forests play an important part in their lives and their conditions today.

Forest Dwelling Tribals

Tribals and forests are inseparable – tribals divorced from



forests cannot possibly be conceived. Forests have shaped their lives over millennia. In the Vedic and Epic periods the tribes enjoyed full rights and over-lordship of the forests. During the Mauryan period rights over forests were not distributed to non forest dwellers. This happy state of affairs for the tribal people was not to last forever. Around middle of the 19th century, people from outside began to move into the forest, lured by its wealth of natural resources, and the British colonial government, sensing the commercial potential of forests, gradually extended its authority



A Santhal woman and her art

over them in the name of scientific management. And since time immemorial present day society of tribal people is intimately linked with the forests with its ecological system - a natural environment, that which influences their lives. This is best illustrated by the life style of the tribals of Bihar, West Bengal, Orissa and Madhya Pradesh. History is full with instances of tribals relying heavily upon these hilly and rocky forested terrains as their stronghold and safe haven against enemies.

Historical research reveals that lifestyle of tribals particularly in Eastern India is influenced by hilly areas and not by coastal belts and according to cultural traditions of

India forests hold a very important place in the life and philosophy of the people as distinct from material gains one derives from them.

The life of these tribes and indigenous people is closely linked with forests, its flora and fauna. These inhabitants i.e. Santhal, Munda, Kudumi, Dharua, Ganda, Bhuyan, Bhumija, Birhor, Lodha, Khadia, Ho, Mahyali, Mankidia, Kolha, Orang, Bathudi, Puran and others have a special identity due to the culture of their own communities.

Forests in India

Forests in India cover an area of 7,43,584 sq km i.e. 22% of the total landmass of India. Tripura has

60.8%, Orissa 43.74% and all other states have less than 40%. Many forests are in poor condition and as per recent estimates forests do not cover more than 13% of the total area of India. The Forest Bills of 1980/1988 created much controversy as well as awareness and concern for the forests. Due to inexorable forces of history, groups of people of certain ethnic origins were pushed to dense forests, hilly, inaccessible and inhospitable terrain. Environmental constraints made such groups insular and cut them off and kept them marginalized and below the poverty line. The forest environment influenced their culture and life style and provided food and shelter to them. Such people were grouped as Tribals, Aborigines, Girijan, Vanvasi, Adivasi, Janjati etc.

Forest Policies Colonial Period

Forest policies of India, can be seen in two phases- colonial and post – colonial. Many British ideas and methods of rule have been continued by post- colonial governments, especially as India has become more and more hooked into western commercial and consumer systems. Instead of rejecting the commercially oriented policies of the British and replacing them with a more socially and environmentally sensitive forest management strategy, the post –colonial department actually embraced and enlarged on British policies.

With the advent of the British in India, they realized the commercial value of forests. They saw Indian forests as an important resource to be exploited for the purposes of revenue and export and for this they gradually brought forest areas under their control and forest department was organized and forest act was enacted. For this purpose, the first forest act of 1865 was enacted to regulate forest exploitation and management and preservation. For the first time an attempt was made to regulate the collection of forest produce by the forest dwellers, but by and large the

British left the forest dwellers alone after their experience of revolting tribals of Bihar.

In the nineteenth century commercialization of forests was not as large scale as in the first and second quarters of the twentieth century. In 1861 the Department of forests was created and in 1873 the Indian Forest Act came into effect introducing the government policy and programme. The same year the settlement of forests was undertaken and the forest areas of British administered India were classified as (1) Reserve Forest (class I & II), (2) Protected Forest and (3) Village Forest.

This land law allowed traditional rights of the tribals to continue – but restricted their ownership. The Act of 1873 was amended in 1901, 1914, 1920 and 1927. These legal and policy instruments radically changed the forests from common property into state property. It was the beginning of the era when the sole motivation of forest administration was the promotion of state interests. Sadly it was also the beginning of the alienation of village communities from forest.

National Forest Policy

After the independence, there was some rethinking on the issue of the forest policy. In 1952, the Government of India issued a new national forest policy. It was declared that forest policy should be based on the paramount national needs. It is stated that the use of forest should not be permitted at the cost of national interests. In actual practice the concept of national interest was interpreted in a very narrow sense. The destruction of forest for the developmental projects was justified in the name of national interest and adivasis were discouraged from using the forest. The government tried to obtain more and more revenue from the forest. The forest officials of India thought mainly of increasing the revenue from forests, treating adivasis as the enemies of the forests. That such

policy was the mere extension of government authority over forest to the detriment of tribal economy and life and changes in the rights of the tribal communities over the forest was widely criticized. The traditional rights of tribes were no longer recognized as rights.

The old and new policy when compared demonstrated that the “privilege” under the old (1894) became “concession” under the new policy (1952).

The Forest Act of 1988 states as its objectives, the maintenance of environmental stability, conservation of the national

My dad taught me from my youngest childhood memories through these connections with Aboriginal and Tribal people that you must always protect people's sacred status.
-Steve Irwin

heritage, increase in tree cover, meeting needs of the tribes, encouraging efficient use of forest produce and a-forestation programmes. The Forest Act of 2006 is the landmark in the evolution of the government's attitudes on tribal people and their rights. It attempts not only to correct a historic injustice committed by the colonial and post-colonial rulers, its greatest value is that it effectively recognizes the rights of forest dwellers who previously were considered encroachers on state land.

Impact on Tribals

Indian forest laws enacted in the 19th and 20th centuries treated forest dwellers and other traditional forest users and especially their farming practices such as shifting cultivation as a threat to forest ecology. The British forest policies were mainly aimed at supplying

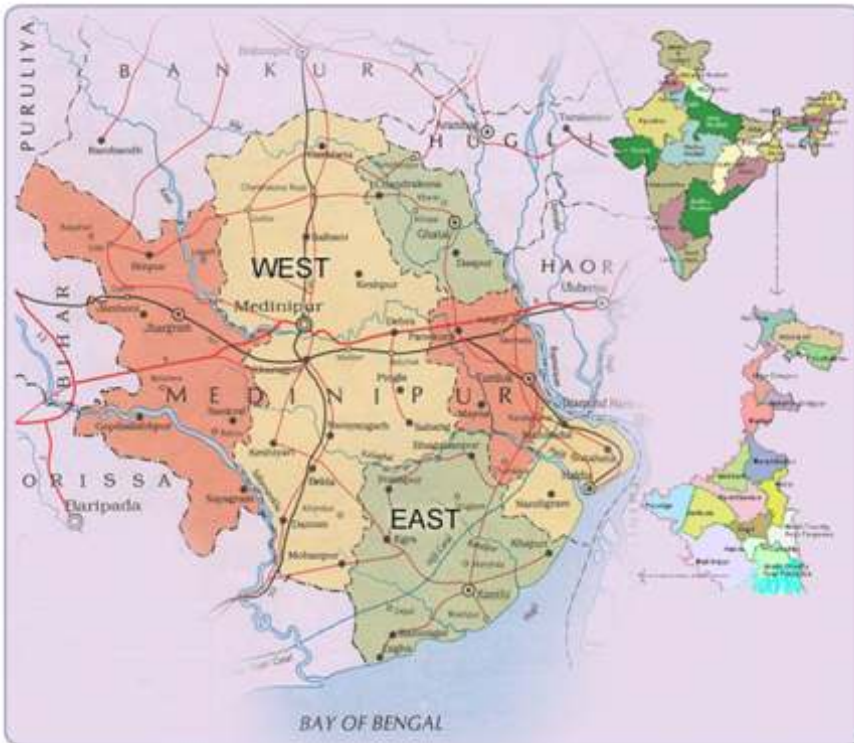
the raw materials for the British based industries and commercial exploitation of forests was encouraged at the cost of tribals in the name of national interest. Besides curtailing the various customary rights over forest, as the forest resources were mostly collected through contractors, the tribals became victims of commercial exploitation of forests.

The different regulations and restrictions imposed on the forest-dwellers and tribals put them at the mercy of government officials. Unfortunately the state, even after independence, saw that the well being of forest and forest dwellers as two different and mutually exclusive options. This was based on the pernicious premise that forests can be protected only if the forest dwellers are excluded, and that their needs can be met only if society is ready to suffer the loss of forest.

Though not at all true, Forest Departments blamed tribals for indiscriminate destruction of vegetation and wildlife. Even gathering raw material for their handicrafts became difficult and their right to collect fuel, fodder and minor forest produces were very much restricted all over India. Meanwhile control of these resources found their way from the forest dwellers to the contractors and to the corporate world that sees forests as a source of profit alone. Dams and mines displaced millions of people, destruction of forest caused hunger and destitution. Tribals became ecological refugees within the country.

Constitutional Guarantees for Tribals

Articles 15(4), 16 and 17 of the Constitution of India provide for promotion of educational and economic interests and protection from social injustice and all forms of exploitation. Centre and State policies for forests and tribals keep these constitutional obligations in mind. Rights of tribals were recognised. They were permitted



free grazing, collection of flowers, fruits, roots and tubers and removal of firewood for their home consumption, before the Non-Forest Life in Forest Conservation (Amendment) Act 1990 came into being. The above is the official version – reality lies somewhere else. Despite these guarantees tribals remain the most backward and neglected ethnic groups in India, worse than scheduled castes and other backward social groups on the three important parameters of health, education and income.

Lodha Tribe of West Bengal

Let us now see how all this affected the Lodha tribe who played a notable role in the anthropological history of forest dwelling communities of West Bengal. They live mainly in Midnapore district and in its western part there is a village of the Lodha community called Lodhasuli. Elsewhere they live in a multi ethnic environment with Santhals, Kheria, Oraon, Bhumij, Mahlis, Mundas, Mahtos, Brahmans and Sadgops. Lodhas also live in Mayurbhanj district of Jharkhand.

The word Lodha may have originated from ‘Lubdhaka’

meaning trapper or fowler. There is also another theory that they came from Ludhiana district of Punjab and adopted the term Lodha or Ludhi after their original homeland. Yet another theory is that they adopted the name from the Lodh trees which grows in abundance in North India.

After independence in the 1951 census they were considered as a caste along with Savars and in 1956 they were declared as Scheduled Tribe. The 1961 census classified them under the Austric family of languages. In the 1981 census their population was 53,717. Lodhas are a typical patriarchal society and their general economic life is directly linked with the forests. From the jungle they catch snakes and sell the skin to merchants. Collection of firewood and mat making are important economic pursuits. Catching fish during rainy season and selling them is another vocation. They also were adept at growing ‘tusser’ cocoons from ‘Asan’ trees (*Terminolia Tomentosa*) and gather Mahua flowers or fruits to supplement their income. Their diet was mainly wild fruits and roots and the flesh of small animals. Thus it

becomes clear that their food habits and economic activities are very closely interfaced with their forest habitat.

Mahua

It is a fact of history that the Lodhas lived deep in the forest, were fully dependent on forest resources and used them without stress or strain. They roamed about freely in the forests of Midnapore following their traditional forms of livelihood but the East India Company’s ‘Permanent Settlement of Bengal’ of 1793 designed primarily to rake in revenue, curtailed the freedom of these simple forest dwellers of Midnapore.

What was worse, it gave birth to smaller or bigger ‘Zamindars’ landlords – and this unjust settlement gave non tribals control over vast tracts of forests. Agricultural communities like Santhals, Mahtos and Sadgops cleared forests for cultivation and the Lodhas were pushed back from their old habitats. Life became more difficult for them as the government sided with the cultivators – because agriculture produce meant more revenue.

With unrestricted felling, there was hardly any forest left for the Lodhas to pursue their age old hunting gathering skills. As a result they were forced to migrate eastwards to the plains, which unfortunately wasn’t of much use for their traditional economic lifestyle.

Being forest dwellers for over millennia it was well nigh impossible for them to take to farming overnight. People around were unsympathetic and even hostile at times. Amidst poverty these environmental pressures made



them anti-socials and they took to petty crimes like theft for their very survival. What started as ones or twos gradually steeped deep in the Lodha community.

Criminal Tribes Act

Then came the Criminal Tribes Act of 1871 designed to control the tribal groups whom the British felt were hereditarily prone to criminal activities. A draconian amendment of 1897 also empowered district officials to segregate children aged 4 – 18 from their parents, ostensibly to avoid adverse influence. In 1916, Lodhas were added to the list of criminal tribes. This further increased the sufferings of the Lodha people.

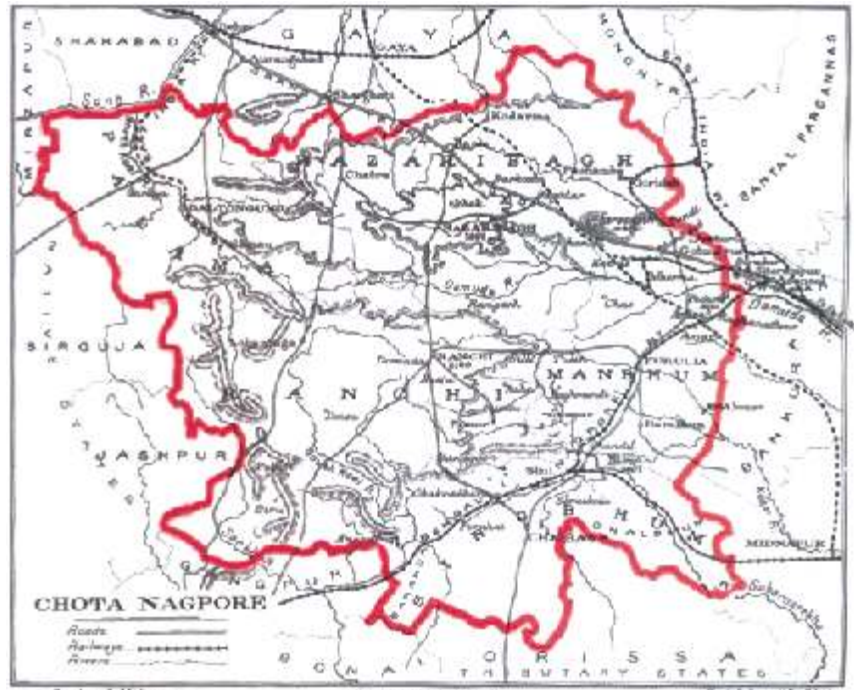
After independence in 1952, the Criminal Tribes Act was repealed and out of an all India population of 36.10 crores 2.71 crores of people belonging to 153 communities (including the Lodhas) were freed from the stigma of criminality. Old prejudices die hard, the entire community of Lodhas continued to be seen as thieves and robbers.

At this stage many well intentioned steps were taken by the West Bengal government to rehabilitate the Lodhas in Midnapore district. Lands, agricultural implements, oxen, cows, goats and seeds were given to transform them into a settled agrarian community. These honest intentions did not fully succeed. Others felt jealous of the Lodhas getting special attention and in 1961 there was a mass attack on them by other tribal groups. Such attacks were repeated in 1968, 79, 81, 82, 86 and 1989. Mahasweta Devi a renowned human rights activists who worked with the Lodhas rightly said that though the Lodhas were declassified in 1950, the rural populace still think of the Lodhas as criminals and whenever there was theft or dacoity it was customary to harass the Lodhas. Such attitude still prevails and the Lodhas are thought of as ex-criminal tribe instead of as a Scheduled Tribe.

Chotanagpur

Let us now shift focus to Chotanagpur plateau and the Birhor tribes who dwell in them. It is in eastern India, in Jharkhand state and is composed of Precambrian rocks more than 540 million years old. Chota Nagpur is the collective name

district is one of the main sources of mica in the world. Other minerals are copper, limestone, bauxite, iron ore, asbestos, and apatite (useful in the manufacture of phosphate fertilizers). A huge thermal plant for generating electricity and a large steel mill are located at Bokaro.



Map of Chotanagpur circa nineteenth century

for the Ranchi, Hazaribagh, and Kodarma plateaus, which have an area of 65,509 sq km. Its largest division is the Ranchi Plateau, which has an average elevation of 2,300 ft (700 m). The Chotanagpur plateau in its entirety lies between the basins of the Ganges and Son rivers to the north and the Mahanadi River to the south; through its centre, from west to east, runs the coal-bearing, faulted Damodar Valley.

Centuries of heavy cultivation have depleted the plateau of much of its natural vegetation, though some valuable forests still remain. Forest products, such as tussah silk and lac, are economically important. The Chotanagpur area has the most valuable concentration of mineral resources in India.

The Damodar Valley has vast coal reserves, and Hazaribagh

Railroads cross the plateau, connecting Calcutta to the southeast with Patna to the north, and also link other cities in the south and west.

Birhor Tribe

LR Forbes, an ICS, in his report of 1872 writes, “The Birhores are probably one of the earliest settlers in the hills and forests of the Chotanagpore country found scattered over the hills in Hazareebaugh and Chotanagpore. Though wild, they are a very harmless race. They are to be found living only on the tops and spurs of the hills, cultivating absolutely nothing and living exclusively on monkeys, birds, jungle roots, and herbs. They also tame monkeys and teach them to dance, and are sometimes found in the villages making a living in this way. They also make the dhol or drum used by the Kols at their festivals. In



appearance they resemble 'Chotanagore', Moondah tribes. They are small made, very black, and the generality have rather sharp features.

Both men and women wear their hair long and hanging, matted over their faces. Very young children live with their parents, the others apart. The boys and girls live together, and are allowed all freedom before marriage but in their wedded life they are exceedingly chaste. Their marriage ceremony is interesting and peculiar.

As soon as a young couple is determined to marry, the elders of both families join in collecting all their available resources for a feast. Roast pig, stewed monkey, herbs cooked in fat, roots of all sorts make up the bill of fare. As soon as all is prepared the guests assemble, and the members of the two families sit down in a line opposite one another. After certain inquiries as to whether the feast is prepared, and receiving satisfactory replies, the father of the boy thus addresses the father of the bride: 'My son calls his bride; his looks are eager; his feet are swift', or some such words as these. The girl's father then turning to the maiden says: 'Fly my daughter, and show

him who would be thy husband how nimble is thy foot'. Upon this the girl gets up and suddenly darts at full speed into the forest; a minute later and off starts the boy to catch his bride. When the chase is going on a kind of chant is sung, one side replying to the other, and singing the praises of the bride and bridegroom in some such words as these: 'Joomee (the girl) is like the Deer, her foot is swift, she flies like the west wind', to which the boy's family will reply : 'Mahno is like the arrow that strikes the deer ; he is swift and sure. Joomee has fear, Mahno has love'. This song goes on till the shout of the boy, as he succeeds in catching the girl, is heard, when silence follows.

The chase seldom lasts longer than a few minutes ; and if they are not already out of sight of the spectators, the youthful couple at once retire into the forest, and the marriage is there consummated. They return presently to their friends, when the girl is taken charge of by the women, who proceed to adorn her in her bridal dress, generally a new "sari" of coarse country cloth, a present from the bridegroom. Flowers are placed in her hair, and blushing she is led forth

and presented to the company, after which the feast commences in earnest, high jinks are carried on till morning".

Since independence the policies of government have totally neglected the marginalized communities, who depend upon the forest and forest related resources for their dependence. The forest policies of state have done more and more injustice towards tribal communities by diverting their land and their resources for market oriented production in the name of development. The Forest Act of 2006 could not ameliorate the sufferings of the tribal community.

The forest is the pivot around which the tribal life revolves, but for the state, the forest is simply a source of raw materials for industry and revenue for itself. In some states the Forest Department is a major source of revenue for the government. It is no wonder that successive plans, policies, and legislation have resulted in restricting the rights and usage of forests by millions of tribal people for whom forests are their only refuge and source of sustenance. With all these, one may safely conclude that displacement of forest

people from their natural habitats in the name of material progress comes at the cost of the poor tribals who remain in the depths of abysmal poverty.

Though ignored by most people of the country, there are many things to learn from the tribal peoples of India. Mahasweta Devi rightly says, "Tribals are untouched by cities. We don't believe in integration of tribals into the mainstream. And what have the tribals gained by the so-called development? They still have barter system, they are liberal with women. Tribals are the most sophisticated of human beings. No girl child is killed in their society. No dowry is asked for at the time of marriage, a girl can live in with a man before deciding whether to marry him. Marriage follows pregnancy. Widow marriage is almost mandatory. Women can give divorce. Among the tribes of Purulia, a boy and a girl meet, marry in the presence of stone. They don't live in joint families, they live jointly. Everybody earns till the old age. It is fashionable to talk of declining male-female ratio in urban India. Among certain tribes like

Lodha Shavars of Midnapore and Kherioia Shavars of Purulia, there are more girls than boys. Also, in tribes there is no caste hierarchy. They are much more civilised and advanced than the so-called civilised world. They are carrying on their own tradition. They are the mainstream."

Kherioia children of Purulia district

But it is also true that these people are neglected and need to be economically uplifted. PROUT's founder Shrii PR Sarkar offers some practical suggestions. "In the present socio-economic environment, however, if the following preferential system is adopted as a temporary measure, then the suffering of the people may be alleviated. First, poor people coming from backward families should get first preference in the fields of services and education, irrespective of their birth affiliation. Second preference should go to the poor people coming from non-backward families. Third preference should go to the non-poor people coming from backward families.



Kherioia children of Purulia district

Last preference should go to the non-poor people coming from non-backward families. Here, 'backward' means families who did not get any services or education in the past. Such families should continue to get these facilities until there is no poverty in the country – that is, until the minimum requirements are guaranteed".



TRIBAL PROVERBS

The burden of your friend is like a basket of feathers (*Sukuma Tribe Proverb*); In the desert of life, the wise travel by caravan, while the fool travels alone (*Arabian*); A lie can annihilate a thousand truths (*Ashanti tribe Kenya*); Write kindness in marble. Write injuries in the sand (*Persian*); He who has bread has many problems; He who has no bread has only one problem (*Byzantine*); He who tells the truth is never wrong (*Swahili*); Flies' legs, like the tongue of critics, land on whatever they find (*Duala*); An empty sack cannot stand (*Mandingue*); When a lion roars, he does not catch game (*Acholi*); If you have a lot, give some of your possessions; if you have little, give some of your heart (*Nilotic*); The mouth of an elderly man is without teeth, but never without words of wisdom (*Duala*); The mouth makes debts, but the hands must pay (*Ewe*); What the heart carries would be too heavy for a donkey to take down the road (*Oromo Tribe, Ethiopia*); To be happy in one's home is better than being a chief (*Yoruba Tribe, Nigeria*); What you see being done is better than what you hear being said (*Toucouleur Tribe, Senegal*).



In the PROUT system, rather than having corporate conglomerates making the decisions to produce here and sell there, each region would have an economy with as much autonomy as possible.



PROUT's Pathway to a Bright Future

✱ Ravi Logan

Throughout the world, people and communities are coming to realize that the approach of economic globalism is not working. People's needs are not getting adequately met and local communities have lost control over

economic autonomy cannot stand on its own, that it must occur within a well-regulated system of global coordination and that for this an international coordinating body is necessary.

Consider the situation of providing for people's most basic

Libya — cannot eat oil. They must import certain foods. So there needs to be trade. But in the PROUT system, rather than having corporate conglomerates making the decisions to produce here and sell there, each region would have an economy with as much autonomy as possible.



their economies. So people are calling for regional economic autonomy.

PROUT also calls for regional autonomy. But the PROUT approach says that regional

need, that of food. How would provision of food be assured to all under a system of decentralized economic development?

Countries in dry regions — such as Bahrain, Saudi Arabia, and

These autonomous regional economies can ship their excess production out to those in need and trade will occur. But they retain their economic autonomy; they will not work for a multinational

corporation. It will take time to make this shift. The solutions to the immediate economic crisis will move in that direction, but it will not occur automatically. For the immediate solutions, there is need to establish a world council to coordinate the bailout of companies, states, countries – a kind of disaster relief in the economic sphere and a coordination among the different countries on a plan for stabilization. There needs to be a plan for stabilization so that unemployment can be lessened and people can have work. To do this, governments must take over the leadership of economic affairs that has been in the hands of the multinational corporations. When the governments take over this leadership, they will take the reins of the economy and invest in the future of the economy. Thus, it will move toward economic socialism. This is not to say there will be no individual merchants, or even no multinational corporations (at least for a time). But the relationships will change. These types of solutions are necessary at this time.

PROUT advocates the ideal of local economic autonomy. But what does that look like in a given situation? In America, in the state of California, so many vegetables can be grown; but in Alaska in the winter it is difficult to produce vegetables, other than in hot houses that are costly to operate. If the Alaskan people want to eat vegetables in winter, they will either have to import them from California or they will have to pay high prices for hot house grown vegetables – so that only the rich can afford to eat vegetables on a daily basis. California can have more economic autonomy, but a part of its economic autonomy will be selling its vegetables. Part of the economic autonomy of Alaska will be buying vegetables, because they cannot produce enough. Of course, to the extent that Alaskans are able to produce vegetables, they should do so.

Desert countries also cannot

produce sufficient food. Nor can cold, high plateau countries like Mongolia. So what will people in these areas — in high plateaus and in deserts — do for food? They will have to be in economic coordination with regions in fertile areas of the world capable of producing greater quantities of food. This coordination is not occurring effectively in the current world situation because of the irresponsible corporate economic cowboys who rule the global economy. They come in, they sell here and buy there, but not based on the needs of the different regions. They take control of the regions away from the people and act out of their personal capitalist mandate to earn ever more profits. They run the economy as they please, and not as is needed by the people.

Of course, they fulfill people's needs in so much as they can have a good market for their goods. But their goal is not to fulfill anyone's needs; it is to make money. In their dominance, they have been irresponsible and they have botched up. So there is a growing need for an international coordinating body, and that international body will need to distribute economic power in a way that increases local economic autonomy. But they will also need to regulate the global economy very strongly.

If California decides that they have lots of fruits and vegetables and much of the world does not, so that they will charge ten times as much for their produce because others are desperate — they must buy no matter what they are charged — then, what happens? Greed takes over. So the international coordinating body must be able to say to California, "No, we are regulating your trade. You cannot charge above this, otherwise you are exploiting the others."

In this way, the international body will keep the global economy regulated. This is where the value of a ksatriyan society comes in. The ksatriyan society will be very capable of regulating and maintaining a strict world order. But

such a society is down the road. At present, there is the chaos and struggle of the transition from one system to another.

Survival Will Demand the PROUT Approach

Naturally in a time like this, when there is upheaval and transition, people become frightened. They want to retreat into themselves, and so protectionism comes into place. However, necessity speaks louder than protectionism, because protectionism, just like failing capitalist values, will not meet the needs of the day.

The isms of protectionism and fundamentalism naturally arise in reaction to the unknown and frightening nature of the times. But they will not carry the day. What will carry the day is that which looks most likely to provide for the survival for humanity. How can we reassure those who are in fear and lean towards divisiveisms? We must appeal to their logic and their need to survive. But if, in their fear, they become irrational, they will do so. Eventually, however, their irrational approaches will fade — just as already many fundamentalist approaches have arisen but are not carrying the day. And they will not carry the day, because these approaches cannot meet people's need. Need is critical.

If a society cannot meet the need, the society will perish. Faced with perishing, most people will do what is necessary to save themselves. There is a strong drive in the human species to adapt and do what is needed to survive. To survive, humanity must follow the path toward decentralized autonomy with global coordination. People will do what they do for necessity. If, in the short run, it looks like having an economic bailout will help certain corporations stay alive so that the society may struggle on a little longer, naturally that will be done. Necessity pushes it. But when the realization comes that these policies aren't adequate, necessity

will push for greater steps to be taken. Necessity demands change, and people come up to the mark or they perish. It is that simple. It is not intellectual; it has nothing to do with beliefs or politics.

Need to Change Society's Value Base

In bringing forward PROUT solutions to the growing economic problems, we should not focus on local economic autonomy on the one hand, or on establishing a global economic coordinating body on the other hand. We must talk about both. We must talk about how to establish economic autonomy because in the global development that economic autonomy will become the prevailing mode. So that must be encouraged while also encouraging the need for a coordinated world economy having a neohumanist intent — that is, being guided by spiritual values.

The war that is to be fought is not with a human enemy. It is with the out-of-control mess that has been left in the wake of the dying capitalist era. In the era of capitalist (vaeshyan) dominance, everything is for personal gain. The dominant value of this society is to think: "How can I become economically secure and safe and have a great deal of personal wealth?" This approach, this fundamental value of personal gain, has led to this whole economic mess. So the need to change the value base must be addressed, and it must then be explained what is the beneficial impact that this will have.

When the dominant value base of the people shifts to building

community, to looking out for your neighbors, to making your community sustainable living in community, to coming back to family and extended community, then people can begin to root themselves in something solid, something simple, something stable that they can relate to. In this way, the values will shift from seeking to have more and more for one's self to being a part of a functional community — where there is duty to your neighbors, duty to your society, duty to your family, and where the measure of a successful person is that they meet those duties well and improve the general welfare of all.

This is the change from capitalist values to ksattriy values. And this is the shift that is now going on. However, the progressive minded people (the viksubdha shudras) that are in the forefront of making changes, they are not ksattriyans. They don't want a regulated, duty oriented society. Most of them can't relate to this. They are rebels; they are against the established order. They may reject the capitalist values and institutions and embrace alternative ideals, but few have embraced ksattriy values of social duty. Yet, as they settle, as they ground, as they seek to manifest their ideas in community, in connection with others, they will learn loyalty and duty and many will become ksattriyans.

Giving People a Pathway to Survival

When presenting PROUTist solutions to people, what you give them — whether it is the formation

of cooperatives, the formation of community, of economic autonomy, of local businesses — is dependent on whom you are talking to. If talking to a small town mayor, talk about bringing economic autonomy to the community, about developing small businesses, about developing a sense of community values, and about the community becoming as sustainable as possible using alternative energies and developing a value base that supports this. To the degree that the community is open, you can bring forward the idea of their having interconnectedness within a larger global society. But right now it is mainly about freeing them from the tyranny of exploitation by multinational corporations.

People want to be free on a one-by-one personal level from this exploitation. Look at how in the Middle East people want to be free. They do not like the capitalists, and their psychology is not of a capitalist mentality. They do not want corporate exploitation. They react and cling to their fundamentalism, and the fundamentalists take dominance because the people don't want to be dominated by the capitalists. When instead they can see a solution that is not capitalist, that incorporates their religion's valuing of family and community, and that gives importance to local economic autonomy, they will jump on it. They will jump on these ideas and will give up their fundamentalism for this approach because they want to survive.

Everyone wants to survive. So, emphasizing the development of community, family, local economic autonomy, and world coordination based on the welfare of all living beings — this is what is to be emphasized.

Naturally, some people will react in fear to this vision. They will say it is world tyranny. When there is a strong ksattriy society, an old-fashioned capitalist will call it tyranny, or an old-fashioned intellectual will call it tyranny. Why? — Because such a society



does not support the individual economic progress of the capitalist, and it does not support the individual intellectual dominance or religious dominance of the intellectuals. Rather, it supports duty and honor and collective welfare. The people in dominance in one age are never comfortable with the ascending values of the new age. But the rolling of the ages cannot be changed except by the annihilation of the world.

Humanity's Future is Bright

There are those who want to minimize use of resources and they believe that the earth's carrying capacity is fixed and finite and that we can therefore only have a fixed population. There is an assumption that we have a fixed resource base to live on—a certain amount of oil, timber, food, etc.

But is it so? Is there only a certain amount of solar energy, a certain amount of psychic energy? These assumptions are too material in their perspective. The assumption is being made that technology will not progress. But technology will go forward.

Pollution occurs because technology has not sufficiently developed; it is still highly primitive. When it becomes more developed, it will not have the environmentally destructive impacts on the physical plane that it does today. However, more developed technology will be more dangerous. So the society will need to be more regulated because the same technology that can create survival can also kill.

Without strongly regulated societies, such technology is highly dangerous. Already the technology is at a dangerous stage in the under-regulated society. People are not ready for the level of regulation that is required, but they see that there is a need for regulation. They therefore come up with a regulated theory—of a steady state economy—that is defective because it assumes that population will be at a stable level and technology will remain as it is

today. Those two assumptions make this a faulty theory.

Of course, we cannot assume that population can continue to grow and that there will always be plenty of food to eat. There is truth that population can grow out of the carrying capacity of the earth, that population can reach a level that is unsustainable. The size of the human population has already become disproportionate and has become blight, killing off many species, making the earth's oceans die, polluting the earth, and endangering the very planet on which we live. Yet Mother Nature is very resourceful and she will not allow this to go on. Through various means the human population will go down—whether by birth control or other means.

The population of northern Europeans and of white Americans is already going down. Population naturally diminishes among people with greater technology and a better standard of living. But the population of poorer people continues to grow unsustainably. Why?—Because they retain the belief that by greater numbers of offspring they will have more security. This type of thinking is from an older time, and it is contributing to the harm of the planet.

There needs to be regulation in this society. The population cannot be sustained even at today's level. And the population thirty years from now, if allowed to continue growing at the present rate, will be completely unsustainable. However, there are controls both in the human society and on the planet in general that will prevent this.

Unfortunately, that preventing of population growth can be quite devastating. The earth is endangered at this point. It is a critical time of shift and change in human history. The economic crisis is but one problem amid many—the most serious being that the earth is being killed. The oceans are dying. The land is polluted. Radiation from nuclear waste is polluting water and

air. Water supplies and tables are diminishing. The amount of usable water is going down. Global warming and shifts in climate reduce the amount of usable land.

There is no regulation in the human society. People endanger themselves and their neighbors due to lack of regulation. And the capitalist approach of development only for personal need—not taking into account the larger collective good—this must change and change quickly.

The shift from the capitalist era through popular revolution to a ksatriyan era is a very tumultuous time. A significant change of values is occurring, and hung in the balance of the changing values is the very survival of planet earth and the life on it. But the human society will rally. There will be difficulty, there will be loss of population, but society will not fall to some primitive level. People will find their way to a coordinated global society with local economic autonomy.

Necessity brings solutions. Even now, we begin to see the necessity. We see looming these destructive forces. We see looming great challenges to the human society, to living beings, to the planet earth. We see economic troubles. It is a time of turmoil, but the future of humanity is bright.

There are those who say that humanity will not survive. But Proutists answer that the future of humanity is bright. People's quality of life will get better. Not all will make it through this transition. There will be calamities; there will be a natural reduction in the human population. A great transition is occurring; society is coming of age. It is becoming a global society. It is becoming an interconnected world, and there is an immediate need to address the global needs of this planet. Therefore, on one hand, we must encourage the local economic development and, on the other hand, we must encourage global responsibility and a coordinated global society.

Principles of Proutist Economics

In 1962, the propounder of the new paradigm of social, economic and political liberation, Shrii Prabhat Ranjan Sarkar, explained the principles of the Proutist Economy as part of a book of Sanskrit *sutras* (aphorisms) called *Ananda Sutam*. A *sutra* has many meanings and dimensions requiring a vast commentary. Let us briefly look at those *sutras* that propound the principles of Proutist Economics.

The first *sutra* reveals:

Vaecitryam' pra'krtadharmah sama'nam' na bhavis'yati.

[Diversity is the law of Nature, Identity can never exist.]

Absolute identity or sameness is impossible in an ever-changing universe. The principle and ideal of a society based on equality (*sama-samaja*) emanated since the dawn of humanity. It is what Shrii Sarkar called a cardinal human value that emerges from the confluence of the psychic realm and the realm of Pure Consciousness or Spirit. As per Shrii Sarkar, "human value means nothing but to treat the joys and sorrows, hopes and aspirations of human beings sympathetically, and see them merged in Cosmic Consciousness and established in divine majesty." So the cardinal human value of a society based on equality is rooted in spirituality and its goal is spirituality. When this quest for equality in all aspects of life is conjoined with an internal quest for union with Consciousness in the core of our "I" feeling by meditation, then the endless diversity of the universe both within and without, only enhances the unity. When this spiritual dimension is ignored as in the case of materialist philosophies, then the quest for equality results in violent attempts to force everyone to wear the same dress, do the same work and think the same thoughts. Diversity becomes a threat and is then ruthlessly exterminated such as in the case of communist dictators like Pol Pot. When the quest for equality is rejected such as in capitalist societies we find ever-increasing disparities such as between rich and poor, educated and uneducated, superpowers and subservient nations. This results in a society, a planetary order based on greed and violence. After having destroyed entire nations, capitalism now threatens life on earth itself.

Ecologically, diversity is what strengthens and preserves a species or an ecosystem. Single cropping in agriculture (monoculture) has led to a great vulnerability to pests and disease. The maintenance of biodiversity is thus vital to the survival of life on this planet. Capitalism which trumpets the rights of each, unique individual, is destroying countless unique species and ecosystems every year.

The reasons for this paradox lie in the realm of culture. Empires in history and in the present expand by destroying local cultures and imposing their own culture. However this violence destroys the power of the old values of the imperialist nation and this leads to cynicism, corruption and civilizational collapse. This is what is happening today with the spread of American corporate pseudo-culture. Culturally there is the highest value in cultural blendings and synthesis that lead to the emergence of universal sentiments. However it is clear that the most subtle, benevolent and sublime aspect of a culture that are the most precious aspect of its cultural legacy are also the most difficult to translate, duplicate and assimilate. The preservation of cultural diversity is essential thus to preserve and foster genuine civilization on this planet. Furthermore to destroy such beautiful expressions of culture (such as in the case of the bombing of the ancient Shiva temple complex in My Son in the Vietnam War and in the looting of museums in Baghdad) is the most heinous forms of violence because it destroys the sentimental heritage and the vital essence [*prana dharma*] of an entire community or country.

In the realm of economics, diversity is crucial. Imbalanced economies such as over-industrialized Japan are forced to import agricultural product and hence are naturally prone to exploit the donor countries so as to minimize the losses. Similarly countries focused on the extraction of natural resources and on agriculture become helpless slaves of the industrialized countries and are forced to accept foreign products which prevent local economic development. In addition these countries are forced to use Genetically Modified Crops at high prices which results in dangers to health and farmer suicides due to the high cost of seeds, fertilizer and pesticides. Diversity in every form of industry, agriculture, natural resource extraction must be preserved along with the biodiversity of forests, mountains and rivers impacted by these activities. For example many indigenous peoples (*adivasis*) have unique forms of agriculture, unique forms of food and medicine that can enrich global society. This is destroyed by the monoculture of capitalist exploitation. Preserving economic diversity requires local-level economic planning and control or in other words economic freedom of communities from government and corporate control and enslavement. Ultimately, this results in the formation of eco-cultural regions or *samajas* based on economic democracy out of a freedom struggle against economic tyranny of capitalist or state capitalist (communist) rule.



Alternative Futures OF NEOHUMANISM

Neohumanism as the pathway to Prout

“The dominant worldview would be spiritual—not ascetic or religious but an understanding that each person had a unique relationship with a deeper dimension of themselves or the transcendent.”

* Sohail Inayatullah

What are the futures of Neohumanism? In an earlier essay, I asked: Is neohumanist education a plausible future? While this essay explores the alternative futures of Neohumanism, it notes that the weights of past and present are certainly stacked against an alternative future that challenges the status quo of student preparation for global competitive capitalism or national economic development and identity creation. Indeed, that education can successfully prepare students for any future other than the conservatism and standardization of the feudal and industrial templates remains questionable.

Profound change

The first and most hopeful future is a profound paradigm change that leads to neohumanism becoming the norm. Neohumanist education would thus become desired — the yardstick by which

other educational systems is measured, if we wish to measure at all. One could see the visible signs of neohumanism at schools—instead of a national flag there may be a Gaian flag or a flag would not even need to be at the school entrance — as education would not be about identities that could be so easily captured.

At the systemic level, the school would be electronically linked to other schools; however, the

technology would be invisible. There would not be a separate computer room rather communications technology would be ubiquitous. Perhaps there would be webcams in the eco-gardens helping monitor the organic vegetables. Technology would not be defining—communication within, between girls and boys, between students and teachers and between students and others around the world would be far more important. Calm dynamism might best describe the school.

The dominant worldview would be spiritual—not ascetic or religious but an understanding that each person had a unique relationship with a deeper dimension of themselves or the transcendent. The spiritual self, however, would not be domineering



but guiding the other selves within each person's gestalt. There may be morning meditations or prayers or perhaps just silent time for reflection. Yoga, tai-chi, martial arts would likely be part of the school as well. As would sports—sports may be traditional but generally they would be far less competitive, games designed that produced individual and collective partnership and excellence. The body, mind and spirit of each person would be the focus.

The underlying myth of the school would be a garden of many individual cultures—with teachers as part of the garden, their educational practices perhaps analogous to nutrients, perhaps to water. Parents too would be part of this garden, as supporters not slayers of innovation. The world economy would be far more cooperative (leaving out the middle man) and far less corporatist or state economy run. Productivity would flourish as individuals would be true stakeholders. The Ministry of Education would only be one node.

Niche elite school

A second future more aligned with the present is wherein neohumanist education becomes a niche system. Particular communities prefer this type of education, but generally, the state and national levels focus more on broader secular (or religious) education. Education continues business as usual activities in support of the nation-state and

global capitalism. Neohumanist education is a niche for the different (intentional spiritual communities, those desiring a different softer world). It is expensive and only the select few can manage it. Capitalism continues but there are pockets of different measurement regimes including Triple Bottom line (profit, social inclusion and environmentalism). An example of change in this direction is the new measurement of universities by the University of Indonesia¹. These measurements focus on how sustainable and environmentally friendly a University is, instead of merely research publications, grants received or student satisfaction. Universiti Sains Malaysia goes further and measures sustainability and the percent of research that goes to the bottom billion of the world's population. The process of change is slow and painful but overtime neohumanist education filters through to public schools and to the general public.

Backlash

A third future is where neohumanistic type schools (Steiner, Montessori, Ananda Marga, for example) are considered detrimental to national development. They are seen as promoting values that create a fifth column, that do not train young boys and girls (but especially boys) for the tough world of capitalism and even the tougher world of a planet in strife (terrorism, ecological wars and catastrophes, China-USA wars,

for example). Moreover, they challenge the national religion, be it Christianity, Hinduism, Islam or ... Alternative education is seen as dangerous. Funding is not denied but systemic blocks are created so that funding is nearly impossible.

Marginalized

Another future is marginalization wherein funding is allowed as long as alternative schools, schooling and education stay restricted to a few elite schools. As part of the general debate on the nature of identity, nature of diet and nature of the good life, neohumanism does not make inroads. Neohumanism, as a broader vision of the planet stays idealistic, an ethos people discuss in e-communities but know full well that it is impossible. It also remains marginalized as neohumanist practitioners themselves do not make the transition to neohumanism. While oneself may become neohumanist, other subpersonalities may remain feudal, sexist or racist, hidden in the unconscious until a stressful event occurs. Students and others seeing the newly risen snake of nationalism (or other isms) may give up hope and believe that neohumanism and neohumanist education is impossible. Realism remains defining; after all it is power that matters most!

WHICH FUTURE?

Which future then is likely? Indeed, is neohumanism plausible? Answering this question depends on at least two factors. First, practitioners need to move from the idealism of neohumanism to the day to day practice of neohumanism. This requires inner reflection, an engagement with our multiple selves. And second there needs to be a worldview transition from feudal-industrialism to Gaian sustainability. Fortunately, there is some data that suggests that the profound change scenario is possible, at least in parts of the world especially the USA, Northern Europe, Japan and Australia.



Focused on values that predict future actions, Paul Ray and Sherry Anderson have noticed a shift away from traditional values (socially and religious conservative) going from 50% in the 1960s to less than 25% now². They argue that their – the traditional - ferocity in public debate is based on the loss of numbers. Moderns – those focused on personal success and financial gain – have moved from around 50% to around 40%. Health challenges – climate change, in particular – account for this loss of numbers.

The group gaining momentum is the cultural creatives, who have gone from a few percent in the 1970s to the mid twenties in the 1990s to over 40% by 2008 in the USA.

Writes Ray³: “Their [cultural creatives] most important values



"If you put the U.S. federal government in charge of the Sahara Desert, in five years there'd be a shortage of sand."

- Milton Friedman, Nobel prize winning economist

of every kind of information through all the media, and are more discriminating about it as a result. Many successfully blend their personal experience with new views about how the world works, and why—their new values and commitments have rather organically grown out of their synthesis of all the information.”

And: two key dimensions of values are more important to Cultural Creatives than to others: (1) having green and socially responsible values, and (2) personal

suddenly from being marginal to centre stage.

PROUT POLICY

Neohumanism is the jewel in Prout’s vision of an alternative future. However, the focus on Prout politics and strategy is to ensure that neohumanism becomes a practice. What this means is that in the conditions of chaos and fear, instead of a politics of blaming the other, Prout stays focused on universalism – that everyone is a citizen of the planet. Cheap slogans and politics against any particular group, however, convenient, must be avoided.

It is worth remembering: There is no road to Prout; prout in itself is the road. In terms of strategy, to avoid the backlash scenario, the focus of Prout, neohumanism and neohumanist education needs to frame global and local policy debates within its own terms and vision of the future. This means pedagogy that remains focused on *vistara*, the expansion of the mind, instead of pedagogy that is nation-state focused or uses the categories of the nation-state (ie China, India, Pakistan and the realist politics of Machiavelli or Kautilya). Instead of the fear of the other, of the unknown, neohumanism reminds us that we

Year	Cultural Creatives	Moderns	Traditionals	Total
1995	24.0%	47.0%	29.0%	100%
1999	27.0%	48.0%	25.0%	100%
2008	44.9%	39.7%	15.4%	100%

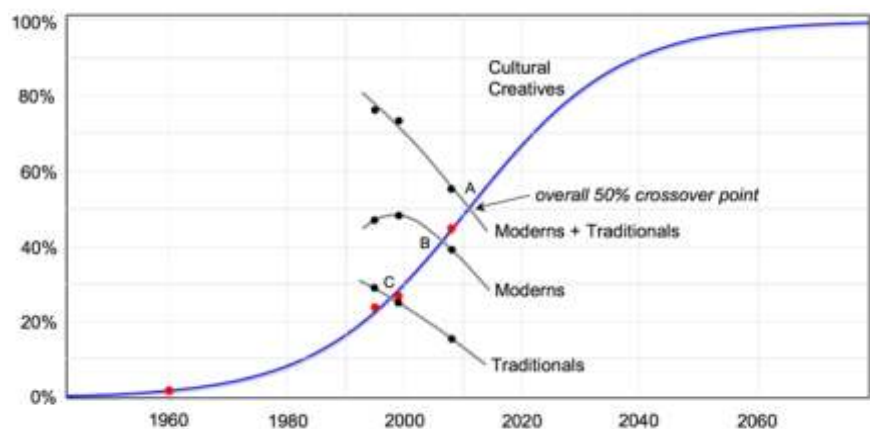
include: ecological sustainability and concern for the planet (not just environmentalism); liking what is foreign and exotic in other cultures; what are often called ‘women’s issues’ by politicians and the media (i.e., concern about the condition of women and children both at home and around the world, concern for better health care and education, desire to rebuild neighbourhoods and community, desire to improve caring relationships and family life); social conscience, a demand for authenticity in social life and a guarded social optimism; and giving importance to altruism, self-actualization and spirituality as a single complex of values.”

Also important is their link to new technologies: Writes Ray⁴, “The other major influence on their growth has been the growing information saturation of the world since the 1950s. In fact the Cultural Creatives are simply the best informed people. They take in more

development values, including spirituality and new lifestyles

Hardin Tibbs in his interpretation of Ray’s data suggests that there could be a shift in values by around 2020 as cultural creatives become the majority in certain parts of the world⁵.

If Ray and others are correct, then this demographic shift could lead to a politics wherein neohumanism education moves



are first humans (not nations or religions) and we are with nature (not over or against) on a collective journey toward self-realization and collective economic and social prosperity.

Practically, this means in terms of transition Prout needs to message universalism and at the same time localism. If it is overly universalistic, then local people will not identify. They will fear that jobs will disappear to migrants and that Prout is not in touch with the day-to-day realities of the world. However, if Prout policies are overly localistic, then even if local economies are

protected, poor treatment of “others” – ethnicities, women, the marginal, will result. The correct economic approach will lead to social problems and the minds will shrink – vistara in reverse.

The way out for Prout is to think and act globally and locally, spiritually and realistically.

Or : glo-cally!

Reference

1. <http://greenmetric.ui.ac.id/news/archive/21>. Accessed 27 January 2011
2. Paul Ray, *The Cultural Creatives: The Potential for a New, Emerging Culture in the U.S.*, 200, 8

<https://www.wisdomuniversity.org/CCsReport2008SurveyV3.pdf>. Retrieved 19 August 2010. Also: Paul Ray & Sherry Anderson, *The Cultural Creatives*, New York, Three Rivers Press, 2000.

3. Ray, p. 7.

4. Ray, p. 8

5. Hardin Tibbs, “Changing Cultural Values and the Transition to Sustainability,” *Journal of Futures Studies* (February-March), 2011.

The writer is Professor, Graduate Institute of Futures Studies, Tamkang University and Centre for Policing, Intelligence and Counter-terrorism, Macquarie University, Australia

THIS IS YOUR DO WHAT YOU LOVE, AND DO IT OFTEN. LIFE.
IF YOU DON'T LIKE SOMETHING, CHANGE IT.
IF YOU DON'T LIKE YOUR JOB, QUIT.
IF YOU DON'T HAVE ENOUGH TIME, STOP WATCHING TV.
IF YOU ARE LOOKING FOR THE LOVE OF YOUR LIFE, STOP; THEY WILL BE WAITING FOR YOU WHEN YOU START DOING THINGS YOU LOVE.
STOP OVER ANALYZING, ALL EMOTIONS ARE BEAUTIFUL. WHEN YOU EAT, APPRECIATE LIFE IS SIMPLE. EVERY LAST BITE.
OPEN YOUR MIND, ARMS, AND HEART TO NEW THINGS AND PEOPLE, WE ARE UNITED IN OUR DIFFERENCES. ASK THE NEXT PERSON YOU SEE WHAT THEIR PASSION IS, AND SHARE YOUR INSPIRING DREAM WITH THEM.
TRAVEL OFTEN; GETTING LOST WILL HELP YOU FIND YOURSELF.
SOME OPPORTUNITIES ONLY COME ONCE, SEIZE THEM.
LIFE IS ABOUT THE PEOPLE YOU MEET, AND THE THINGS YOU CREATE WITH THEM SO GO OUT AND START CREATING.
LIFE IS LIVE YOUR DREAM, AND WEAR SHORT. YOUR PASSION.



We will focus on one of the most crucial issues facing India today – the question of the desperate thirst of exploited regions of India for political independence in the form of a separate state. The agreement of the Central government to create the state of Telangana has made this issue the crucial issue facing India today.



Re-envisioning India

Towards a New Reorganization of States

* **Acarya Santosananda Avadahuta**

Introduction

A Constitution arises in traditional Western thought as the basis for a social contract between a people and their government. This idea of basing society on a contract is fundamentally a form of capitalist psychology. It is no coincidence that the rise of Constitutions was paralleled by the rise of capitalism. Capitalists wanted a contract with the government that would protect their rights to keep and accumulate more money and wealth. Capitalism thrives on the free exchange of ideas which enables capitalism to quickly find out new modes and new arenas

of exploitation. As a result capitalists propagated the idea of political freedom which also enabled them to gain popular support. The idea of economic freedom was carefully swept under the carpet.

In practical political life governments have regularly violated their contract or Constitution. Since the liberalization of the Indian economy we see how the Central and State governments have been openly violating the norms and values of the Indian constitution. However there is no one to enforce the Constitution

or social contract. The Supreme Court may proclaim that the policy in Chattisgarh of creating paramilitaries (that terrorize the local people) is an illegal act but they will be coolly ignored. The courts may condemn a corporation from exploiting an area but the corporation will openly flout the court order.

When the people protest such violations of the Constitution and the social contract, they are bribed, terrorized or killed. Since 9/11 we see worldwide how governments are laying the legal foundations for a dictatorship – often in direct violation of the values of their Constitutions or social contract. So clearly Indians need to no longer bow before the Constitution as a scripture but rather to discuss how to make the Constitution serve the Indian people rather than allowing the Indian people to become enslaved to corporations and mafias by their politicians’ immoral use of the Constitution. If the Constitution cannot fulfill the needs of the Indian people then there needs to be a national conversation to create the



consensus for a new constitution.

At present the Western national order is in a state of breakdown as first globalization, then the Global War on Terror and now the Global Economic Depression has undermined the independence of nations. This is why people like Tony Blair talk of being in a Post-Westphalian era. After the brutal Thirty Years War, a consensus evolved in Western Europe about how nations should function. This consensus evolved over time and was forcibly imposed in Asia and Africa on countries newly emerging from direct colonialism.

We can note that this European political order originated out of a consensus amongst the various nations of Europe, however in India this order was simply imposed as India's ruling elites had no interest in creating any form of national dialogue or consensus. Like the British their goal was to create a strong Central Government to forcefully control the Indian people. One key difference between Indian and Western ideas is that in the West it is the political sphere that dominates the society.

In her book *Notions of Nationhood in Bengal: Perspectives on Samaj, c. 1867-1905*, Swarupa Gupta documents how the emergence of Bengali and later Indian identity was based on the idea of "Samaja" or a social and cultural matrix rather than a political regime. This legacy was lost with the rise in India of Western-educated politicians such as Nehru. So there needs to be a new national conversation in India to decide what exactly India is, what should be her political, social, cultural, ecological, spiritual, economic and moral ideals. This conversation must be free from the domination of the corporate media and political parties as well as communal organizations. Without ideals and sentiments based on those ideals, there can be no nation.

Nearly 60 years ago the great trailblazer in linguistics and socio-economic justice, Shrii Prabhat

Ranjan Sarkar, warned that unless a proper sentimental and ideological foundation was created, India faced disintegration. G. Aloysius in his book *Nationalism Without a Nation* has documented the fact that India was created by liberal and extremist Hindu nationalism but no genuine Indian nation actually existed. Since then we have seen endless revolts against the autocracy of the Indian Central Government which continued to function with the same institutional culture and psychology of the British era. Some of these revolts have been to create new states and other has been to gain independence from the Delhi regime that masquerades as the government of the Indian people. We can start the dialogue about what India should be by noting the traditional term in India for politics – *rajniiti*.

Traditionally in Indian history this has simply meant that the morality (*niiti*) and values of the king (*raja*) became the values of the society. We see the same political culture in India today. Each political party imposes their values on the rest of society and the people are forced to accept it. We need an alternate vision then of what is *rajniiti*.

Niiti means morality and its root meaning is that which leads the people towards the expansion of the human spirit in all realms – economic, political, cultural, social, spiritual and so on towards the Infinite. The *Raj* then should not refer to the political ruler or *neti*. The *Raj* should refer to the political system of a community. *Rajniiti* then means a political order that exists to establish morality in the society. A Constitution then is a guidebook of the rules, principles and values that a community has agreed should govern the political administration. The Constitution then is a tool for the people to establish morality, equality and justice in their society and to create a political order dedicated to the service of everyone – humans, plants and animals.

The guiding spirit of such a new Constitution lies in a new humanism based on the idea of the

innate divinity of every person, animal, plant and even inanimate objects. This mystical humanism or *bhakti manavata* or *insani sofiani* uses the power of divine love to fight debasing, toxic forces like caste, communal, class sentiments. This mystical humanism that is to guide our new Constitution can be defined as the "blazing tenderness of infinite justice". For we want justice for each and every created being in each and every sphere of life from the basic economic necessities for survival, to education, to the right for the economic *svaraj* of local people over their own homeland, to the right of every language in India to survival and development in the form of education and media (radio, newspapers, etc) in that language. When we start thinking about politics and the Constitution in this manner, we can realize we need to develop a completely new Constitution and political order in India. From the above we realize the need to involve every Indian in a national conversation while at the same time safeguarding the rights of our animal and plant relatives and the very Earth of India itself.

Roots of the Crisis of States

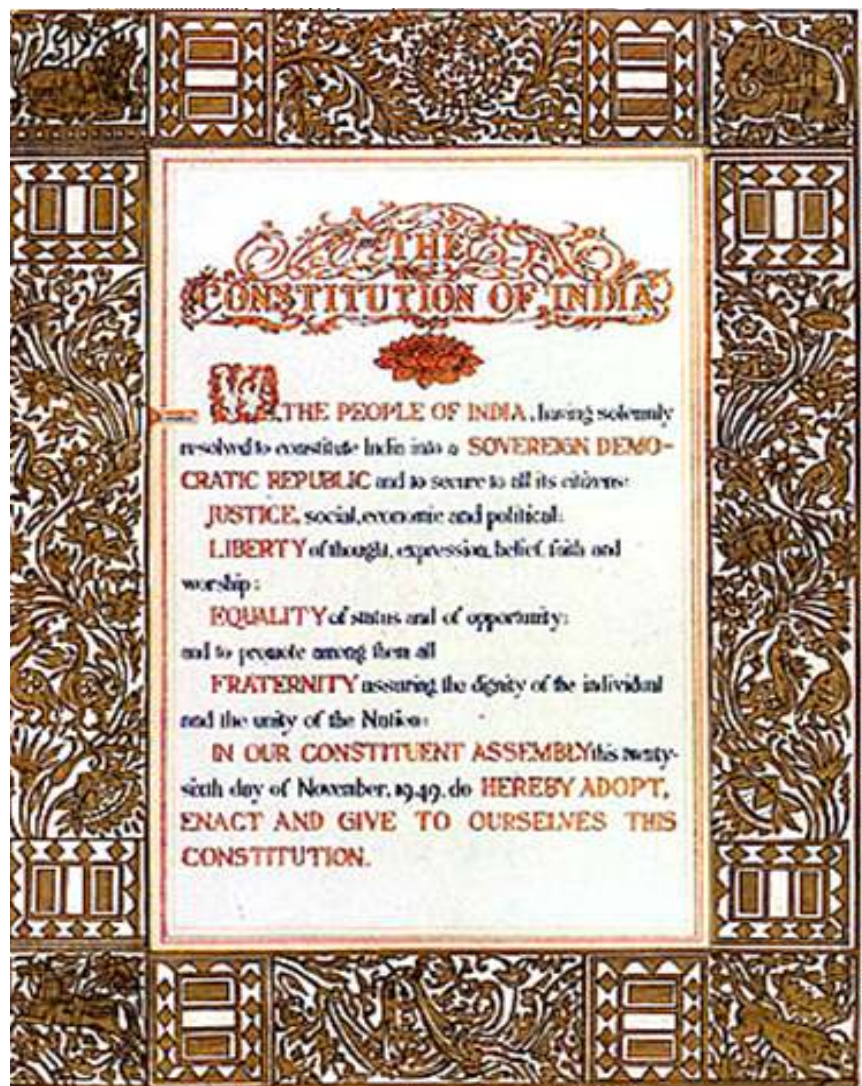
This is a vast enterprise and so in this article we will focus on one of the most crucial issues facing India today – the question of the desperate thirst of exploited regions of India for political independence in the form of a separate state. The agreement of the Central government to create the state of Telangana has made this issue the crucial issue facing India today. The ongoing violence in Bodoland and Vidarbha demands answers. Furthermore the arbitrary nature of the process of giving recognition to Telangana without a State Reorganization meeting has set a dangerous precedent as seen in the Congress now instigating the Nepali (Gorkha) immigrants in North Darjeeling District to fight for a separate state. The entire process of how Telangana has got freedom is barbaric. Why do students need to set themselves on fire, why do buses

and government offices need to be set on fire? Why is there the need for endless bandhs? Cannot India find a more civilized way of creating a state? Why is it, that lawless *himsa* is the only way in which exploited people can obtain a separate state? Why is it that the Indian government and intelligentsia never change this *himsa* culture?

We can see for example in Canada, when the rights of the French-speaking people in Quebec were repressed, terrorist activities began. However when the terrorism was crushed, the Canadian people matured. This is why on two occasions, the people of Quebec have held a vote on whether they should leave Canada and form a separate nation. Can we imagine this kind of civilized behaviour happening in India – even when it comes to forming a new state let alone when a state wants to leave the country?

What is the root of this crisis? The root of the crisis is that firstly the organization of the states has been carried out in complete ignorance of the economic problems and potential economic development of various regions, sub regions and communities of the nation. Bureaucrats in Delhi completely cut off from the practical reality of India's economic and cultural diversity have brought about the present crisis.

The second root of the crisis is the pervasive ignorance about the numerous languages and cultures of the country amongst the bureaucrats and intelligentsia in India. We see politicians arbitrarily propose states without any detailed knowledge. One recent example is Mayawati (following Ambedkar) proposed dividing UP into 3 states including one called Harit Pradesh. In actual fact, the so-called Harit Pradesh is composed of two cultures. In the north there is *Harryanvi* culture and in the south is *Braja* culture. Furthermore *Braja* culture includes also parts of Rajasthan. Thus we can see that the proposal for Harit Pradesh has no basis in the ground



reality of Indian culture. The various socialist and communist theories in India are also based on a similar ignorance of Indian culture.

By contrast Shrii Prabhat Ranjan Sarkar created the PROUT socio-economic paradigm based on a deep knowledge of all the languages and dialects of India. He furthermore worked for a cultural, economic and social renaissance in these cultures. PROUT builds on the Indian idea of "*Samaja*" and the western idea of an ecoregion or an ecological and economic region. *Samaja* is the idea of a socio-ecocultural region. This is a completely different idea than traditional Western ideas of how to form a state or province.

The key point of *Samaja* is that a state should be economically viable. The question arises then what to do in cases where the rights of minorities are being violated but their numbers and region is too small to form an economically viable

state? Already there are provisions to protect the rights of tribals in Northeast India and such rights can be extended to other tribal and ethnic minorities in India. Furthermore tribal languages must be made official languages of a *samaja* or state and all local government officers should be required to pass an exam in these local languages. This will give the local people employment and social dignity.

Guatemala which is a small country has created an Academy of Indigenous Languages that provides education to every Mayan language (some of which have only 200 speakers). There is simply no reason why this cannot be done in every state of India.

Finally in introducing the idea of *samaja* we should note that Shrii Sarkar has revealed that in fact due to its cultural diversity, India is not a nation but rather a collective of many nations. So India is like

Europe. Every European nation has its own constitution, largely independent economy and its own developed language and culture. Every *samaja* of India should be similarly developed. This must be done in such a way that enhances the unity not just of India but of humanity.

Shrii Sarkar gave the mission of *samaja* saying, “The entire humanity must be looked upon as one integrated existence – and move collectively towards the all-round perfection of human life. All actions are bound to confront obstacles. It has to be borne in mind that the nobler the task, the mightier the obstacle. For human emancipation, there is no other way but to march ahead crushing the towering peaks of obstacles with a benevolent intellect and collective endeavour. Hence I reiterate, go ahead with courage and unity. You have to move on ensuring real justice to all individuals and all geographical people [i.e. all communities and *samajas*]”.

We can note that even in the USA (which has hardly any cultural diversity compared to India) the states have their own constitutions. There is no reason why the same should not happen in India. The Indian people need to renounce their mental and ideological servitude to Delhi and its bureaucrats. Boaventura de Sousa Santos has noted the case of a small region in Colombia where the local people were caught between the government paramilitaries and the communist guerillas. The people there created their own constitution to establish law and order. Then, by persuasion, social pressure and media campaigns they forced both the government and the communists to abide by that constitution. This is the kind of movement desperately needed in the country. Santos calls this as a postmodern form of law development where local areas no longer remain enslaved by constitutions created by national elites but create and enforce their own legal orders.

These kinds of movements for local political and economic freedom and sovereignty are vital because the cultural, ecological and economic diversity of India is being destroyed by the mafias, corporations through their politicians. This is the real root of the current crisis. Understanding the Past, if we look at the recent states that have been created such as Jharkhand, Uttarakhand, Chattisgarh and Telangana we find certain commonalities.

- All the states were carved out of large and unwieldy states of Bihar, UP, Madhya Pradesh and Andhra Pradesh

- These regions had their own language, their own culture, their own historical legacy.

- These regions were poorly governed with very little development and with their economic resources being robbed by members from other cultural communities of these mega-states. These outside exploiters used the money from these regions to fund the development of their own region.

- These regions had their own unique geographical, agricultural, climatic features that differentiated them from other regions.

- These regions had the least employment for the local people in government jobs except of the Class IV category. Due to their lack of familiarity with the state language and the poor quality of the educational institutions in their region, they also had little chance for jobs in the private sector.

- Thus the socio-economic and cultural aspirations of the people of these regions had been suppressed since the era of British rule. Independence simply made them slaves of the British lackeys who turned out to be even more exploitative than the British because they had feelings of ethnic

superiority and ethnic animosity. Thus far, the formation of states has been due to political exigencies such as the need of the Congress to win the coming elections. This simply shows the undemocratic nature of state formation in India.

Why should the formation of states in the country be at the whims of politicians trying to win elections? When we look at the reasons for the emergence of the state listed above however we – who are committed to the welfare of the Indian people – are bound to ask the following questions:

- Are there any other such regions (e.g. Vidarbha, Coorg/Kodagu, Konkan, Bhojpur, Magadha, Laddakh) in the country which also have similar attributes or conditions as those described above?

- Should the Central Government consider and concede their respective demands, if any, for the formation of separate states?

- If the Central Government remains addicted to using these issues of injustice and exploitation as pawns in political games, should the Indian people simply watch while languages, ecologies and economies are being destroyed? Do the Indian people have any responsibility towards exploited people from cultures and languages different than their own?



- Can all such present and future demands be justified and legitimized, however irrational (from the economic standpoint and the historical standpoint) and ill-conceived they may be?

- Should all such demands from such regions, if any, for full statehood be met or should some alternative arrangements be found to fulfill the aspirations of the people in terms of economic, social and cultural development and independence?

- Whether and to what extent these common factors were considered when the Central Government formed new states in the past needs to be discussed by the Indian people. For this historians and political scientists need to explore the history of state formations from ancient times – before the Mughal era – to the States Reorganization Commission in 1956 and the formation of Telangana to find out:

1. Whether the basis/grounds /rationale adopted by the 1956 Commission was justified?

2. Whether the political administration of large states, being unwieldy had resulted in poor governance and rampant exploitation?

3. Whether the ultimate aim of political administration or governance to achieve socio-economic-cultural *svaraj* and development of the local people has been fulfilled?

4. Whether such a crucial issue (as to which states should be formed and how should the Indian body-politic be constructed) be left to the vested interests of politicians and the corporations and mafias who fund them?

Moving Towards Consensus

In discussions in the media we see that firstly people looking to the Central government to resolve the issue of the creation of new states. We see also the Central Government using countless delaying tactics or repression to avoid discussing the issue of new states. We also see political parties playing games and

encouraging protests in hopes of winning elections in the new state. We see the people in those aspiring new states resorting to various forms of lawlessness, violence and suicide out of frustration. We see various mafias, corporations, elite castes trying to find ways to preserve and expand their power-base. Finally we see the Indian people watching all this with indifference, bemusement, cynicism and occasional outrage. So what must be done?

Firstly we need to renounce the colonial mentality guiding discussions of state at present. The colonial mentality was driven by the need to keep India united under the rule of the various political and economic elites that controlled the country. Naturally this mentality first of all leads to the government bending over backwards to fulfill the demands of the short-term greed of mafias and corporations. The ecological and local economic misery caused by this economic *himsa* leads to demands for statehood among other forms of resistance and protest. Hence the government tends to view the beautiful diversity of India's culture, ecology and economy as a security threat.

This leads to government repression in the name of fighting terrorism, Maoism, etc. In actual fact throughout the Red Corridor we find Naxals, government official and local economic mafias working hand in glove to share the loot while the people live in terror and poverty. So unless we renounce the fear of the "other" India (which is rooted in upper-caste fear of the untouchables and tribals) we cannot create a new India and we will be forced to watch the mindless destruction of India's ecologies, communities and diversity.

So we need a national conversation to form a national consensus. And this conversation must be permeated with the spirit of *sama-samaja* (social equality rooted in the spiritual realization of every created being as innately a divine creation that is part of our Cosmic

Family) that is the bedrock of Neohumanism or mystical humanism discussed earlier.

The Indian people need to come to a consensus about 1) caring about every community in India, Pakistan, Bangladesh and the world, 2) demonstrating that caring by helping those communities in their anti-exploitation and cultural *svaraj* struggles, 3) taking pride, cherishing and learning about India's vast cultural diversity, especially about the culture of the Adivasis or *Adi Bharatiyas*, 4) making a firm commitment not to tolerate the exploitation of their local community and to launch a non-compromising fight for their local, regional and national economic democracy, 5) to fight for the development of their local language and culture against Bollywood pseudo-culture 6) being determined to make India into *Bharata Varsha*. *Bharata Varsha* means the land where full resources are provided for the physical, intellectual, emotional and spiritual development of the humans, animals and plants.

Conclusion

Through this national conversation and forging of a national consensus we need to expand our collective mind and empower our collective heart to take responsibility not just for every community (human, plant or animal) of India, nor of this tiny planet but of the entire universe.

Shrii Prabhat Ranjan Sarkar has called us forth to accept this mission saying, "All the beings of this universe are the kith and kin of one another. No one is despicable. All are equally respectable and entitled to equal love and affection. No problem is to be ignored as an individual or group affair. Every problem is to be considered as the collective problem of universal humanity and is to be resolved collectively and resolved it must be. Let it be the vocal panorama of the newer world of today – the continuous musical notes behind the movement of Neohumanism".



Increase in material and intellectual development without the increase in spiritual development and in the wisdom and selfless love that arises from spiritual development leads to social disruption, degeneration and destruction.

The Fall of the American Empire and The Rise of a New Economy

Contd. from previous issue

* Garda Ghista

II. Proof of Collapse

For the last decade, and particularly in the last four years, it has become a given that America is indeed an empire. And today, it is becoming clear that this empire is beginning to teeter on the brink of collapse – although we have to study a little harder to see the signs and connect the dots. The neoconservatives (neocons) who today walk the White House corridors are in love with their empire. They will not hear of its collapse. They will not see the signs or connect the dots. But the collapse will affect not just the rest of the world – it is going to affect the American people in ways they cannot begin to imagine.

Environmental Degradation

According to Kirkpatrick Sale, it is in the nature of all empires to collapse one day. He provides four indicators. The first is environmental degradation. Empires invariably die because they have completely destroyed their environment – the land, the waters, and the very air they breathe. In their ruthless desire to conquer and control, to make money, they ravage

the land and poison the waters. We have all the indicators today of mounting ecological devastation.

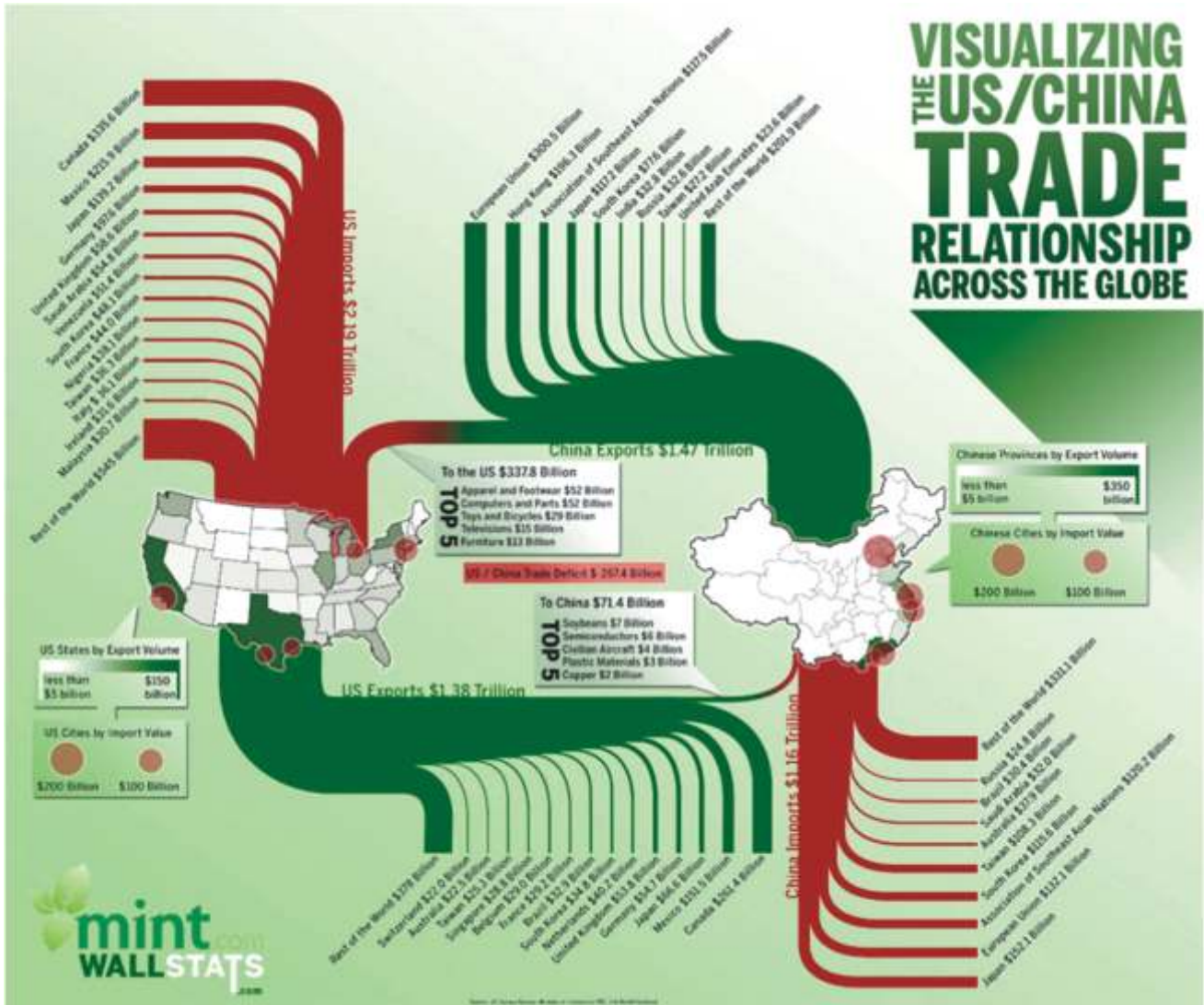
More than 15,000 species are threatened with extinction. Global warming is occurring far faster than atmospheric scientists ever imagined, due directly to carbon dioxide emissions of factories owned by greedy capitalists who do not care what happens to the environment or whether there is global climate change later on. They care about today, and about today's profits. So in the name of exploitation for capitalist profit, we have widespread slaughter of forests around the world. We have pollution of freshwater resources – which comprise just two percent of the earth's total water – it is a very small amount to nourish 6 billion people.

In America's new wars (Kosovo, Afghanistan and Iraq) we have depleted uranium dust being used in a reckless, devil-may-care manner in such large amounts that it is already killing not just the so-called 'enemy combatants' but also American soldiers by the thousands. The dust is being picked up and carried by winds around the world,

and will gradually cause thousands more deaths of civilians who will never know what hit them. This is again in the name of capitalist profit – the horrific drive on the part of American corporations to take over Iraq – to get their oil, to patent their indigenous seeds, to steal their gold, silver and other minerals. In other words, due to the insatiable greed of capitalists, of corporate owners, the earth is being destroyed. We are losing our ecological equipoise. Without ecological equipoise, human beings will not be able to sustain themselves.

A Department of Defense report in 2004 predicts abrupt climate changes within the next ten years leading to 'catastrophic' water shortages, wars over fast dwindling water and energy resources. In addition there is vast erosion of top soils and beaches, overfishing, global deforestation, freshwater and aquifer depletion, soil salinization, depletion of oil and minerals, melting ice caps and glaciers and rising sea levels, which threaten to inundate New York, Boston, New Orleans and many other coastal cities around the globe.

VISUALIZING THE US/CHINA TRADE RELATIONSHIP ACROSS THE GLOBE



Economic Meltdown

Today the US is devoting more and more of its manufacturing assets to arms and munitions. Simultaneously it is becoming increasingly dependent on foreign imports for the basic necessities required by its citizens. In 2002 the US had a record trade deficit of \$435.2 billion, and a near zero savings rate. As William Greider says, the US government, instead of facing its debts in a rational manner, continues to lecture its debtors with full arrogance and pomposity. He says that "... American leadership has ... become increasingly delusional ... I mean that literally – and blind to the adverse balance of power accumulating against it." (17) What Bush and cohorts fail to realize is that if they only want to engage in

military unilateralism, they fail to see the collateral damage it is causing to international trade. International trade depends upon mutually beneficial relationships between people in order to function nicely. By adopting a stance of unilateral military imperialism, other countries are not happy, and they are showing this displeasure by deciding not to invest in American goods and services. They are taking their business elsewhere – to China, for example. So while globalization has been devastating for the poor and neglected humanity, the new American militarism and imperialism will conceivably usher in a far worse scenario, affecting first and third world countries alike.

The US economy is built on a very fragile system wherein the

world produces and the US consumes. US manufacturing at the end of 2004 was a mere 13 percent of GDP. Presently US has a \$630 billion trade deficit with the rest of the world. In order to pay for that deficit, an inflow of cash is required to the tune of \$1 billion every day. This is not happening. And this kind of excess is simply not sustainable over the long run. In addition the US has a \$500 billion Federal budget deficit as part of a total national debt of \$7.4 trillion as of Fall 2004. Then there is the military cost of one war after the other – first Afghanistan, then Iraq and soon Iran. It is costing more than \$530 billion annually, without counting billions spent in covert operations never recorded by the Department of Defense. These figures are also not sustainable. The

dollar has lost value everywhere. Since 2000 it has lost nearly 40 percent value against the Euro, and countries are beginning to raise their eyebrows. If the dollar value declines much further, it will be more than raised eyebrows, as one by one countries shift their financial operations to the Euro. According to Kirkpatrick Sale, China may well let the yuan float against the dollar, which will render the US bankrupt and powerless to control its own economic life, let alone foreign economies.

China is complicating (US-dominated) globalization. Globalization is supposed to benefit the US and other western, white-skinned people. But China is on the economic rise as well. China and other countries around the world are tired now of American arrogance, racism, colonialism and imperialism. Countries are welcoming Chinese trade negotiations with open arms. At present China, Japan and US are the three most productive economies on the earth. But China is by far the fastest growing, with an average rate of 9.5 percent annually over the past two decades. In contrast, both US and Japan are riddled with heavy and mounting, unsustainable debts.

If measured on the basis of purchasing power, China becomes the second-largest economy on the earth, based on actual production as opposed to prices and exchange rates. US GDP for 2004 was \$10.4 trillion while China's was \$5.7 trillion, which gives China's 1.3 billion people a per capita GDP of \$4,385.00.

Between 1992 and 2003 Japan was China's largest trading partner, but in 2004 Japan fell to third place behind the European Union (EU) and the US. China's trade volume for 2004 was \$1.2 trillion – third after the US and Germany and certainly more than Japan's \$1.07 trillion. China's trade with the US grew 34 percent in 2004, causing Los Angeles, Long Beach and Oakland to become America's busiest seaports.⁽¹⁸⁾ Three years after

entering the WTO, China's influence on the global economy has become crucial.

China's growth rate is welcomed. However, the US and Japan fear the now obvious shifting of power from west to east, and specifically from the US to China. Because of this fear, the US as well as Japan take every opportunity to insult and upset China, particularly with regard to the status of Taiwan. As William Greider noted: "Any profligate debtor who insults his banker is unwise, to put it mildly."⁽¹⁹⁾ For example, if China gets tired of Bush-bullying and decides to shift some or all of its foreign exchange from the dollar to the euro, this would produce "the mother of all financial crises," and the US would crash overnight, practically.

Meanwhile, it is exciting to note the new bonds of trade taking place between China and Latin American countries, as well as Iran. China is beginning to replace the US as the major trading partner for these countries, leading to a situation of multipolarity – the preference for different, competing power centers rather than the 'unipolarity' of the US as a single superpower. Multipolarity is no longer a goal for the Third World. It is the reality! China is now close to the European Union, Latin American countries, Iran, and the Association of Southeast Asian Nations (ASEAN), which comprise the ten countries of Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam. The US was not invited to their recent joint meeting in Vientiane to discuss the forthcoming East Asian Summit in November, 2005. China has signed important trade agreements with Argentina, Bolivia, Chile and Cuba, while Hugo Chavez of Venezuela has offered China wide-ranging access to the country's oil reserves. China will be investing \$350 million to extract oil and another \$60 million in natural gas reserves, in Venezuela.⁽²⁰⁾

In his article, "Is America Going Broke?" Steve Maich talks to

David Walker. Walker was the Comptroller General of the United States. He is an accountant, and he is the head auditor for the most powerful government in the world.

According to Maich, Walker was trying hard to get a message out to anyone who will listen. He says that the US public finances are in a shambles, and getting worse. If something is not done soon, the world is going to face an "economic shakeup unlike anything ever seen before."⁽²¹⁾ Walker mentions the \$43-trillion hole in America's public finances that's increasing daily. He says that Americans have no idea what they're in for economically because they were born into relative affluence and have never known hard times. This is why the people are not believing him and not listening to him. Walker says that the present American lifestyles have been bought on credit, and very soon people will have to pay up, and there will be drastic consequences if they do not. Those consequences will spill beyond American borders over to Canada, which is so tightly interwoven with the US in terms of trade. No region or industry would be untouched by the financial shock Walker expects to occur in America.

Laurence Kotlikoff, professor of economics at Boston University, wrote a paper decrying the "fiscal fantasy" of the Congressional Budget Office (CBO). But, his voice was one alone in the wilderness. Nobody listened, nobody paid heed. Tax breaks and tax returns (to mostly the wealthy in America) proceeded on schedule. Then came 9/11 and ensuing wars with Afghanistan and Iraq, with their huge bills along with new costs for homeland security to the tune of US \$87.1 billion. The budget surplus of \$128 billion in 2001 vanished with stunning swiftness into a \$412 billion deficit by the end of 2004 – the biggest annual shortfall in American history. Who noticed? Who objected?

As of February, 2005, the US national debt was \$7.7 trillion. By the end of this year another record

deficit of \$427 billion is expected. These numbers still do not capture the real financial hole that the country is in. The Middle East wars will require another \$80 billion. Social Security revamping will cost \$2 trillion if implemented.

Our government has reneged and defaulted on nearly 40 percent of its trillion-dollar foreign debt, and nobody in America seems to mind! The value of the dollar is down now nearly 40 percent – from 80 cents to the euro to 133 cents today. It is quite likely that the dollar will hit rock bottom – zip in value. The same scenario happened in the 1930s. Because China and other East Asian countries have their money pegged to the dollar, so as the dollar slides in value, those countries are also losing a lot of money. The question is when will they get fed up and pull out of the dollar – begin dumping the dollars they have?

China is giving away hundreds of billions of dollars worth of real goods produced in China and consumed by the US, and receives paper dollar bills, then turns around and buys American Treasury bills – more worthless money! The US government has a domestic debt that is nearly 100% of GDP and consumption.⁽²²⁾ The federal debt is right now \$7.5 trillion. The US has also arranged to earn 9 percent interest on all economic and financial holdings in other countries, while foreigners earn only 3 percent on their holdings. This arrangement brings in a lot of extra money for Uncle Sam

According to Andre Frank, the problem is that the US government saves no more than 2 percent of its income. The wealthiest 20 percent of Americans save no more than 2 percent. This is counterbalanced by deficit spending of 6 percent. Hence, the government maintains a \$600 billion dollar plus deficit while itself living off the fat of the rest of the world – of countries generally called poor countries!

US is getting annually more than \$100 billion from European central banks, more than \$100

billion from China, \$140 billion from super-saver Japan, and tens of billions from many other countries around the world. For how many years now has the IMF been lending money to third world countries – more than they could possibly afford to repay – and then simply take over their economies? As John Perkins writes in his book *Confessions of an Economic Hit Man*:

“Our job is to build up the American empire... to create situations where as many resources as possible flow into this country, to our corporations, and our government and in fact we’ve been very successful. We’ve built the largest empire in the history of the world... primarily through economic manipulation, through cheating, through fraud; through seducing people into our way of life... my real job was deal-making. It was giving loans to other countries, huge loans, much bigger than they could possibly repay.... Let’s say [to] Indonesia or Ecuador – and this country would then have to give 90% of that loan back to a US company, or US companies... a Halliburton or a Bechtel ... a country today like Ecuador owes over 50% of its national budget just to pay down its debt. And it really can’t do it. So we literally have them over a barrel. So when we want more oil, we go to Ecuador and say, ‘Look, you’re not able to repay your debts, therefore give your oil companies your Amazon rain [forests], which are filled with oil.’ And today we’re going in and destroying Amazonian rain forests, forcing Ecuador to give them to us because they’ve accumulated all this debt ... [We work] very closely with the World Bank. The World Bank provides most of the money that’s used by economic hit men, it and the IMF.”

Whenever any country does not fall in line with the World Bank, and IMF and their representatives – the economic hit men – then it is time for what Perkins calls “the jackals.”

“Jackals are CIA-sanctioned people that come in and try to

foment a coup or revolution. If that doesn’t work, they perform assassinations. Or try to. In the case of Iraq, they weren’t able to get through to Saddam Hussein. He had – his bodyguards were too good. He had doubles.... So the third line of defense is our young men and women, who are sent in to die and kill, which is what we’ve obviously done in Iraq.”⁽²³⁾

Military Overstretch

Earlier we talked about how the American empire is represented by bases all over the globe. However, they are only bases. They are not occupying armies that can conquer the country in question. The reality is that the US army is not able to conquer even one nation – Iraq – despite all its high-tech military equipment and long-distance weapons systems.

The US government, in its arrogance, had no idea of the mindset of the Arab people. The Arabs will never lie down and say, please stomp on us, please occupy our country, and please help yourselves to our oil. No, even if they have to fight with their sandals and their bare fists, the Arabs will never allow themselves to be occupied by a foreign invader. The history of British occupation of Iraq is proof of the mindset of Iraqis as regards occupation. If not today, then tomorrow the people of Iraq will drive out the US invaders and send them packing. It is a question of time. The US military has bases in more than 150 countries, but it cannot control or contain those countries if there is rebellion by the local citizens.

It was not US military power but US arrogance that caused people in Washington to create so many bases. The US is not going to win any war now or in future because it does not have the military capacity to do so. Countries like Iran, China, Venezuela and other South American countries are purchasing state-of-the-art weapons and planes from Russia and other countries, and are making themselves strong. They are prepared to fight and conquer the

sagging American empire! As more and more countries refuse to coalesce to the “structural adjustment” policies meted out by the IMF on behalf of its blood-sucking, capitalist controllers, they will resist not only US economic hegemony but US military hegemony. With China growing exponentially in power both economically and militarily and engaging in trade negotiations around the world – including South America and the Middle East – it is reaching the point where the world simply does not need America any longer.

Soon we may see an East Asian currency – perhaps a mix of ASEAN countries plus China, Japan, South Korea and even India. The US is becoming more and more dispensable in the eyes of the world. On December 11-17, 2004 The Economist reported on the previous week’s summit of ASEAN plus three in Malaysia, where the

Malaysian prime minister declared that this ASEAN summit will now lay the groundwork for an East Asian Community (EAC), which will “build a free-trade area, cooperate on finance, and sign a security pact... that would transform East Asia into a cohesive economic block ... In fact, some of these schemes are already in motion... China, as the region’s pre-eminent economic and military power, will doubtless dominate ... and host the second East Asia Summit.” The article mentions how in 1990 the US sabotaged a similar initiative so they would not lose their influence in the region. But today, the word is, “Yankee stay home!” Empire is now dispensable, and hence it is no longer an Empire!

Another very likely scenario is that Asian countries will simply decide to stop buying oil in dollars and will switch over to the mix of Asian currencies or the euro. In one stroke this would wipe out demand

for the US dollar and send US economy crashing into Netherland. It would start a chain reaction, with domestic holders of dollars selling them off lickety split, along with the central banks of countries around the world doing the same. As Frank writes, “Since selling oil for falling dollars instead of rising euros is evidently bad business, the world’s largest exporters in Russia and OPEC have been considering doing just that.”⁽²⁴⁾ The bottom line is, the US is a dispensable item in our world today.

Domestic Dissent

According to Sale, empires make their final collapse when dissent from within goes out of control, when public outrage at home becomes unmanageable. Presently the level of dissent in the US has not reached that stage. Life is still too easy, with too many Americans having homes, food, cars, and jobs. However, these statistics are changing rapidly –



despite all mainstream media claims to the contrary. In addition, even with relatively small dissent, the administration is becoming more and more repressive, and publicly linking any kind of dissent to 'terrorism' and 'terrorists.' Along with repression of those who dare to speak out is the calculated program to dumb down the American masses via crude, low-grade entertainment, glamorized sports, television programs aimed at 13-year-olds with careful avoidance of all the real issues plaguing Americans such as no health care, no jobs, and no pensions.

In place of talking about real issues which are worrying Americans every day – such as their credit card debt and inability to make ends meet without incurring that debt – the Bush administration pays hundreds of thousands of dollars to TV commentators to push its agenda – be it social security elimination as we know it or Medicare and Medicaid elimination. Presently propaganda is cloaked in a veil of religious fundamentalism. And while it is fooling the people today, there is only so long that the people can be fooled by religious rhetoric if they cannot pay their heating bill that month! Perhaps things need to get worse before Americans begin to organize and demand their fundamental, constitutional rights.

This author says, things are going to get much worse fast – maybe in just two or three years. In his book 'Collapse', Jared Diamond says that the traditional values which sustained America for the past 200 years are simply not going to work anymore, and Americans will have to change their mindset and adopt new, more selfless values. Americans celebrated capitalism, but capitalism is not working anymore, and it is time to develop a new economic model. Americans celebrated individualism, but there is too much individual suffering. Individualism needs to be replaced by thinking for the collective welfare. We need to feel the pain of

our brothers and sisters without health care, without pension, without job, and without a home due to bankruptcy. The value of nationalism is outdated and completely racist and isolationist. It is time to replace nationalism with the concept of universalism – the idea that all people are brothers and sisters, free to move and settle anywhere on this earth without restrictions.

Universalism means, we are one human family and one human culture. We are not to make racist distinctions based on external appearances and differences in language or dress. If Americans begin to make fundamental changes in their thinking and thereafter in their lifestyles, the economic collapse can conceivably be avoided. But Sale says that they won't make these changes in time. It means that collapse of Empire is inevitable.

III. Rise of a New Economy

Once the economic collapse of America has occurred, what then? We need to study what our economic options are. Esteemed economist Shrii Prabhat Ranjan Sarkar has provided to the world a glorious vision of a new economic model called PROUT (Progressive Utilization Theory), which contains guidelines for the creation of a new economy. He says that regional, self-sufficient socio-economic units must be formed on the basis of common cultural, geographic, social and economic factors. These socio-economic units may be affiliated in a federated system, but they must possess sufficient self-determination in their own local economic regions to create and control developmental policy.

Every region's economy should be organized into three types of enterprises: cooperatives, key industries, and small private enterprises. Cooperatives would form the core of the economy. Except for a few large-scale, key industries and small private enterprises producing nonessentials,

all production is to be organized under worker-owned and controlled enterprises. Cooperatives increase worker motivation and job satisfaction because they give workers control of the business as well as a stake in its profits. When cooperatives have access to the requisite inputs of production – capital, entrepreneurship, skilled labor, and competent management—they invariably out-perform private, free-market enterprises. Cooperatives are controlled by their worker members on the basis of one member, one vote. All members must purchase a membership share in the cooperative. This initial capital contribution gives each worker member a financial stake in the business. Thus workers' ownership rights are based on their functional role as workers, and not on the basis of their capital contribution.

Very complex, capital-intensive industries, such as utilities or industries producing raw materials or goods which are strategic to the regional economy, should be designated as key industries. As they play a crucial role in stimulating production and development for the region, they must come under community control, not worker control. Key industries should be controlled either by the local or regional government, or by an autonomous board. That board or local government operations would hire a plant management team. Participatory team management techniques should be used to insure maximum worker involvement. An effective incentive system should be used to motivate productivity. Key industries should operate on a no profit, no loss basis. The state should not subsidize their operation, nor should the industry reap profits. (25)

Small businesses—those having a maximum of about 5-8 employees—can be privately owned. Private enterprises should not be involved with producing or distributing staple commodities.

Salaries of workers and income of owners should be subject to minimum and maximum standards established for the region. (In fact, today in Germany the people are on the streets demanding a minimum wage as well as a maximum wage for all workers!)

Economic planning should take place at the central, regional, and district levels. But, for the most part, planning authority should reside at the local level. The most basic unit of planning is the district. District boundaries should not be determined on the basis of political considerations, but on the basis of geographic factors, socio-economic requirements, common economic problems, and common aspirations of the people.

If planning is undertaken at the district level, it means that planners will better understand the major and minor problems of the area; local leaders can solve problems according to their own priorities; planning will be more practical and more readily implemented; local organizations can play an active role in mobilizing human and material resources; and most important, unemployment can be more easily prevented.

When planning at the district level, the following guidelines can

be observed. The unit costs of production (including spillover/environmental costs) should be carefully determined, and the cost of producing a particular commodity should not exceed its market value. Every economic enterprise must be economically viable, and without need of state subsidy. A major objective of planning must be to increase people's purchasing capacity. Hence there must be: (1) availability of commodities according to local demand, (2) stable prices, (3) periodic increases in wages, and (4) steady increase in collective assets (such as roads, energy generation systems, and communications infrastructure).

The economy should be organized such that it has the capacity to continuously increase its productivity. There should be maximum production according to the collective need, and full utilization of the productive units. Money should be properly invested, and not hoarded or squandered in unproductive ways. No economic development project should be undertaken which decreases the productive capacity of the environment or the vitality of local ecosystems.

Investment capital should be

generated from within the region, or through interregional trade. Capital for large-scale development can come from developmental bank loans, worker shareholdings, and government grants. Small-scale enterprises can be capitalized through worker shareholdings, private investment, and loans from cooperative banks.

To avoid trade deficits and the loss of currency, interregional and international commerce should be conducted on a barter basis where possible. Locally produced basic commodities should be protected from competition with cheaper goods produced in other countries. To protect local employment opportunities, international and interregional trade in raw materials should be avoided, and only finished products should be sold outside a region. Regional economies should be largely self-sufficient in the production of basic commodities. Except for commodities protected from foreign competition, there should be free trade.

Workers must have the right to organize independent trade unions, and control of the unions must remain with workers, not with political party interests. Unions should give as much importance to making workers conscious of their responsibilities as they do to protecting their interests. In small and medium-sized cooperatives, there will be less need for worker representation by organized trade unions, as these are worker-managed businesses. But in large cooperatives, key industries, public service institutions, and government administration, unionization should be encouraged. In large cooperatives, unions will serve the interests of workers as workers, rather than their interests as worker-owners.

The prosperity of society depends on worker productivity. Hence incentives are essential to motivate workers to develop and use their full productive capacities. While productivity and talent should be rewarded, rewards should not be



so large as to create unnecessary disparity in society. Society should set minimum and maximum income levels. The minimum level should insure sufficient income to purchase basic necessities according to the prevailing standard. The maximum level should balance society's need to maintain high worker motivation with its need to distribute wealth equitably. Over time, the minimum and maximum income levels would rise with rising purchasing power, and the range between the minimum and maximum incomes should be gradually decreased—unless this has the effect of diminishing worker motivation. The practice of providing incentives should be incorporated into all productive activity. The forms of incentives which have most value and appropriateness can be as follows:

Special amenities. Individuals whose skills have special value to society should receive special amenities, preferably amenities which provide increased opportunity to utilize their talents—for example, special research equipment, or greater opportunities for education and travel.

Wage differences

Workers should be paid according to their skill level and their labor. This can be done through salary gradations, payment for piece work, or bonuses. Workers in cooperatives will receive dividends according to the profitability of their enterprise.

Psychological incentives

Non-material incentives are also very effective. Motivation increases when workers feel compatibility with their job, when their work environment is pleasant and safe, and when their work provides interest and challenge. Perhaps the most important psychological factor for increasing motivation is the ability to influence decision-making. Therefore, all enterprises should implement participatory management

processes and teamwork to the greatest extent possible. Teamwork can be reinforced by material incentives based on team performance.

Currency should be backed by bullion. If the state is required to guarantee the value of money by issuing bullion upon demand, this will check its tendency to engage in excessive deficit spending and thereby help prevent inflation.

Distribution of essential commodities should be done through consumer cooperatives, not through traders, middlemen, or the state. This reduces the possibility of hoarding, manipulating prices, and bureaucratic inefficiency in marketing essential products. There should also be a free flow of information about consumer products. Decentralization of production and marketing will reduce the possibility of expensive advertising campaigns designed to manipulate consumer demand.

Outside the Boxes

The forthcoming collapse of the American Empire will be disastrous—not only for America but for countries around the world. The reverberations will be global. American battleships are moving to the Eastern Pacific Ocean in proximity to North Korea. American bases are springing up all over the Middle East. It is a matter of time until US military activity steps up in the vicinity of Venezuela, Columbia, Ecuador and Bolivia. The costs of these perpetual American wars will be immeasurable.⁽²⁶⁾ They are unsustainable.

What is required today is the implementation of the above-described Prout principles, or guidelines. They can be implemented at the grassroots level. Struggles against capitalist exploitation can start locally, in each community, by for example demanding the removal of those companies from a region where the companies are not hiring local people but instead are outsourcing. People cannot be complacent or

apathetic. Justice never walked through the door without a struggle. We have to fight hard without rest if we want to see justice, and this applies most acutely to economic justice. We need to learn about energy conservation and local grassroots energy production—through wind and solar power. We must make ourselves independent of huge energy corporations as the first step towards giving ourselves economic power—putting economic power into our own hands! In the first decade of the 20th century, 100 years ago, Upton Sinclair was writing vigorously against capitalism and the corporations of those days. How appalled he would be to see what demonic form capitalism has become today!

We are seeing the worst excesses of capitalism in every country. We need to crush this demon—if necessary with our bare fists! In each and every region we must throw out the large capitalist businesses and pass laws that permit only cooperatives or small-scale enterprises comprising 5-8 employees. It means the common people, not one or two capitalists, will own the productive assets on which their lives depend. There will be no more illegitimate, exploitative foreign debts meted out by World Bank, IMF and other crooks. The common people will have the right to manage the flow of goods and money across their borders. The people will set their own economic priorities. No longer will rich countries be allowed to bully smaller countries and demand access to their markets or resources.

Every business and every corporation that wants to do business in a foreign country will be subject to the laws of that particular country alone. WTO, World Bank and IMF will be deleted, and replaced by global institutions whose sole goal is benevolence and magnanimity towards the little people of this world! In the Prout economy, unlimited greed will end. There will be a ceiling placed, by the people themselves, on the amount of

wealth any one person can accumulate. The common people will establish what should be the minimum wage as well as what should be the maximum wage. This is exactly what people in Germany are demanding today!

“US imperialist wars (be it Iraq, Iran, Venezuela or Columbia) are all a symptom of unlimited human greed of a few individuals at the highest levels of power. That unlimited greed is given free license in the economic system called capitalism and now global capitalism or globalization. The harm to humanity as a consequence of this greed is incalculable, and must be stopped.

The way to stop it is to convince the people from the ground up, from the grassroots level, that there are better economic systems being developed by the idealistic lovers of humanity, and these economic systems do not create stark disparities in wealth. These new economic systems cater fully to the largest number of people and particularly to the poorest of the poor. They ensure that every citizen has adequate purchasing power and the five minimum necessities of life, i.e., food, clothing, shelter, education and medical care. We need to go back to local people becoming self-sufficient by growing their own food, producing their own necessities and controlling the conditions of their lives. In this

scenario, the issue of price and even GDP becomes irrelevant. It becomes our duty to study these systems and teach them to others, so as to finally put the economic power into the hands of the people.”⁽²⁷⁾

We need to climb out of these two economic boxes – one called capitalism and the other called communism – and step outside into the fresh open air of new visions of economic and social understandings that will bring real benefit to the people.

We need to spread these visions across continents and oceans and create huge international networks so that the global population moves together to implement these visions! As one global population fighting for moral economic justice, we can fight the WTO, the World Bank and the IMF, defy their so-called laws, and if necessary be ready to go to prison during that fight! We must speak out in protest in order to end the economic domination of these capitalist institutions.

The Battle of Seattle was the first step, when more than 1600 organizations from 90 countries on every continent came to protest trade liberalization. They understood the suffering that WTO leaves in its wake! We need to create a massive global second step – leaving a footprint so deep that it cannot be removed. We need to bring the WB and IMF to their knees!

This protest movement will have to be both an economic protest as well as a political protest against trade liberalization and those political leaders who greedily push neoliberalism onto third world countries knowing full well that they alone and not those countries will benefit monetarily.

Using only the Internet, in 1998 a gigantic coalition of protestors brought enough pressure to bear so as to kill the OECD’s MAI. We need to do this again and again, this time specifically targeting the World Bank and IMF. We need to declare the complete illegality of all laws passed by these institutions, saying their laws do not represent the people of the world, and are hence invalid! We need to demand that the only laws acceptable to the global population are laws created and approved by that population. Those laws will have to do with an alternative, humane and sustainable international system of trade and investment relations.

To be rid of unemployment and to rebuild healthy, sustainable societies, we need to take back our local economies. We need to support all-round localization!⁽²⁸⁾ If we can control our own regional economies, orient them towards serving the basic needs of the people, and then the local people will have jobs and will be protected from any future unemployment. We



will go back to small, locally-owned enterprises (maximum 5-8 employees) and cooperatives. No more mammoth corporations wherein the benefits of productive assets go to a handful of rich alone with nothing for the masses! Capitalism devours everything in its wake – people, communities, ecology – it becomes a cancer in the society. Margaret Thatcher said, “TINA – There is No Alternative.” Colin Hines along with this author declare today: “TIAA! There is an Alternative!” The great Ralph Nader says, it is now time to fight the good fight – to engage in civil disobedience and mass resistance at every rung of the ladder because, in the words of esteemed economist and lover of humanity, Prabhat Ranjan Sarkar,

“There is only one way to stop economic exploitation and alleviate the plight of the common people, and that is to implement a policy of decentralized economy in all the sectors of the economy. Successful planning can never be done by sitting in an air-conditioned office thousands of miles away from the place where planning is to be undertaken. Centralized economy can never solve the economic problems of remote villages. Economic planning must start from the lowest level, where the experience, expertise and knowledge of the local people can be harnessed for the benefit of the members of a socio-economic unit. All types of economic problems can be solved only when economic structures are built on the basis of decentralized economy.”

Localization means, workers everywhere will be protected. Communities and especially environments will also be protected. Localization translates to minimization of the need to trade with other countries in far off places, if basic goods and services can be produced and provided locally. So we need to change our mindset from the “beggar-your-neighbor” competition of globalization to one of “better-your-neighbor”

localization. We will globalize not capitalism but localization! This will work for the people! No more debts to international bankers! We need to drop the flawed economic theory of comparative advantage in neoliberalism and instead move now towards overcoming the opposition of transnational corporations, including agricorporations, while developing and controlling our local economies. Policies will be based on “site-here-to-sell-here,” to guarantee local production. Money can remain local, with safeguards such as control over capital flows, Tobin-type taxes, control of tax evasions, including offshore banking, and the rejuvenation of local banks, credit unions, and LETS schemes.

All these steps will lead to a more level playing field. Individuals and companies can be taxed according to their wealth, their income, and their land. Taxes raised will be used to help the poorer people in the society. Sustainable, regional, self-reliant projects and enterprises mean more and more local employment. It is about changing our economies at the grassroots level. With coming huge job losses predicted in the face of deflation (many countries have passed the 40 percent mark in unemployment) followed by huge inflation leading to innumerable bankruptcies, the people will have no choice but to move towards the alternative of economic localization. When the market flounders, when capitalism begins its crash to the ground, we need to be ready at that moment to take back our economy and convert it to an entirely local economy run by the local people. This is the alternative.

This is the Prout economic model in action! Prout’s approach is to guarantee minimum requirements of life for all people, to guarantee maximum amenities for all, and to guarantee special amenities for people with special capabilities. These three guidelines will lead to ever increasing acceleration in the socio-economic sphere. These three

steps are never-ending processes and will go on increasing according to the collective potentialities of the people. In the words of Shrii Sarkar:

“Prout is the panacea for the integrated process of human society. It aims to bring about equilibrium and equipoise in all aspects of socio-economic life through totally restructuring economics. Without PROUT, socio-economic emancipation will remain a utopian dream. Only PROUT can save the world from [economic] depression We are near the last stage of the capitalist era. If an impact is created, it will help the suffering humanity. It is the most opportune moment for creating an all-round revolution!”⁽²⁹⁾

Conclusion

Finally we must face the fact that imperialism is not just a social disease but a psychic disease as well. Hence a new economy requires a new humanity. Shrii Sarkar notes that when we acquire psychic wealth or pabula from our material lives to an extreme level then this causes the degeneration of a civilization. For example we see in history how various civilizations in their early days had less material amenities and less intellectual development but they had some form of natural spirituality and social harmony. However the increase in material and intellectual development without the increase in spiritual development and in the wisdom and selfless love that arises from spiritual development leads to social disruption, degeneration and destruction.

The key engine of this destruction is imperialism or the craving and addiction to defeating, subjugating and plundering others. This is seen also in the life of self-centred intellectuals. This violent mindset causes the radiation of a black force of mental germs that Shrii Sarkar calls negative microvita. As Shrii Sarkar warns us, “Those negative microvita intensify and escalate the demonic activities of imperialism in all aspects of human society – art, literature, education, trade, commerce,



industry, agriculture, morality and social relations. They cultivate a psychology based on slavery, inferiority complex, pseudo-culture and psycho-economic exploitation, and in certain cases are the cause of nihilism and cynicism."

The solution lies for Shrii Sarkar in the collective enlightenment of humanity. Thus far we have usually only seen the cruder aspects and cruder levels (kosas) of the collective minds. Through the collective spiritual endeavour, humanity must realize that all beings, all countries, all planets are simply manifestations of One, Integral Mind or Macrocosm.

The acceptance of this reality by humanity is key to developing a psyche or mindset rooted in psychic (mental, emotional and intuitional) assimilation of spiritual experience rather than only just material existence. This alone will enable

humanity of our time to transcend the collapse of the present and become a cosmic civilization or Mahavishva.

Shrii Sarkar reveals the glory of our destiny saying, "The proper thing is for all members of the society to move in unison; and while moving together, each member should feel a responsibility for every other member of society. Those who are unable to move must be carried so that the rhythm of the collective movement remains unbroken. At present, we will have to look at everything in this world from the perspective of our solar system, even if we do not yet look at things from a cosmological perspective. We must move ahead, looking upon this solar system as one integral entity. But in the future, human beings from other planets and satellites will join our movement; we will have to build our society

together with all. We will have to look upon this whole world as an integral entity."

Notes :

17. Chalmers Johnson, Sorrows of Empire, p. 281

18. Chalmers Johnson, "No Longer the 'Lone' Superpower: Coming to Terms with China," in JPRI: Japan Policy Research Institute, Working Paper No. 105 (March 2005).

19. Ibid.

20. Ibid.

21. Steve Maich, "Is America Going Broke?" in Macleans-Canada. http://www.macleans.ca/topstories/world/article.jsp?content-20050307_101541_101541

22. Andre Gunder Frank, "America's Spiraling External Debt and the Decline of the US Dollar," at Center for Research on Globalization, www.globalresearch.ca, January 12, 2005.

23. Ibid.

24. Ibid.

25. Trond Overland, "Beyond Collectivism and Individualism: Structural Features of the Prout Economy," at Prout World: <http://proutworld.org/ideology/statepriv/structfeat.htm>.

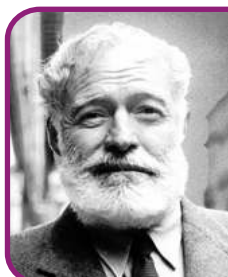
26. Garda Ghista, "Economic Consequences of Iraq Occupation," at World Prout Assembly: http://www.worldproutassembly.org/archives/2005/05/economic_conseq_1.html

27. Ibid.

28. Colin Hines, Localization: A Global Manifesto, London: Earthscan Publications Ltd. 2000, p. 239.

29. Shrii Prabhat Ranjan Sarkar, Proutist Economics, Ananda Marga Publications, 1992, p. 98-99.

30. Shrii Prabhat Ranjan Sarkar, "The Neo-ethics of Multilateral Salvation", Microvitum In a Nutshell, Ananda Marga Publications, 2005.



The first panacea for a mismanaged nation is inflation of the currency; the second is war. Both bring a temporary prosperity; both bring a permanent ruin. But both are the refuge of political and economic opportunists.

- Ernst Hemingway



“ With the world’s financial system in the midst of the biggest blowout in modern history, it is useful to take a look at the latest proposals from the so-called financial experts, as a way of demonstrating their incompetence to devise a solution to a crisis for which they themselves are largely responsible. ”

* Apek Mulay

Introduction

The US stock market is up more than 140% since its lows in 2009^[1]. However, US joblessness is also high. The twin deficits (Budget and Trade) have resulted from growing income disparity and offshoring high paying manufacturing jobs from the US. The question today also arises in our mind about the QE policies of Fed. During great depression of 1930, Keynes came up with the idea that in order to stimulate the economic

growth, government needs to do its spending to compensate for decreased spending of unemployed and underemployed^[2]. One important difference between US economy in 1930s and US economy as of today is that during 1930s, US did not have a huge National Debt of 16+ Trillion dollar. There existed no credit cards prior to the great depression. Hence, Americans in past had the habit of saving money or spending their real wages. The concept of ‘Living beyond means’

rarely existed during the era of Great depression. It is US monetary policies since Reaganomics that have led to the consumers living ‘beyond their means’ and institutions ‘too big to fail’^[3].

Monetary policy of US since 1980s has been such that wages of Americans have trailed their real productivity [4]. Since wages contributes to consumer demand and productivity attributes to supply of goods into the economy, the supply side economics put forth by

Ronald Reagan's economic advisors have significantly increased supply of goods into the economy but have not let the wages of Americans catch up with their productivity^[5]. Now, US Fed has played a key role in continuing this monetary policy.

As a result of this monetary policy, Fed has lured Americans to borrow money in order to maintain an artificially high standard of living. Americans have today mortgaged their houses, mortgaged their cars and are living on a huge pile of consumer debt. The government has so far encouraged Americans to remain indebted by lowering rate of interest on their home mortgages. While businesses have been able to reap huge profits, the consumer debt of Americans has been growing exponentially. Without a rise in demand from increased consumer borrowing, the excess of supply of goods would have remained unsold.

If consumers do not buy manufactured goods, the manufacturer would have to lay off employees if his warehouse begins to stock pile inventories^[4]. Now, the question remains that how has US been able to sustain this model for so long and can US sustain it any longer.

Bretton Woods agreement and Gold standard

After World War II, US was the sole developed country which did not experience the war fought on its soil. Hence, while the war damaged and devastated the economies around the world, US benefitted from World War II. Firstly, the war enabled US citizens to get employment in factories which produced munitions for their European allies^[3]. US got paid back from its European allies in the form of Gold. After becoming the global locus of Capitalism, US was able to dominate the world. US gold reserves grew from the gold it received from its European allies^[6]. Also US government, under presidency of Franklin Roosevelt, accumulated gold from its domestic citizens by making it illegal to withhold gold^[7].

As a result of above two policies, US became world's largest withholder of Gold reserves. After the Second World War, a system similar to a gold standard and sometimes described as a "gold exchange standard" was established by the Bretton Woods Agreements^[8]. Under this system, many countries fixed their exchange rates relative to the U.S. dollar and central banks could exchange their dollar holdings into gold at the official exchange rate (\$35 per ounce); this option was not available to firms or individuals. All currencies pegged to the dollar also had a fixed value in terms of gold^[8].

As US became a Global locus of Capitalism, the Multi- National Corporations (MNCs) in US influenced 'Free Trade' agreements between member nations in order gain free access to the markets and increase their consumer base^[9]. Free Trade implies no import duties imposed on goods imported from abroad. Since, USD was Global Trade currency; it needed the countries around the world to have reserves of USD in form of foreign exchange (FOREX). These FOREX reserves determined the buying power of currencies. US also owned huge FOREX reserves of member nations and that way exercised control over their domestic and foreign policies^[4]. Over years the countries destroyed in world war gained their economic footing and their economies grew. However, As a result of 'Free Trade' MNCs in US continued to offshore manufacturing jobs to low wage countries in Asia^[9]. Semiconductor jobs were the first wave of jobs to be offshored in 1960s to Japan^[9].

Twin Deficits and Decoupling of USD from Gold standard

There was a phenomenal growth of Japanese exports during the 1960s and 1970s. Beginning in 1960 at US\$4.1 billion, Japanese merchandise exports grew at an average annual rate of 16.9% in the 1960s^[10]. The growth in Japanese exports was from Japanese

government push to increase productivity and also because of growing demand for Japanese products as United States and other foreign markets grew and trade barriers in major market countries were reduced on account of General Agreement in Tariffs and Trade (GATT) amongst member nations^[9]. Due to price competitiveness of Japanese products imported into US without import duty, US trade deficits with Japan started to soar in 1960s due to growing year over year trade imbalance. Lyndon B. Johnson enacted across the board income tax cut by 20% as part of United States Revenue act of 1964 by lowering the size of the federal budget as John F. Kennedy was unable to pass this bill as he did not lower size of federal budget^[11]. Due to lower revenue earned from income taxes, US budget deficit also started to grow as a result of revenue act of 1964. These combined deficits resulted in Balance of Payment deficits where the net cash inflows were lower than the net cash outflows from US starting from 1960s. In 1971, gold was re-priced to \$38 per ounce, then again to \$42 per ounce in 1973. The Balance of Payment deficits and resulting depreciation in value of USD motivated people to sell their greenbacks for gold. The Imbalances caused gold to flow out of the US and a loss of confidence in the United States ability to supply gold for all future claims by dollar holders^[12]. Finally, in late 1973, the U.S. government decoupled the value of the dollar from gold altogether. This move caused price of gold to quickly shoot up to \$120 per ounce in the free market.

While decoupling of USD from gold allowed US to run more deficits and print its currency to balance those balance of payment deficits, it continued the government policies of trade and budget deficits. While USD unpegged from Gold standard, it continued to be a Global Trade currency. All countries started printing their own currencies which resulted in inflation but as a result of

printing more currency, the wealth creation increased and so did the economic growth increase. It needs to be noted that Bretton Woods system of Gold standard ushered in a period of high global growth with over 4% annual growth in GDP in US, known as the Golden Age of Free market Capitalism. However, it came under pressure due to the inability or unwillingness of US to maintain effective capital controls and due to instabilities related to the central role of the dollar. These instabilities were a result of failure of US to trim its twin (trade and budget) deficits which resulted in gold flowing out of the US and a loss of confidence in the United States ability to supply gold for all future claims^[12]. In order to retain the gold standard, US should have restored a balanced economy to have effective capital controls and eliminated its budget and trade deficits to stabilize the dollar.

Crony Capitalism with USD as Global Trade Currency

Decoupling USD from Gold standard was verily the root cause of growing disparity in US and it also transformed 'Free Market Capitalism' to 'Crony Capitalism'. The whole reason USD was pegged off Gold standard was to print currency inspite of running large Balance of Payment deficits. It was done to keep offshoring jobs from US to Japan resulting in trade deficits and to lower taxes across the board resulting in budget deficits. Since USD was no longer tied to Gold standard, a lot more USD was printed in order to sustain the twin deficits which resulted in rising inflation. The unemployment of US workers due to offshoring of jobs resulted in decrease in domestic consumer demand. Hence, United States economy experienced a decade of rising unemployment and inflation (known as stagflation) under the Political pressure favored stimulus resulting in an expansion of the money supply to sustain the twin deficits^[13]. When Ronald Reagan came into office in 1981, he



promised to revive the US economy from Stagflation by enacting huge tax cuts for richest Americans and Corporations.

These policies are commonly associated with supply-side economics, also referred to as trickle-down economics by Reagan's political opponents. However, Reagan's policies resulted in budget deficit rising from 2.5 percent of GDP to over 6 percent of GDP^[14]. To reduce budget deficit for his re-election, Reagan increased payroll taxes in 1982 by promising Americans that the revenue would be used for Social Security trust fund. However, the rise in payroll taxes went towards paying for budget deficits from tax cuts enacted by Reagan. This burdened small businesses and entrepreneurs as self-employment tax jumped as much as 66 percent^[14]. Reagan's 1986 tax cuts resulted in wealthiest faced a 28 percent tax rate, while those with lower incomes faced a 33 percent rate; in addition, the bottom rate climbed from 11 percent to 15 percent^[14]. This was the beginning of the untouchable privileged class due to 'Crony Capitalism' and the end of confidence in the American Dream (the idea that wealth and privilege are attainable by anyone who works hard). As of today, US have an annual budget deficit of 400 billion

and annual trade deficit of 600 billion.

During the Reagan years, US trade deficit started to increase at a rate not seen in the last 60-70 years. The Reagan administration then had to pressure Japan to sign the 1985 Plaza Accord to devalue the U.S. dollar at the expense of the Japanese yen in order to increase U.S. exports. As a result of yen's appreciation, Japan experienced an economic crash and lost a decade of growth^[4]. The Nikkei average went up to about 39,000 in December 1989, but after the crash it hovered around 15,000 during the lost decade of the 1990s. In the last several years it has dropped even more, hovering around 10,000^[4].

Today US is running a great trade deficit with China. US has been able to sustain these twin deficits by printing its currency being a Global Trade currency. However, China has expressed reluctance in increasing its currency (Yuan) compared to USD after looking at fate of Japan from Yen appreciation because of Plaza Accord in 1985 and resulting economic crash. While USD has been printing its currency in order to sustain its twin deficits, excess money printing has also been depreciating the market value of USD in terms of U.S. rate of interest.

Federal Open Market Committee (FOMC) makes key decisions affecting the cost and availability of money and credit in the economy. The panel sets, or sets targets for, short-term interest rates, which in turn affect interest rates paid by consumers and businesses on various loans. Since the great recession of 2007, US Fed has been providing stimulus in form of

which are also called ‘furloughs’^[15]. While ordinary Americans are suffering, bankers are continuing to enjoy their multi-million dollar bonuses^[16]. As shown in the Figure 1 below, it shows a trend of rate of interest on USD over years. With excess money printing, the US benchmark Interest rates today are close to 0% and would reach 0% by Jan 2014.

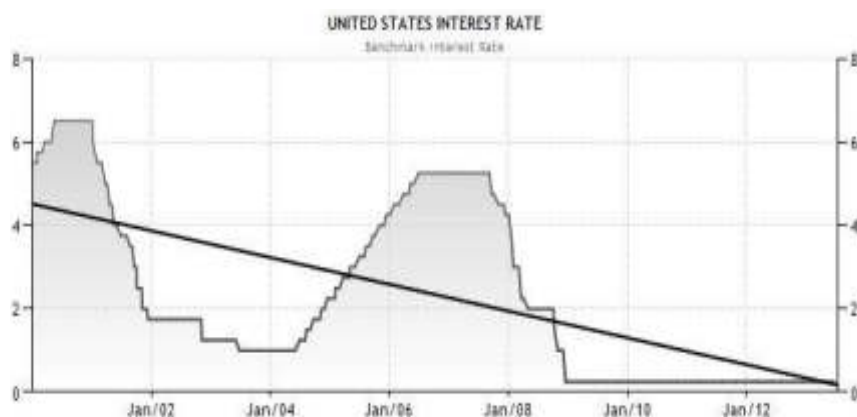


Figure 1: The trend shows that US interest rates would hit 0% by end of 2013.

Source: www.tradingeconomic.com/federalreserve

monetary easing called Quantitative Easing (QE) to lure Americans into borrowing more and further indebting Americans in order to revive the economy. This QE program has been decreasing the short-term interest rates and hence US consumers have been able to mortgage their cars and their houses at lowest interest rates. While lenders have been able to offer lower rates to prospective buyers, the sustainability of this model is in question as interest rates cannot go below 0% and QE is not creating sufficient number of jobs to trim unemployment in US. With increasing borrowing by consumers, consumer debt is also rising and so is the National Debt rising. The National debt has already passed the debt ceiling twice and because of sequestration which was enforced by republican politicians, forced cuts are being made into government services like Medicare services which primarily affect the poor and destitute Americans^[15]. It is also leading to involuntary unpaid time off for government workers

Once US interest rates reach 0%, USD would have to devalue for any more QE. Additionally, Government will not be able to lure Americans into borrowing more to keep sustaining the economy. While devaluing USD might be considered good by proponents of offshoring, US should also take into consideration a combined 5 trillion in FOREX withheld by Russia and China^[4]. Why would US creditors like China and Russia withhold their combined 5 Trillion USD in FOREX reserves if they notice that USD is losing its value? They might consider dumping their FOREX into international markets before USD devalues any further. Such a move would overnight crash the USD and it would lose its status as a Global Trade Currency resulting in US economy going into a depression.

Gold standard for USD and Economic Reforms to avoid Stagflation

The above analysis shows us that US has to eliminate its twin deficits sooner rather than later if it

needs to retain its status as Global Trade currency. In order to avoid any Stagflation, economic reforms are needed so that ‘Crony Capitalism’ is transferred into a Free Market system where the Supply and Demand grows in proportion. Only when both supply and demand grow in proportion can money supply be increased without running either trade or budget deficit while still retaining the value of currency. Supply of goods comes from the productivity of people and demand comes from their real wages^[4]. Hence, when wages catch up with productivity, consumer demand catches up with Supply. In case of a centralized economy, wages can catch up with productivity only through a progressive tax structure like that existed in US during presidency of Dwight Eisenhower with 92% tax rate on richest Americans.

However, if taxes have to be reduced on all Americans, then economy needs to undergo wholesome decentralization. Such a decentralized economy would reduce tax burden as majority of local taxes would go towards local economic development rather than going to center and letting the center allocate the funds to states. As we have observed that budget deficits arise from income disparity and trade deficits add to the income disparity, having an economic democracy would lead to rational distribution of wages in proportion to productivity. This system will still preserve incentive for hard work and lead to sustainable growth without running any deficits. Such an economic system that is based on economic democracy whereby supply and demand rise and fall in proportion and there is wholesome decentralization to minimize taxes on all citizens, is based on Progressive Utilization Theory (PROUT)^[17].

PROUT was put forth in 1959 by Indian scholar Mr. Prabhat Ranjan Sarkar.

When economic reforms based on PROUT are implemented USD

will have to reform its economy to restore Gold standard so that Government is not able to run any deficits. When a country's currency is tied to Gold standard, that country cannot print its currency in order to sustain its deficits and every time there is a gap between supply and demand, local economic reforms would push the government to balance the supply with demand. Trade deficits could be eliminated by imposing import duty of cheap goods coming into US from countries with lower value of currency by installing fair trade instead of free trade. At the same time, there would be no import duty for trade with a country which has near equal value of its monetary currency. This would preserve domestic manufacturing jobs from being offshored. Additionally, Countries which have their monetary currency tied to Gold standard would experience a very high demand for their currencies in foreign exchange markets. Hence, All other countries would want to do fair trade with US to accumulate USD as FOREX. Since there is limited amount of physical Gold present in this world, the only way to create infinite wealth is with shared growth and prosperity. PROUT based economy shall not just ensure a shared growth and prosperity but it would also preserve the incentive to work hard. As wages catch up with productivity, the consumer purchasing capacity would be very high. Hence, such a progressive economic model would not just boost Macro-economy but it would elevate the masses from poverty through Micro-economic growth.

Economic decentralization is very important aspect of PROUT based economy. With economic decentralization, there would be economic liberation of the Masses. It would enable local people to elect local government which looks after the local needs and welfare of masses. The tax paying dollars of local residents would go towards the setting up infrastructure and creating employment and bettering

lives of local people. As Local people are much better aware of their local problems and can do much better budgeting for their local communities, it would minimize corruption at local level as there would be more vigilance at local level. This would not just minimize the size of local government but also reduce the taxes on each and every citizen of the country. This would go a long way in preserving the local customs and traditions and let 99% Americans live a fulfilling life with dignity restoring an All American Dream economy. This would be a balanced economy and would not undergo stagflation inspite of having a Gold standard. In fact, Gold standard would force balancing the supply of goods with their demand thereby leading to auto-rebalancing of the economy.

References:

1. Shell Adam, 2013. Calls for correction can't derail mighty bull market. USA Today.org (May 15).
2. Wikipedia, the free encyclopedia. Keynesian economics
3. Mulay Apek and Ghista Dhanjoo, 2013. Restoring US Manufacturing Supply Chain. Electronica.ca research network. (July 16)
4. Mulay Apek, 2013. A Failure Analysis of the U.S. Economy. Truth-out.org (March 2).
5. Wikipedia, the free encyclopedia. Supply-side economics
6. Wikipedia, the free encyclopedia. Gold reserve
7. Matt Shipley, 2013. Far worse was done to Americans in 1933 and it could happen again (April 4)
8. M.J. Stephey, 2008. A brief history of Bretton Woods System (October 21)
9. Mulay Apek and Ghista Dhanjoo, 2013. Globalization of Semiconductor Manufacturing Industry: From Deception to Reformation Towards Recovering US Macro-Micro Economic Losses. Electronica.ca research network.

(June 24)

10. Wikipedia, the free encyclopedia. Trade policy of Japan
11. Kyle Hall, 2011. The University of North Carolina at Chapel Hill, Dept. of Political Science - The Revenue Act of 1964- Johnson's Success, Kennedy's Failure (December 2011)
12. Wikipedia, the free encyclopedia. Balance of payments
13. Wikipedia, the free encyclopedia. Stagflation
14. Batra Ravi, 2009. Reagan: The Great American Socialist. Truth-out.org (March 20)
15. Wikipedia, the free encyclopedia. Budget sequestration in 2013
16. Butcher Sarah, 2012. 2012 bank-by-bank analyst bonuses, courtesy of Dartmouth Partners. Morgan Stanley and Barclays look like the best payers (3 September)
17. Sarkar P.R., 1959. PROUT in a Nutshell, Ananda Marga Publications.

About the Author

Apek Mulay is a senior failure analyst at Evan's Analytical Group (EAG) in Irvine, California. He pursued undergraduate studies in electronics engineering at the University of Mumbai, India and completed master's degree at Texas Tech University, Lubbock. He is sole author of patent "Surface Imaging with Materials Identified by Colors" and has chaired technical sessions of the International Symposium for Testing and Failure Analysis. He is also a contributor to the EDFAS international journal and has authored several articles on US Economy, Economic Policy Analysis, Supply Chain, Trade Deficits, Budget Deficits, Sustainable Economy and Mass Capitalism. He is also a Freelance writer and blogger for United Business Media LLC. and a contributing member of recognized publications such as Semiwiki, Truth-out.org and electronics.ca research network.

Www.apেকmulay.com

Proutist Bloc India (PBI)

Karnatak State Committee Formed

Shimoga (Karnataka) : Proutist Bloc India, Karnatak State Committee has come into existence, thanks to the inspiring and painstaking efforts of its Vice-Chairman (Incharge, South India), Janmeji Rao who worked day in and day out to see that the State convention held on the occasion is a resounding success. It was indeed a genuine success and is evident from the formation of the functional State Committee.

PBI has thus made breakthrough in the South India where there was no presence of the party – in none of the South Indian states.

The state committee is headed by Acharya Anant Ram Bhat, a senior and enlightened Proutist of Karnataka. Bhatji will be assisted by three Vice- Chairmen , and twelve district committee chairmen.

Following are the names of the office bearers:

Acharya Anant Ram Bhat

Ramchandrajji

Narayanacharyaji

Siddappaitliji

Vijay Kumar

Gopalaiahji

Padmanabhji

Brahamananda Pattar

Maruti Tehsildar

Basavraj Bidal

Sriniwasji

Kerojirao

A.D.Manjappa

Ravishankarji

Nadanaegowda

Badrinathji

Chairman

Vice-Chairman (Mysore division)

Vice-Chairman (Bangalore division)

Vice-Chairman (Gulbarga division)

Chairman, Shimoga district

Chairman, Bangalore district

Chairman, Chitradurga district

Chairman, Gadag district

Chairman, Bhagalkot district

Chairman, Dharwad district

Chairman, Chamaraja Nagar district

Chairman, Ram Nagar district

Chairman, Davanagara district

Chairman, Mangalore district

Chairman, Mandya district

Chairman, Chickballapore district

Before Janmeji Rao announced the unanimous election of these office bearers, the programme was inaugurated by Acharya Santosananda Avadhuta, National Public Relations Secretary of the party by lighting candle, who was present as the central observer to oversee the proceedings. Others who followed him in lighting the candle were :

Anant Ram Bhat, Ganesh Bhat, Janmeji Rao, Acharya Pavitrananda Avadhuta and T.M.Ashok Yadav.





Janmeji Rao exhorted the audience to come forward to know and embrace Prout which offers solution to all the complex socio-economic problems of our society.

He then invited Acharya Ganesh Bhat, Acharya Santosananda Avadhuta, Acharya Anant Ram Bhat and Ashok Yadav to speak on Proutistic thoughts and its relevance in present context.

Ganesh Bhat dwelt at length on the decentralised and balanced economy of Prout which is the need of the hour if the economic disparity and poverty are to be eradicated and hundred percent employment is to be guaranteed to all. Acharya Santosananda Avadhuta said that present situation demands our non-compromising rebellious spirit to confront the evil rulers. It is the dire need of the hour that moralist politicians come forward and bring a clear polarisation between moralist and immoral politicians. This polarisation alone is the answer to the stinking politics of today.

Acarya Anant Ram Bhat said that Prout guarantees the minimum requirements of life to every body. Besides it also provides incentive to the meritorious persons by giving them special emoluments. Therefore Proutist Economy can practically solve the problem of poverty and economic deprivation.

Ashok Yadav who is the head of Shimoga district unit of Anna Hazare movement, spoke of the need of Prout in present scenario. He said he will offer full fledged cooperation to Proutist movement.

Lastly, Acharya Pavitrananda Avadhuta said that spirituality is the base of Prout. Only by following spiritual discipline moralists can be created who will take over the reins of governance and administration.

The audience applauded the speech of the speakers and expressed approval of Proutistic views.

Janmeji Rao announced that PBI will make all sincere and serious attempt to bring "an era of politics with morality."



PBI's Electoral Campaign for Its Vice-Chairman



New Delhi : The national Vice Chairman of Proutist Bloc India (PBI), Baljit Singh Aditya, has declared his strong intentions to present an alternative politics before the population by offering himself as party's candidate for the forthcoming Delhi Assembly elections scheduled to be held in the month of November 2013. He has already started contacting electorates of his constituency and acquainting them with his Proutistic policies.

PBI has also swung into action to support electoral battle of its Vice Chairman. Door to door and lane to lane contact is going on by the supporters of Baljitji. Posters announce a new era in politics. It has given a clarion call to moralists to unite to usher in rule of virtuous and righteous forces.

An election management committee with Jitendra Kumar Tiwari as its Chairman, has been formed comprising following members : Ravindra Singh, Rajesh Singh, V.M. Garg, Amitji, Y. B. Singh, Ram Prakash Baisala and Amit Chaudhary.

An election manifesto drafting committee has also been formed which includes : Amitabh Kumar Verma (General Secretary, Delhi State), Jitendra Kumar Tiwari, Rajesh Singh, Subhas Chand Tyagi, Pranav Koul and Y.B.Singh.

PBI Approaches Election Commission for Allotting Common Symbol to Its Candidates

New Delhi : PBI has requested Election Commission of India to allot common symbol to its candidates for the forthcoming assembly elections in Delhi.

PBI is a registered unrecognized political party, therefore it has to choose its symbol from a list of free symbols. The party has given a list of ten symbols as its choice. Election Commission will allot any one symbol from amongst these ten .

RAWA Assam organises Cultural Competition

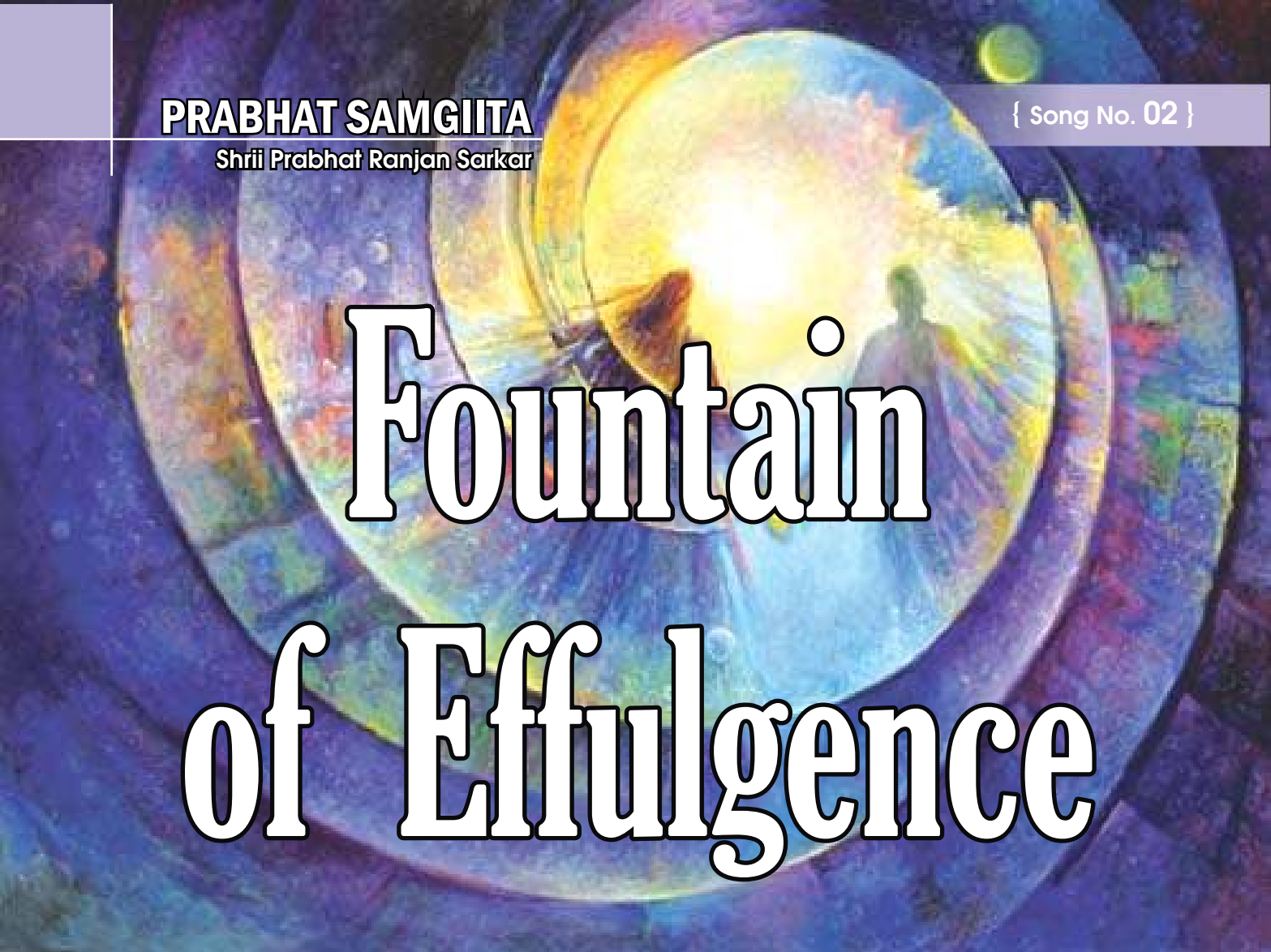
Renaissance Artists' and Writers' Association(RAWA), the cultural wing of Ananda Marga Pracaraka Samgha, organized a cultural competition comprising ART, DANCE and SONG based on Prabhat Samgiita at "PRAGJYOTI" – ITA Centre, Machkhowa, Guwahati, Assam on 7th September, 2013. It was followed by prize distribution ceremony and a colorful cultural programme.

It is worthwhile to mention that number of participants was more than 300. The competition started at 10:00 AM and ended in much disciplined manner within the schedule time (at 3:30 PM). More than 700 visitors observed the competition very attentively. Hariprasanna Mahanta, a noted personality-- famous dance guru and renowned religious preacher of Assam, was Chief guest of the program.

The judges of Dance competition included Bipul Das and Smt. Anjanamoye Saikia. Avadhutika Ananda Abhisar Acharya and Bhupen Nath were the judges of song competition while the judges of Art competition included Ranjit Dhar. They performed an excellent job and pronounced very judicious judgement.

The cultural programme started at 5:15 PM. Renowned singers and dancers who performed included Smt. Sagarika Chowdhury, Smt. Shubhosmita Sarkar, Rajkumar Das, Mrs. Sipra Das, Miss Chandrika Sandilya. They touched the heart of the audience by their melodious voice.

The dance session was really a gorgeous affair where Miss Sangiita Devi and Animesh Das did outstanding performance. Audience greatly enjoyed the programme and applauded the performance of the artists.



Fountain of Effulgence

E- GÁN Á-MÁ-R, Á-LOR JHARAÑÁ- DHÁ-RÁ-----2
 UPALA PATHE--- DI-NE RÁTE--- 2,
 BAHE JÁ---I, BAHE JÁI BĀNDHANA HÁRÁ----
 Á-LOR JHARÑÁ- DHÁ-RÁ-----
 E- GÁN Á-MÁ-R Á-LOR JHARAÑÁ- DHÁ-RÁ----2
 E- PATH Á-MĀR BANDHURA KANTĀKA BHA-RÁ-----
 U TSA HOTE---PRĀÑERA SHROTE--- 2,
 BHEUNGE JÁ---I BHENGE JÁI PĀŚĀÑĀ KĀRÁ---,
 Á-LOR JHARAÑÁ- DHÁ-RÁ-----
 E- GÁN Á-MÁ-R Á-LOR JHARAÑÁ- DHÁ-RÁ----2

This song of mine is a fountain of effulgence.
 On a rocky path, day and night,
 I keep on flowing, heedless of all barriers.
 This path of mine is rugged and full of thorns.
 Gushing forth in the flow of life, destroying -
 Destroying stone dungeons.
 This song of mine is a fountain of light.

(Translated from Bengali original)

Purport: For those who move along the path of greatness and magnanimity, so much meanness and littleness stands as insurmountable obstacles. They know this and their song is like a fountain of divine effulgence – it is not a materialistic song. Their song does not move along a smooth road. In their path there are so many thorns, so many ups and downs – just like a fountain which flows along various rapids and finally merges into the sea, they recognize no barrier, saying – “We will move on and on, with all our innate vitality, ever breaking all the iron prison walls around us.”

No more less quantity in big packets!

End to cheating in packaged goods.



No more
non-standard
or
sub-standard
packs

To prevent consumers from being misled and enable them to make easy comparative choices, 19 commonly consumed products will now be sold only in specified uniform standard packing and weights.

These products are :

- Baby food • Weaning food • Biscuits • Bread • Butter & Margarine
- Cereals & Pulses • Coffee • Tea • Bread • Beverages material • Ghee, Vanaspathi & Edible Oils • Milk powder • Detergent powder • Rice, Atta & Suji
- Soaps • Aerated soft drinks & beverages • Packaged Drinking Water
- Cement bags • Paints & Varnishes.

Value based packaging from ₹ 1/- to ₹ 10/- has also been allowed in all consumer product for the benefit of poor people.
Minimum pack size of baby food and biscuits will start from 25 grams.

National Consumer Helpline No.

1800-11-4000

(Toll Free from BSNL-INTNL)

011-27006500 (12Lines) (Normal call charges apply)

or contact NCH by sending an SMS to 8800939717 from your mobile



Issued in Public Interest by:

**Ministry of Consumer Affairs,
Food and Public Distribution**

Department of Consumer Affairs, Government of India
Krishi Bhawan, New Delhi-110 001 Website : www.fcamin.nic.in