



# **“Spirituality and Public Policy: In Search Of A New Path For Globalization”**

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\*The views expressed here are solely of the author and should not be attributed to The World Bank or any of its affiliates. All errors and omissions are of the author. This paper must not be quoted without author's permission.

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“If I knew the end, I would stay at the very beginning.  
There is neither an end nor a beginning.  
It only ‘Is.’”

Excellencies, Ladies and Gentlemen  
Dear Friends

Thank you very much for this invitation to speak. You have honored me with this invitation.

Madame Chair,

In Chile we say that “there is no deadline that does not come, nor debt that you don’t pay”. This is used in many different situations.

At this particular moment, for me it is simple to interpret. The time has come for me to leave Geneva.

Let me say, unequivocally, that the experience I have had in Geneva has been extremely rich, holistic and transformational. However, like every transformational process, there is the “I” and the “we”. You have been extremely important in all this process. As a matter of fact, because of our mutual interaction, I have learned more about myself than anything else. Thank you for being part of this transformational force.

This is a moment when I can thank all of you here, and the Swiss people who have been so generous with me and my staff. To the Swiss authorities, in Bern and in

Geneva, my personal respects and unconditional friendship.

Also, I have no way to express my personal gratitude to my staff, who have been brave and very human companions during this last three years.

### **The Committee on Spirituality, Values, and Global Concerns**

Today, I have been invited to speak at the newly created entity of The Conference of NGOs (CONGO), entitled “*Committee on Spirituality, Values and Global Concerns*”. This is a very special occasion, and I would like to congratulate all of those who had this idea in the first place and those who had the guts to approve it. Sometimes, when we address issues of spirituality the situation becomes like one where we are trying to pull teeth.

Now, this Committee must be given form and, certainly more than that. We must enliven its soul.

It is clear that the imprint of any organization is determined by those who are in it and by the authorizing environment. In a way, the future of this Committee depends on all of you present here today. But, its authorizing

environment depends on the Divine, Holy Beings, Sentient Beings, the Universe and Humanity. It would be too presumptuous to assume that a small group of people is the ultimate authorizing environment of a Committee on spirituality, on the sacred and on the non-material.

This Committee decided to have a seminar series on global concerns.

But, it also decided to become a place where these global concerns are addressed through the prism of human values and spirituality.

As you know, there are many places in the system where global concerns are addressed through the prisms of economics, finance, social, political, institutional, and so on. This Committee has been created to bring the perspective of values and spirituality.

Perhaps many of the skeptical ones here in this room may be thinking about whether human values and spirituality would ever be able to make a significant contribution in relation to the other dimensions we are so used to. Well... , this is the real challenge for this Committee.

Yet, there is another challenge faced by this Committee. This is related to *the process, the means and the instruments* it will decide to embrace, to understand, to address and to immerse itself into the issues defining the boundaries of the identified global concerns.

For many people today, most institutional structures we have created for deliberating on development issues and global concerns seem to be archaic.

- o We use very odd ways to point and counter point.
- o We have adopted an approach which is based just on external information to most phenomena.
- o We look at issues as if these were foreign to our inner existence making it the subject of many fundamental questions.

- o We are in conflict with regard to our understanding as regards participation and representation.
- o We disagree with the nature and scope of decision making power.

Hopefully, this will really be a new Committee.

- o Where its members are not afraid to think "outside the box".
- o Where nobody is afraid to push the envelope and *jump the fence* away from the traditional paradigm.
- o Where new values and perspectives are brought to bear in public policy making.
- o Where nothing should be left aside as simply words or devoted public statements.

It seems fundamental to ask ourselves whether this method and approach to addressing global concerns will, in the end, yield the outcomes and processes we all have been wanting to embrace for a long time in order to change the course of humanity.

The big question is whether our expectations, as one human race, as one world, as one global family, will ever be fulfilled to the maximum extent.

Today, I am not just making a statement of intent. It would be tragic if you conceived my words just as a declaration in the abstract.

- o Just look at what is happening in the Middle East.
- o Just look at what is happening to all of us who are on the edge of our seats in relation to the situation in Iraq and the possible explosive situation in many African countries.

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Two major questions are in front of our eyes:

- o Have the existing processes we are using today to dictate public policy changes reached their limits of effectiveness? And, if this were the case,
- o Is there any other way to get where humanity really wants to go?

These are not trivial questions for this Committee.

In general, and history demonstrates so, most of us look for, or feel more comfortable with, pursuing an administrative response. An example of which is to propose changes in the organizational base of the global development architecture.

Indeed, this architecture must change. However, the construction of any new development architecture will demand to go beyond the traditional brick and mortar of such a construction. We must define the imprint, the style, the identity, the principal role of people, and the ethics and morals of such architecture.

Yet, there is another major challenge: to demonstrate that spirituality has indeed a real contribution to make. That can add real value to the processes and decisions being made in the public policy arena.

While for some of us there is an obvious answer to this query, for many, even the term "spirituality" causes major retractions. They say, for example, "oh, this is a meeting on spirituality; they must be weird people. There is no point in attending".

Thus, it is this Committee that will actually define, discuss and promote the meaning and scope of spirituality. The meaning and the very practical implications of adopting human values and a spiritual paradigm.

Thus, if in the end it becomes to be a fact that spirituality does not have much to add, or if its methods and principles are

not structurally more effective than what exists today, I would expect that the Committee will have a very short life.

Today, I have been asked to speak on *Spirituality and Public Policy*.

But, more than that. Whether this new way to bring together spirituality and public policy will essentially *transform the path of globalization*.

Thus, I will center today into this complex and three-dimensional vortex of spirituality, public policy and globalization.

It is important to focus on globalization because of its controversy and because many people are suffering from the negative impacts of global processes.

However, in addressing the connections between spirituality and public policy, the common denominator, the principles, the instruments, the processes and the possible road maps available to humanity can also be applied to the many other issues of public policy we are so engaged into today. Examples are: poverty eradication, inequity and social injustice, human rights, gender inequities, decent work, health, war and conflict, and environmental destruction, to name a few.

Certainly, my presentation will be colored by the fact that I have been trained as an economist.

This is perhaps a good thing today, because economics seems to dominate so much of our lives. We live a moment when people see economics and finance as a *wild horse* with no slaves or as a process without a Master.

It may also be useful because many people often tell me: "how can there be any relationship between economics and spirituality, when economics is the most materialistic and most external to our lives, and spirituality is connected to the non-material, the sacred and the inner part of our individual and collective lives".

Given that, in the course of history, economics has been practiced in many different ways, may be within this *apparent*

*contradiction* lies the challenge for humanity.

We know that in previous centuries the great challenge for humanity was to reconcile science and religion. In fact, thousand of people died because they were not able to reconcile them. You know that some people thought that the Earth was round and gave their lives due to this incredible heresy.

Today, the challenge is different. The challenge in this millennium is

- o The reconciliation between economics and spirituality.
- o The reconciliation between the material and the non-material.
- o The reconciliation between the outer and the inner.

Today, *the real challenge is also to self-realize that all is one and one is all.*

- o That these distinctions are creating fallacies of great significance.
- o That these fallacies are so ingrained in public policy making, that they have become dogmas and the fundamental principles of all what we do.

Let me share with you some of these fallacies.

- o **One**, is that we need to pursue economic growth now and clean the environment later. That a clean environment is the luxury of the rich. But nobody has come and clean later.
- o **Two**, is that we should go for growth now and do social justice later. This is a suicidal social path for humanity. The point of departure must be justice.
- o **Three**, is that there is a hierarchy of human needs with material needs as being the ultimate and the most important and, thus, we

need to satisfy those material needs first, and later to be concern with our spiritual needs. Again, that spirituality is the luxury of the rich.

- o **Fourth**, is that humans are very *adaptable* and, thus, the central focus of public policy making must be on *human adaptability* rather than attaining the aims of a sustainable society in its larger context.
- o **Fifth**, is that technology is the savior of our existence. For many people, it is just a matter of time. So we are freezing people waiting for the time when technological change will produce the trick. May be, we will experience a situation in which the Divine will decide to freeze the Earth to be able to cure it later!
- o **Sixth**, is that we are material beings who, from time to time, have an spiritual experience, rather than accepting that we are spiritual beings having a material experience.
- o **Seventh**, is that material scarcity dominates science, economics, finance and practically all sciences and arts. This is the acceptance of boundaries, the acceptance of the limited and a total negation of our states of utopia.

A crime free society is conceived as a utopia. A clean environment is a utopia. A peaceful world is a utopia. In the meantime we promote trillions of dollars business that are exploiting our reluctance to embrace those utopias. Just think about the money we spend on car and house alarms, medicaments for our headaches as a result of air and water pollution, and so much more.

A world in peace is also considered a utopia, and thus, the incredible business of weapons and armaments. Once, I was told by an eminent expert invited to ECOSOC, that the best we can do in life is to manage conflict. That peace is a utopist thing and

thus, not meaningful for public policy making. She added: 'How come someone from the World Bank could be asking for universal peace'.

In this context, I always remember my conversations and teachings with one important spiritual leader who would say to me: "Alfredo, economists and bankers will be the last to turn the corner." He also told me: " You may have turned the corner too soon. Be careful, the monster may eat you".

This image of the monster eating me has indeed influenced the speed at which I move and the ways in which I have expressed my views on spirituality and economics. But, this was the picture many years ago.

Today, societies and political groups are willing to give the Nobel Prize to an economist who defines economic development as the process through which people seek for individual and collective freedom. This is exceptional and extremely encouraging. I understand that he is alive and well and that the monster has not eaten him yet, and it is far from it!

Yes, economics and public policy could both become powerful instruments to seek human freedom.

The fundamental question is then whether we have at our disposal only material expressions and material means to attain that freedom. The answer is certainly not.

Also, and more fundamental, whether freedom is something material.

Freedom has indeed material expressions. We can indeed advance towards fulfilling some aspirations as regard human freedom using material instruments. But these material aspects and instruments to attain our freedom are just one group.

However, we all know that these material expressions are not freedom in itself.

- o Freedom is an absolute state of human consciousness.

- o Freedom is a state of our spiritual and non-material existence.

### **What Has Been Said Within The United Nations**

It is fascinating to have find out that in the debate about the creation of the United Nations this issue was present, although it was totally forgotten in the drafting of the final charter.

I have been doing a thorough research on the United Nations and Spirituality. Not religion. And let me tell you about whatever little I have found.

You should know that it is indeed very little!

I found that in the proposal brought to the city of Dumbarton Oaks, California, December 1944, the key countries that were addressing the UN Charter indeed listed 12 major functions of the UN. One of these functions was seeking for human freedom!! This is not just a coincidence with what I made reference above; i.e., development defined as seeking freedom.

And, in defining this term, it said that for humans to attain ultimate freedom the UN not only had to promote material growth but also spiritual growth.

It was clear that, at the time, there were material starvation and spiritual starvation. That material recovery after the war was not enough. The war devastated the infrastructure. But, what was more important, was that the war devastated the heart and souls of people. Those affected needed peace, reconciliation, sense of trust and a new identity.

Thus, believe it or not, someone, some time ago was indeed thinking about this Committee more than a half a century ago. Unfortunately, this was not officially pursued later on.

I am convinced that we are somehow late. But, I am also convinced that it is not too little too late. This is the time to restart the engines.

The Secretary General Koffi Annan, has also made some important points I remember in 1998 at the Third Committee of the General Assembly, the Secretariat document stated, if I am correct, in paragraph 110 that social policies are not only for attaining human material growth, but also spiritual growth.

And, in addressing the Millennium Summit of Religious and Spiritual Leaders, the Secretary General stated several times the importance of the non material, the spiritual, and something very interesting as an instrument. He said that "for many of us, the axiom could well be: 'We pray, therefore, we are'". He also said that "at the heart, we are dealing with universal values. To be merciful, to be tolerant, to love thy neighbor, ...". And he added: "there is no mystery here. Such values are deeply ingrained in the human spirit itself. It is little wonder that the same values animate the Charter of the United Nations, and lie at the root of our search for world peace".

He also stated that " I humbly suggest ...it is also an opportunity for religious , spiritual and political leaders, as well as their followers, to look within and to consider what they can do to promote justice, equality, reconciliation and peace.

The resolution S-27/2, adopted by the General Assembly at the 6<sup>th</sup> Plenary Meeting , May 10 2002, entitled "A World Fit for Children" in one of its paragraph states that: "a world fit for children is that in which all children get the best possible start in life..." And its add " we will promote the physical, psychological, spiritual, social, emotional, cognitive and cultural development of children as a matter of national and global priorities".

Yes my friends, it focuses on the spiritual well being of children. Whether this has become a matter of priority I am not here to judge.

The same resolution, in its paragraph 32, small 7, adds that "religion, spiritual, cultural, and indigenous leaders, with their tremendous outreach, have a key role as front-line actors for children to translate the goals and targets of the present Plan of

Action into priorities...". A fundamental statement of this resolution.

During the celebration in commemoration of Martin Luther King Jr., the SG, referring to the many of King's contributions that "This says to us that our world is geographically one. Now, we are faced with making it spiritually one. Through our scientific genius we have made of the world a neighborhood; now, through moral and spiritual genius , we must make it a brotherhood".

What an exceptional statement.

Indeed we are in the Committee that will be the transforming force from a neighborhood to a brotherhood means a significant change in values. A Committee that must be committed to a major change in understanding of our rights and responsibilities.

In 1998, at the Tanenbaum Center, the Secretary General said and I quote:

"You may be wondering what a Secretary General of the United Nations is doing in a synagogue, speaking about religion. You may think that the United Nations, an intergovernmental organization, must abide by the same separation between Church and State found in the United States and many other countries. You may be trying to imagine how spirituality can coexist with the world of diplomacy, national security and hard edge negotiations. I would ask you to think differently; I would ask you to take another look. The United Nations is a tapestry, not only of suits and saris, but clerics' collars, nuns' habits and lamas' robes -of mitres, skullcaps and yarmulkes."

And, I can continue making more quotations from Koffi Annan. Also, I can quote James D. Wolfensohn, President of the World Bank, and tell you what he is doing to deepen the faith and development dialogue. I can quote so many religious and spiritual leaders who have visited the United Nations.

One of these leaders is His Holiness John Paul II who, at the 50<sup>th</sup> Anniversary, stated that "the politics of nations can never



ignore the transcendent, spiritual dimensions of the human experience”.

Let me just say that Mr. Annan, Mr. Wolfensohn and many other public policy makers and leaders, many of whom are here in Geneva, are engaged in extremely important and profound dialogues with religions and spiritual leaders, formal, institutional or otherwise. Of course, there is a reason.

I can keep quoting people, although, let me tell you that there are not too many of these quotes available from within our system.

At the Women 2000 Conference, the Deputy Prime Minister of Uzbekistan stated not only that the family is the basis for society but that it needed economic, social and spiritual protection. In a discussion about the conflicts in Central America, the Ambassador of Haiti stated that Haiti was pleased to note the inclusion of courses in the curriculum that incurred spiritual and ethical values that could serve as guidelines in the quest for peace. The Ambassador of Morocco stated in 1995 at the General Assembly stated that teaching moral values and responding to the spiritual needs of the youth in the world was essential.

There was a major seminar in the context of the Social Summit that addressed “The Ethical and Spiritual Dimensions of Social Progress”, where even some of the ambassadors to the United Nations in Geneva were actively present.

The principal reason for this seminar was the concerns by the Preparatory Committee from the fact that the dominant model of development raises questions and concerns that, where rights are no longer balance by obligations and guided by responsibilities, where the search for individual satisfaction is promoted as an end in itself and where the pursuit of personal or group identity takes place at the expense of others, there is a moral crisis at the individual level and an ethical crisis at the societal level.

In setting the canvas of that seminar, the background paper stated that the

“spiritual” is that which belongs to the realm of the spirit, that which is spirit, that which emanates from a higher principle, divine, or in any case, immaterial and all-encompassing. The ethical and the spiritual are regarded as complementary, in fact indivisible. An ethic when it is not motivated by the spirit (love, reason, harmony, perfection) is merely a legal code. A spiritual that it is not embodied in the ethics is purely abstract. The choice of the terms ethics and spiritual for that seminar rested on the notion that the cancer growing in many societies must be analyzed and defeated at the levels of values and works of the spirit.

That conference paper, makes several important assertions that I would like just to list for those who do not know it<sup>1</sup>:

- o Societies, our world and its evolution are shaped and guided by ideas and values.
- o The spiritual is an integral part of reality and there is a continuity between the material and the spiritual for both individual and society.
- o At the end of the twentieth century, there is a dominant perception of the characteristics of individual success and happiness and what constitutes a good society.
- o The cult of money threatens mankind and its future. The first of these threats is the invasion of science by money. The second is corruption of social institutions.
- o The cult of performance is incompatible with social harmony.
- o Social Darwinism leads to contempt for, and exclusion of, most mankind. Economic performance, as defined today, is an obstacle to environmental protection

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<sup>1</sup> Social Summit, Conference Paper 166/PC/77. 28 December 1994.

- o The Dominant culture is one of impatience.
- o The goals and their rapid achievements are considered more important than the process itself.
- o Individual freedom is meaningless and is dangerous when not rooted in an ethic and enlightened by the spirit.
- o Human dignity is the central value for political actions.
- o Neither poverty, nor material well-being, nor affluence is incompatible with human dignity.
- o Individual interest, if selfishly and blindly pursued, is destructive for society and for the individual himself; all wealth implies social responsibility.
- o The accumulation of wealth at the expense of others destroys the universal harmony.

These are just some of what is said there.

Enough of quotations! But the point of making these quotations is to demonstrate that this Committee has not been created in a vacuum. Nor, that this Committee is the first instance where spirituality, economics and development have been addressed.

### **Economic Development, Spirituality and Public Policy**

Let me share a few thoughts regarding economics, spirituality and public policy before entering into the issues of spirituality and globalization. A conversation about economics and spirituality is essential.

This has been a major puzzle for me as an economist for several decades now.

And the more I immerse myself in this, I realize that one of my main motivations has been triggered by the so many negative outcomes of development. By the fact that there is persistent poverty and

injustice, environmental destruction, gender inequalities, racism and discrimination, a wealth gap that is increasing, and much more.

It is in this context that I have concluded that

***It is mandatory that public policy begins at the seat of our soul, and that economics becomes an inner source of human transformation and self-realization for all.***

I have been speaking and writing about spirituality and public policy at least for three decades. But, I am always asking myself whether it is the right time. And, here I am again.

But, beyond the issue of timing, an ultimate concern of mine has been whether one speaks and writes about spirituality from a modified version of a material paradigm or from the *spiritual paradigm* itself. The difference resides at a very subtle level of our human existence; something that it is not often well understood.

It is clear that the large majority of people sees spirituality and the rest of their lives as two different dimensions of our existence. Thus, economics is seen as the mirror image of our material existence, and we expect that the "rest", the non-material, be taken care by some other discipline or activity.

Certainly, this was not the original intent of the forefathers of economics.

Two points need to be noted right here. The gender bias, as I have not yet heard until recently, during the last century, our foremothers in economics. Second, that most of these founders were philosophers, politicians, or even priests before they enter in the orbit of economics.

Thus, Adam Smith, who is well known for his treaty on *The Wealth of Nations*, first published several writings on morals and ethics. The same of other like A. Malthus, famous for his theory of population, who was a priest and a moralist. And I can go on and on.

In a public debate, not long ago, I was challenged by someone in the audience by saying that philosophers have produced economists. But that economists are yet to produce a philosopher. Ouch!!

Most people seem to hesitate between two different points of departure, two different perceptions of reality: the material and the non-material. A huge divide in practice, although, we know, in the end (once you self-realizes your own true reality), that these are simply two sides of the same coin.

In my experience, most people live in an unnecessary state of duality. There are some who accept some sort of a 'passage', like a little tunnel, which allows oneself to move in both directions. However, in the ultimate these two dimensions form only one holistic human reality.

I am not here to deplore our material reality. I am not here to deplore our spiritual reality. The main issue here is to understand that every spiritual state of being has its material expression and that every material expression is originated in the non-material, in the spiritual.

And, this "rule" applies to economics, medicine, public policy, or any other group of human activities.

But, because the pendulum has swung already to the side of our material reality, one important aim must be one in which our debates should use as a point of departure our non-material reality. Otherwise, in my view, we will continue failing in our tasks in this Planet.

If we only look at economics as a material art or science, we are simply failing by design. And, therefore, most efforts in the realm of economic and social development will continue to be short lived or ineffective.

Today, unfortunately, and consistent with this failure by design, we have "sat" on the throne of the material world; a world that is by definition bounded, a world which has limits everywhere, a world which always starts outside us.

Simply said, in our present economic thinking and practice of public policy we are in the world of "matter". And, many believe already that economics is indeed the most effective instrument we have here on this Planet to change, or modify, matter into our favor.

This is why, as we seat on this material reality, and we see that everything and everyone has boundaries, in our search for a consistent definition of what economics is all about we often have come up with "economics as the science of "material scarcity".

- o We, economists, are supposed to be the best managers of scarcity.
- o We, economists, are supposed to predict human behavior under conditions of scarcity.

Today, the world of economics and public policy is defined only by material scarcity, accompanied by a set of predictable rules supported by values and belief systems, economists and public policy makers, are following or imposing into the material reality of people.

We have been told that these rules are there so we can satisfy our "needs" (which is another concept that bothers me a great deal, as it mostly refers to "material needs") in the most effective way.

A better future for humanity rests on our ability to see economics from an spiritual perspective. This is the perspective of the unbounded and of the sacred reality of our human existence. And, therefore, by doing so, we will convert economics into the science of "abundance".

But, for economics to become the science of abundance we need a very different point of departure. The transformational shift into the science of abundance is found in the ultimate source of economic development: i.e., human consciousness. Our unbounded field of all possibilities.

This is the world where people are not just numbers anymore, or stomachs to feed, or bodies to shape and transform, or brains to teach and inform, but the most profoundly

sacred and limitless entities of life in this Planet.

This is not just an abstract statement. The fallacy of technology, as stated earlier, and that of technological change, rests on this premise of abundance. That is to say, to conceive technology as an instrument of our unbounded intelligence and awareness. Both, non-material dimensions of our human existence.

Even the notions of the value of money, so central to economics, rests on such non-material concepts as utility, expectations, human trusts, etc.

In all of the above, for economics to be transformational one has to establish a process of public policy that is rooted in our individual and collective *process of self-realization*.

This concept of self-realization is essential to what I have to say today. It is also essential to understand the direction of the next shift in the coming development paradigm.

It is this process of human self-realization, and the realization of all beings, which demands that people actively own and participate in the development process and that they be the architects of their own destiny. The whole approach to people's empowerment goes in that direction. Of course a different source of empowerment (e.g., not just material empowerment).

In addition, this shift towards a paradigm of human self-realization implies not only to see the outer reality, or to move outward in search for solutions, or to look the outside for answers, but to move inward, and look for new answers in this infinitely rich and unbounded inner self, human inner existence, and inner silence.

Again, I am not talking in the abstract.

There are some concrete and important expressions of the above in the domain of global public policy. In the recent declaration of UNESCO, regarding the culture of peace, it states that *war and conflict begins in the mind of people*. And, therefore, conflict and the full attainment

of peace demands a major transformation of our inner existence. This is an essential principle if we ever are to attain peace. The point of departure is not the supermarket. There is not a supermarket where you can buy peace.

This raises a critical question. In particular, whether the paradigm responsible for the creation of human problems has in itself the appropriate mechanisms to arrive at an acceptable solution. In other words, whether the problems created by the material paradigm could be resolved with the use of the same paradigm.

In my view, this is seldom the case.

Or, to insist that only material instruments are good enough to resolve existing material and non-material problems is just not acceptable.

My friends, you know that it is not an exaggeration if I say that a major process of transformation is taking place today. Some do perceive it and some do not. No doubt that the transformation we experience is extremely complex and difficult to grasp in its entirety.

The changes we face at this moment in human history are so profound that it is indeed a necessity to call for a new paradigm. To call for a new approach to development. To question many of the notions of human welfare.

The whole anti-globalization movement mirrors this desperate call for change.

While weaker, the concept of *The Third Way* is another expression. And, there are more. For example, the notion of "*Development with a Human Face*", to emphasize that we, the people, are first and the primary subject of development and progress, both material and spiritual. And, most recently, that of "*The Human Rights Based Approach To Development*", to emphasize the importance of normative values our societies decided to embrace. But, human rights are not the only set of normative values; there are many in the realm of ethics and morals which cannot be forgotten.

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In my personal view, we should aim towards "*The Paradigm of Inner Empowerment*" or "*The Paradigm of Human Self-Realization*", including both individual and collective empowerment. As stated earlier, this is not material power, or financial power, or other forms of material-paradigm-based notions of power.

This paradigm of the "economics of self-realization" includes both the material and non-material expressions of our human existence.

I will come back to this issue later on in my presentation.

However, in this paradigm, the essential determinant of human transformation will not be exclusively related to 'what you do', or 'what you know', or 'what you have'. Three key categories and/or outcomes of the material paradigm. The economics of self-realization essentially unfolds from the perspective of 'Who You Are'. But, who you are with capital letters.

As an economist, I live in a professional world in which it is difficult to be who you are. It is often considered an offense to be different from the mainstream of economists and financial experts and, we are often told that 'being who you are is not always politically correct'.

Since I became a teenager, in my own little ways, I was involved in politics and issues of public policy. I became the president of my high school and of The School of Economics. I was also elected, for a few weeks, leader of a teachers union. I was also elected regent of one of the largest universities. I spent lots of time in drafting political platforms and public speeches based on humanistic values and proposing different alternatives to traditional party lines.

Many failures and some successes became a true school in my personal life.

I studied economics because I was convinced it was one profession affecting us most during the principal years of my life. And I opted to reach the highest level of education in it. In this process, I was

most often than not at the fringes of the traditionally accepted paradigms.

What is important to note is that the liberal and market oriented globalization was never studied in the sixties when I was at the School of Economics of the University of Chile, in Santiago. It was a reality we never even thought it could be possible. The term globalization was never in our books. Nor, there was too much said about public policy making at the global level.

Today, because of globalization, some feel that they have been hit by a high speed train. And, perhaps they are right in feeling that way.

However, those who are now traveling in this train have absolutely no clue where the train is actually going at this point in time. The only interest they seem to have is that the train does not derail, that the restaurant wagon has enough food, and that the scenery is good enough to enjoy the ride.

At the same time, from the window they see lots of poverty, environmental degradation, forest fires, beggars all over the place, people who are dying of diseases whose cures are well known, and so much more. And, nobody in the train probably knows what will they find in the next train station. Thus, some favor that the train should continue in a non-stop pattern, even if they are clueless about where they are going.

One view among passengers is that, may be, technology will really solve all the problems they see from the window or they suffer from, and thus, it is not worth it to stop the train right now. But, whether there will be enough energy to keep the train going, or whether the train will stop as a result of a railway system failure and imminent collapse, nobody knows.

It is clear that those who are in the train are the ones who earn more than two dollars a day. All those outside are the poor and voiceless.

Everyone in the train knows that the present paradigm, or approach, to socioeconomic development is not

effective. The traditional notions of economic growth and human progress and the instruments we use to measure and monitor advancements are often defunct. But when confronted with these questions, the train riders prefer to pull down the window shades and not see what is there outside.

For those who are on firmer grounds outside the train, it is clear that today's material economics is the main source of human bankruptcy.

And, this bankruptcy has implications which go far beyond attaining an acceptable level of material welfare. One is the fact that our social institutions are crumbling down and nothing else better has been constructed yet. We see the family structure being destroyed and leaving its members completely disconnected and at the mercy of market based instruments and organizations. And, we see a huge vacuum in leadership, vision and trust, all so much needed to restore our present and future.

People are tired of listening to the same statistics and to the intelligent ways we are using to cover up the reality of billions who are suffering from hunger, malnutrition, diseases, poverty, disempowerment, lack of voice and participation and much more.

In this case, the storytellers and spin doctors (many of whom are economists) are still defining and distinguishing in the public policy debate between those who are pessimists and optimists, or between those who believe that the glass is half empty or half full, as if one living in that part of the glass that is empty will be somehow compensated, or enhanced, by knowing that there are others who live in the part that is half full.

Yet other policy makers are the champions in stating publicly, left and right, that we must recognize the positive aspects of human progress to date. Yes, indeed material progress has taken place and we are leaving for future generations lots of highways, telephones, computers, cars, airplanes, hospitals, schools, prisons, pills and medicines, books, theaters,..., and

much more. People live longer and a greater majority can now write and read.

I am glad that at least this positive part of the story can be told, because policy makers have spent trillions of dollars in the name of poverty, equality, democracy and human progress. At least there is something to show for.

However, we all know that these material accumulation is not enough, and that we, human beings, aspire for much more and, perhaps, a different form of material welfare.

It is eminently clear that the engine of material progress is profoundly detached from the sacred aspects of our human existence. We are all aware that progress and advancement are mainly motivated by a set of values that are not humanistic or spiritual ones.

Even within the hierarchy of material values and the process of satisfying our material needs, what an average person on the streets benefits from is not by design (or even by intent) but by residuality.

The godfathers, the lords, of technology and technological change are motivated mostly by profit making rather than by our human collective desires and needs. But, because we get something out of this technological change, we rarely question the origins and the clearly negative consequences of such technology.

A good example of this situation is that of the internet. No doubts that it has brought immense benefits even for the poorest of the poor, if she/he has any access to it. But, the ethical and moral questions that the internet has brought about are of very serious and complex nature.

Thus, while on average people benefit from technological change, it is also true that the nature and pace of technological change are dominated by values we have to seriously question. Einstein said that he was not worry about future discoveries but about the level of consciousness of those using them.

We know that civil society organizations and other grass root groups are up in arms trying to bring many of these issues to the table of public policy making. But, either they do not have the place at the table or some of them are driven by the same set of values of those who originate and guide us into a path of human suffering.

If one is to ask an average audience "What is the principal cause of those problems affecting them?", in nearly all cases the response is: "it is the economic system we have embraced (including a strong critics towards globalization) and the weak nature of existing public-policy-making-processes".

People question this almost impossible and irreversible spiral of material consumption. I say almost because we can change that. Needless to say the waste that is accumulated due to these levels of consumption.

And, if one ask the same audience What would happen if we demand that consumption be cut in half (like instead of having three cars one would only possess one? The answer is always unequivocal: "the world economic system as it is today will certainly collapse". Thus, this is the reason why we keep consuming more and more, and giving support and rationalization to a style of development that feels unchangeable in the midst of human and social failures and inequalities.

In my training and coaching at the Bank, once I was told that as a mission leader 'I had the responsibility to do both complete the mission or to stop it at anytime you see that the aims, instruments or processes are violating the fundamentals of the project in question'. This advice marked me forever.

I believe that we now must stop, and adopt a new radically different way to address the major issues confronting humanity.

But,

Where does public policy fit in all of this?

What is the role of spirituality, and of a deeply spiritual paradigm, in changing the course of humanity?

These are the questions we must address. No matter who you are, in addressing these questions, we must open a different channel to embody knowledge and change. A channel that must be transformational and not one linked directly into our traditional forms of human rationality. In some sense, we should not only listen to what it being said but also live, self-realize those messages that touch your inner self. I believe we are living in a world that is increasingly fragile, where the roles and functions of all actors --including that of business-- are changing. But not only changing; these roles are being questioned to such an extent that we find ourselves today in front of one of the most powerful global movements against the traditional ways of conceiving development, creating wealth, and doing business.

This global movement has expressed itself in Seattle, Bangkok, Washington D.C., Prague, Davos, Porto Alegre, and in many other places. And, this movement is growing both in strength and understanding.

Unfortunately, there are many policy makers who live in denial and, thus, they see those peoples on the streets as ignorant, bitter, disoriented, and as if they do not know what are they fighting for. But, we know this is not the case and that it is risky to under-estimate the impacts of this 'denial factor'. These perceptions are prevailing everywhere even within the business community.

*Ideological and Factual Dimensions.* On the ideological front, we can see that at the very roots of this powerful wave there is indeed a huge ideological divide, resulting from a gap between what people want now, and what is being done, or decided upon in public policy, be it at the national, regional or global levels.

No doubt that one of the great challenges today is to close this ideological gap.

This new ideological divide is much more profound, more diverse, and it is clearly

touching upon a set of incredibly complex and delicate issues. At times, it looks like we have taken the easy decisions and that now we are confronted with the most complex ones.

Examples of these are equity; participation; empowerment; economic, ethnic and social racism, and I can go on. The closing of this ideological gap demands collective action, and we are not prepared to do so, particularly at the global level. Collective action for the betterment of the Global Village also demands global beings, global consciousness, global governance and global values; none of which exist today at the level, scale and effectiveness that would address this ideological gap.

Lots of debates have taken place on the nature and scope of the spiritual dimension in public policy. This debate has intensified now as public policy pays increasing attention to the *normative aspects of our human evolution*. But, a concerted effort to embrace the human and the spiritual dimension of decision-making is lacking, and most instruments are applied within an ethical and moral vacuum.

### **Values are Not Just Words.**

Many of the values and words we use to address the different dimensions of Spirituality (e.g., peace, rights, justice, equality...) are not just words in the *spiritual paradigm*. These are words only in our material paradigm.

In the spiritual paradigm, these words represent a unique "state of being". Therefore, these words will be truly meaningful if they are *self-realized*. Like peace and love, which we cannot buy in the supermarkets, or just proclaim in loud voice. The real spiritual meaning of justice, equality and rights, will become a reality *if we become them at their state of being*. Societies must embody justice, as justice is not a material concept although it always has been a material expression.

Consequently, one must understand that "human security" is not a material thing (although it has material expressions) but rather a *state of being*. No matter what

level of welfare and material means you may have, no one will be made "human secure" in a sustainable way. No matter how much money or sophisticated weapons a country has, human security will not necessarily be realized. Even adopting the ultimate material stand—i.e., a policy of fencing ourselves vis-à-vis the rest of the world—while it may be temporarily justified, is not the same as attaining human security. Fencing will only work if everyone feels equally human secure inside! In the same token, just as a strategy to avoid or eliminate conflicts will never be tantamount of peace. Peace begins with inner peace; i.e., in the self-realization of peace.

Today, we see economics as the center of our competitive instincts, as the best framework to win over others, and as the most powerful collection of material incentives to accumulate wealth of all sorts.

This truth unfolds as a result of very fundamental realities. One is that people have lost their connection with the fundamental core of what economics: i.e., economics is no more and no less than a *collection of values*. In our human history, economics has been practiced in many different ways: different sets of policies and programs depending upon *the values* societies embrace and practice.

For example, in Haiti, a very poor country, I saw how economics was practiced at the village level after the fish catch of the day. The first group to get fishes, and get them for free, were the pregnant women. Then several fishes were given to the oldest man of the village who taught the fishermen how to fish, and only after this fundamental distribution of animal proteins took place, others could buy the rest in the local market.

This is not an isolated example of how economics could or should be practiced in the world.

However, our attention today focuses on this material dimension, and many fundamentalists justify the attainment of purely material goals by suggesting that human beings have a *hierarchy of needs*



where the first needs to be satisfied are the material ones.

We promote material values for our material existence. Material values for a material economics.

However, this is a trap of major proportions.

The material trap and material economics have many determinants:

- **The first** is that, by definition, attention towards material existence is **physically limited** – it is bounded – no matter how advance technology may be.

We live in the hope that technology will open these boundaries. But, in order to speed up technological change we must make use of our (human) unlimited and unbounded attributes. And, these are certainly non-material: like human awareness, human consciousness, intelligence, and creativity.

To break the material boundaries we live with, we must resort to these 'infinite' and non-material source and character of technology.

- **The second** is that the material paradigm has kept the core of economics (i.e., its values) and economic development hostage to the notion of *scarcity*.

This notion of scarcity compels us to compete, to accumulate, to exclude others and to engage in actions dominate the practice of economics today. The limits imposed by scarcity will always be present, with unhappiness being the obvious result in the long-term.

- **The third** is that material economic systems have two major flaws: creation of wastes and social exclusion.

Therefore, any revolution we are prepared to embrace must forge a process of human evolution on the basis of no waste. Nothing seen as loss, nothing seen as irrelevant.

In addition, this revolution must be open to everything and everyone. This revolution must be universal and exclude no one and nothing.

### **Looking For the 200% Society: Inner Healing and Inner Economics**

I am in the search of what we should call "The 200% Societies", and at the global level it would be "The 200% Global Village".

Societies that embrace and move towards our highest stages of both material and spiritual welfare. Where both are one and one is all. This will only be possible when we are able to first, eliminate this artificial divide between the material and spiritual dimensions of our natural and human existences and second, when we experience both dimensions as two sides of the same human reality. In practice, when our behavior would strive decisively towards attaining maximum effectiveness in the external/outer world (i.e., the first 100%) and the internal/inner world (i.e., the second 100%).

Today, we are fighting to achieve an acceptable level of just the first 100%, and we are doing so with a great deal of difficulty. In the economic front, and perhaps in other fronts too, all significant efforts are going in the direction of the first 100% (our outer reality). Billions of dollars are spent in the name of development and progress –as an external reality of our human existence— with limited benefits to a great proportion of the population. These external economic actions and material instruments (e.g., public expenditures, infrastructure, money, prices, taxes, subsidies, property rights) are sought as the only means and solutions to both our external/material challenges and internal/spiritual state of being.

Experience demonstrates that as we get closer to the first 100%, the nature and intensity of the material human effort gets more complex, sophisticated, and expensive. All of our intelligence is put at the disposal of material aims in order to address our needs which grow at a

geometrical rate each day that goes by. In the mean time, little is known about how an *spiritual paradigm* (the power of our inner existence), and its ability, assists us to close the gap between what remains of the first 100% and to unfold and enjoy the second 100%.

The time has come to embrace spiritual solutions to our material problems. I believe it is perfectly possible to use inner means to attain outer outcomes! And, this is where our attention must go in relation to the use and allocation of the material and non-material resources at our disposal, individually and collectively.

These days, and just judging from the outcomes of economic development and progress, we are far from living in "The 200% Society".

We know that in many places around the world even rich people, who have benefited from the market and the State, and who seem closer to their first 100% are not really enjoying a "The 200% Society". Far from it! Many of them behave as if they have not even attained their first 100%!!

In a fundamental way, given that our spiritual and material existence are one and the same at higher levels of human consciousness, in my view, it would be impossible to ever reach the first 100% without moving very deeply onto the path of the second 100%.

No matter whether you are materially poor or rich, this dimension of today's economic paradigm of human development and progress ought to become the subject of major debate in the world.

Let me come back to this hypothesis of individual independence (freedom). This dimension of the contradiction has not been questioned much for many political and selfish reasons! We cherish the principle of us being "free human beings", and this forms the pillar of many modern societies today. In the name of freedom of choice, freedom of behavior, and freedom of actions we have promoted egotistic societies, egotistic behavior, and egotistic outcomes. Societies dictated by the law of the fittest, the law of human exclusion, the law of supply and demand, the law of materiality, and the law of

disconnectedness. And, we witness the same in the context of globalization.

Thus, we must question whether it is possible then to attain our collective ideal welfare based on these individualistic principles. In my view, this is impossible, unless the imprint of our individual behavior is carefully examined and taken into account. We know that individual behavior can be devastating at lower levels of consciousness, and to set this behavior free may destroy what is left of humanity. Specifically, if you were free to choose: Would you allow a drunk driver to have the freedom to drive? But, who is to decide whether the drunk person can drive. Certainly not another drunk person! It must be someone at a lower level of toxicity. The same applies to an ethically obscure situation: decision must be carried out by those more ethically 'mature' (of least inner toxicity).

This means that socially optimal outcomes must be a function of our material capacity to operate in the market place and of our levels of human awareness and consciousness. Purchasing power is not enough. Low consciousness holders with high purchasing power and freedom, ready to do what they want, will translate into low quality level human and social outcomes. Even the most precious invention, like nuclear physics, to cure breast cancer, may actually be used to provoke a nuclear holocaust.

Then, the answer to "The 200% Society" lies beyond material knowledge and possession of material means. The ultimate answer lies in correlating material means with levels of 'human consciousness'. Our material and non-material expressions of life is the mirror image of our human consciousness.

There is no doubt that to address the practical and effective ways to bring bounty and betterment to each human being in this Planet we must adopt spiritual practices that are oriented to clear and clean the five fundamental elements in our lives. However, at the most subtle levels, these practices will determine the true foundation for a *new economics*. It offers the basis to the creation of *spiritual economics*.

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Many spiritual teachers focus on the contradiction brought about by an economics based on free and independent choices at our material level of existence. Contrary to the individualistic trends enunciated above, and the possible erroneous notions of freedom and individual choices, the principle that defines this new economics is the notion of **human interdependence**, the notion of human inter-connectedness and the notion of human solidarity.

Thus, an interdependence and inter-connectedness with all living beings and all sentient beings. A new economics which does not need to rip apart societies in order to bring them together (much later) the individual and the collective. We must strive for a new economics whose point of departure is this holistic and all encompassing *inter-connected and interdependent unity*. A new economics where the macro is like the micro, where outer is like the inner, where individual behavior is the conduit to the expected collective outcome, and where social welfare is not externally forced on people.

Let me add more to the foundation of this human interdependent economics. In interdependency one must understand that our individual spiritual/material self-realization is also the vehicle to create a solid environment for others to develop spiritually and materially too. Thus, our spiritual self-realization, for example, is not only an individualistic state (i.e., me, me, me) but a collective one as well (we, together). It is here where the collective and personal optima becomes one and the same.

In addition to these elements, two other fundamental dimensions of our human existence are important: the true and sacred role of the individual and the role of its inner self, and the need to protect the five elements of our human existence: wind, space, earth, water, and fire. These are indeed the fundamental elements of life in this material world. These are fundamental to all forms of life in this Planet (all that is materially alive).

Let me focus on the interplay between the two. This offers an interesting explanation of the puzzle linked to the individual vis-a-vis the collective optima. At its roots, the law(s) and principles governing our human evolution, through the total, material, holistic and sacred interface among these five elements, are exactly the same as the law(s) governing nature.

In the past, we have either held a very *anthropomorphic* (human centric) view of our relationship with nature –e.g., “Nature is there, outside, ready to be exploited for our own sake”—or embrace some form of respect for nature, although this respect is often hierarchical as many people see higher intelligence in humans than in nature. This latter view is too “protective” and “paternalistic”. Life experiences show we have to go far beyond our paternalistic instinct! In the ultimate, nature is us and we are nature.

One example is that of technology and the pace of technological change. I refer here to all the expression of technological change –material and non-material.

When we see that economic development is the cause of environmental destruction –i.e., the degradation of the five elements through water and air pollution, mutilation of our bio and genetic diversity, and the depletion of our soils—the consequence of this destruction is an inexorable decline in the quality and scope of human transformation.

Today, we live in societies that are disconnected from their inner and social self, in addition to having lives disconnected from the fundamental principles dictated by Natural Law. And, it is this disconnectedness the principal cause of most problems we see, like poverty, inequities, exclusion, corruptions, weak governance structures, inadequate institutions, etc.

Despite urgent actions needed, there are people who believe this destruction is not a great problem. That we could easily reverse these trends and always attain a better state. All is just a matter of time. We need to buy time in order to keep accelerating the pace at which

technological change is taking place; with technology as the sole solution to the problems at hand.

As I stated before, we are, as a generation, great believers in the miracles of technology. But, in the ultimate, technology is nothing else but the mirror image of ourselves, materialized in one form or another in practical knowledge and matter.

The optimists, who see that these trends can be reversed, base their views on the traditional premise that human beings are a depository of limitless awareness and intelligence; that our nature is a constant flow energy and ideas. This may be true in some cases. However, this view of the unlimited wealth is being questioned as we see more destruction, experience more difficult diseases to cure like HIVAIDS, and witness human problems towards which ready made solutions are very hard to come by.

However, if the laws governing human evolution are the same as those governing nature, then any increase in human awareness (human consciousness) is a function of the state of Nature. Thus, the destruction of nature is tantamount to reducing human awareness and intelligence. In this case, environmental destruction sets limits to human awareness in ways we have never experienced before. A correction of these trends must be at the fore of our public debate on the future of humanity.

This brings me to announce a fundamental law underpinning this new economics or spiritual economics: "healing the environment heals humanity and healing humanity heals the environment".

Thus, in a world of substantive spiritual wealth, the most powerful solutions to this destructive spiral in human existence are available to us. While recognizing also the importance of using material means to address environmental degradation, we should also understand that we, ourselves, are powerful cleaning agents of the environment. Wherever we are, we are the healing and the healers of nature and of ourselves at the same time.

We must learn how to become both outer and inner environmentalists. How to become 200% environmental economists, under the principle that the inner is like the outer and the outer is like the inner. Thus, by cleaning my own inner environment and by working with the five elements I can resolve the problems facing our outer environment.

The second fundamental law of this new economics is that we are the natural environment. We are not separate from it, nor we could live, or pretend that we live, disconnected from it.

In practice, the traditional concept of "sustainable development" must be modified to embrace our true existence, and to eliminate the duality between the external and inner view of soul and nature.

Thus, we can say that the crisis we face in the outer/material world is simply the mirror image of our inner/spiritual crisis.

My view of life is one that is intrinsically interdependent, where anybody, or anything, who exists and has a material expression in this material world (including us, the human beings) has, in turn, a cause. It has a source. And, if there is an origin, no human being can see themselves as separate from any form of life. We cannot see ourselves as dismembered from one another.

The acceptance of this dimension breaks down the principle in economics whereby people optimize their welfare just by pursuing their own individual aims. The law of interdependence shows that a person who pursues its own welfare as independent of all other beings will never maximize its individual welfare. Material or spiritual welfare cannot be conceived as an independent state, no matter whether a society strives for the attainment of its desired collective welfare.

It is up to us to organize ourselves so that we attain "The 200% Society". Are you ready? I certainly am.

### **The Globalization Process: When Economics and Spirituality Must Become One**

When it comes to globalization, there are two extreme notions embraced by the general public. One, that right now it is an inevitable phenomenon – and, thus a feeling of being a victim of an uncontrolled process, or a process controlled by “someone else” that no one can influence. Another, that strongly postulates we indeed can change the direction of today’s globalization process – whereby both individual and collective action truly matters. I am sure there are many possibilities in between.

Furthermore, for everyone, no doubt that economics and finance are at the roots of the globalization process, and as a result, the public at large spends lots of time to figure out how they can benefit from the major expansions of financial markets and international trade, investment and capital flows, and the like. As a matter of fact, nobody contests today the benefits from the transport and communications (e.g., the internet) revolutions which have already left a major mark, not only in economic and financial processes but also in respect to all aspects of our lives, including the formation of democracies. Traditional boundaries are falling down and globalization has become a major form of interconnectedness among the people, the nations and the global structures at large.

However, there is a large segment in our societies (and in a significant number of countries) feeling that only a small minority is better off as a result of globalization. In addition, that ‘exclusion’ of all sorts seems to be the name of the game, that the social impacts are rather negative overall, that the whole process as it is now benefits an economic and social elite, and that existing governance structures –the global rules of the game—are non-existing and, therefore, only a few multinational corporations have become the real beneficiaries of the globalization process. In one word, we are observing that many economies may be globalizing but the corresponding societies are not.

What is changeable in this whole process and who is to change it are the two central questions today. But, before these two questions are answered, we need to reflect on some fundamental issues. Two are of critical importance: the multiple dimensions of globalization –e.g., failure by default, and the hierarchy of these dimensions within the globalization process –e.g., failure by design.

***The Multiple Dimensions of Globalization.*** Most of the attention given to globalization has been on its financial and economic dimensions. This is not unjustified as there is no doubt that the expansion of capital markets and international trade, fueled by technological change of all sorts, have been important engines of this process. Not only that, economics and finance seem to be seen as the most important dimensions. But, is this so? In my view the answer is a definite “No”.

We know well that we are experiencing a major process of environmental globalization. This is expressed in so many ways today, affecting the lives of billions of people and of many generations to come. Examples of environmental globalization are ozone layer depletion, biodiversity degradation, ocean pollution, global warming, destruction of key ecosystems and so many more. We know how pollutants generated in one part of the globe are affecting life in all its form in another part of the globe. And, as population continues to increase and economic activity continues to penetrate every space of our Planet, environmental globalization is a fundamental dimension of the globalization process we cannot discount.

*Thus, economic, financial and environmental globalization.*

In addition, we also experience today a major process of cultural globalization. The UN Conference on Racism and Discrimination revealed the major underpinnings of this dimension and showed its world significance. These include the influences of economic and financial processes in cultural identity, the impacts that these processes have on

minorities and their ability to co-exist with others, the impacts of globalization on indigenous peoples and their culture, and the depletion and disappearance of cultural assets. We also saw how new technologies may be used to destroy the social fiber and the mere existence of so many people of diverse cultures and belief systems.

*Thus, economic, financial, environmental and cultural globalization.*

Furthermore, we are obviously influenced by the political dimensions of globalization or, as some people will put it, the lack of it. No doubt there is a great deficit in attaining a real global consensus regarding the aims and goals of this process. The lack of consensus is a significant source of debate today and, perhaps, responsible for the discontent we observed in Seattle, Bangkok, Prague, Durban and Washington. The debates in the United Nations, inter-governmental bodies, NGOs, and in many other corners of the world, all demonstrate that ignoring the political dimensions of globalization is a major deficit today. Thus, as a domestic political consensus has demonstrated, it is practically impossible to align individual and collective actions without a strong global political consensus. This consensus is essential to change the direction of economic and social policies and to calibrate those instruments that are indeed changeable in the process we are experiencing today.

*Thus, economic, financial, environmental, cultural and political globalization.*

But, there is more. One of the forgotten dimensions is social globalization. It is clear that globalization is indeed a social process, and that the social impacts are of such a significance that a huge segment of our societies are up in arms at seeing little concerted action from our leaders, wherever they are. Today, there is a big disconnect between the notion of a "global village" –so much in fashion in our discussions—and the attention being paid to the need for a *Global Social Contract* among all nations. Clearly, the UN sponsored conferences have provided essential elements of this contract and highlighted some of the social aims and objectives, including the respect and

realization of human rights (civil, political, economic, social, cultural, and the right to development). But, we still have not agreed on what this social contract should look like in light of globalization or, if it exists, it has not permeated global processes as they are in existence today.

*Thus, economic, financial, environmental, cultural, political and social globalization.*

Certainly, there is more. It is impossible to pretend that we are living in a global village without focusing our attention onto the existence of the "global being" (or the lack of it). Today, it is inconceivable to move into a global village mode without attention to the human dimensions of globalization. *Who is forming this global being? Who among our leaders is a truly global soul? Is the existing education system truly global?* In my personal experience, many of the people who are complaining about the negative impacts of globalization do not seem to be fully developed "global beings". Thinking globally and acting locally is a well known slogan that, as such, is only practiced out of convenience. Few people seem to be willing to substantially sacrifice their high levels of consumption and material welfare in lieu of benefiting humanity as a whole.

*Thus, economic, financial, environmental, cultural, political, social and human globalization.*

We need one more dimension: spiritual globalization. This is of fundamental importance as it embraces a) the non-material aspects of our human existence, b) the set of human values and beliefs we need in order to attain any consensus (politically or socially), c) the direction of the processes we aim at attaining, d) the social and human identity that such a process demands as integration and inter dependence deepens, and e) the quality factor of globalization to determine if our global society is indeed making progress individually or collectively.

Globalization cannot be the domain of the material alone. Underneath any of the human processes we create and/or experience there must be a collection of values that imprint these processes. These

values must be human in nature to avoid, for example, exclusion, inequities, and social injustices, all so ingrained in the materialistic instruments and practices.

Spiritual globalization is not a new idea. In fact, in the Dumbarton Oaks Declaration of the UN, California, 1944, the need for creating the necessary spaces for 'spiritual growth' was explicitly acknowledged. The humanization of economic and financial processes were sought as essential in attaining human freedom.

*Thus, economic, financial, environmental, cultural, political, social, human and spiritual globalization.*

These are indeed the essential dimensions of a complex and deep process we are all experiencing today. In part, the problem great masses of people are experiencing today is do to a major failure to acknowledge all these dimensions. Ignoring any of this dimensions will continue to result in unacceptable outcomes to people.

***The Hierarchy Among Global Dimensions.*** Once we have drawn a more complete map of the dimensions of the globalization process, we ask if there is a hierarchy among them, which may yield a different outcome than the one we are experiencing today. It is clear that people do not see the economic and financial dimensions of globalization as the "leader", although its leading character seems undisputable at the moment. But, can these lead in a human and social vacuum? I strongly believe that economics, finance and technology must have a "master" if these are to yield the "right" results –however any society defines it. Political and social globalization must become more dominant if there is to be any change of any significance in the present direction.

Experience shows that economic values are "exclusive" and that this exclusion is in part the result of purchasing power and material comparative advantage. Therefore, it is now essential to develop a hierarchy of these dimensions in relation to the goals and aims we are embracing. In my view, there is an optimal hierarchy and

there is an ultimate one that corresponds to the aims most people are fighting for at this juncture in history.

The question of hierarchies is of fundamental importance, and we cannot avoid addressing its optimal configuration. I am of the opinion that the "optimal hierarchy" must start with the human and spiritual dimensions of globalization. At the core of any global outcome is a *value system*, is an *identity*, a direction all of us have to agree upon, understood as pluralistic, diverse and rich in all possible aspects of our human existence. Emphasis in the human and spiritual dimensions must be understood in the context of both the individual and the collective self realization.

In fact, for me the term globalization is tantamount of our collective fate and our collective existence, both materially and non-materially. For those who are religious one may point out that globalization is in a sense the material expression of collective "salvation".

In sum, the results we see today are simply the normal outcome of a globalization process that is failing by design. It is failing as we avoid the ultimate determinant of globalization: ourselves. Governments, multinational corporations, development institutions, NGOs, and the like are all people. The common denominator is and must always be people and, thus, we are the foundation of our own fate. And, globalization is the collective dimension of this fate. Thus, individualistic values, the ultimate of our competitive edge, will not yield outcomes that are collectively just and equitable.

Where is it that change in a global world will come from? To negate that economics and finance matters is the wrong point of departure. To claim that globalization must be led by economics and finance is a suicidal path.

A new direction of globalization needs a new hierarchy in policy, in programs, in the direction of change.

In turn, this demands a new value system that will put the quilt of human dimensions

into a global existence. These new values will form the true global being that will ultimately steer change in the "right" direction. The global revolution is not about more elements added to our material existence, but embracing our spiritual existence for the benefit of all humanity.

### **Final Thoughts**

It is fundamental that in the process of rethinking our new development architecture at the global level we all push for the creation of a *UN Global Spiritual Forum*.

The UN has already begun a process of honoring its initial mandate of "We The People". The recent creation of the *Forum on Indigenous Issues* with representation of indigenous leaders, the *Social Forum* in the context of the Sub Commission of Human Rights are both important examples.

We must go beyond. It is imperative that there be a Spiritual Forum that is not to constraint what governments do. Or to diminish their sovereign power. This is not the intention. The real aim behind the creation of a Spiritual Forum is to enrich the process and make it holistic so the UN becomes the principal instrument to attain the 200% Society.

My friends this is not a utopia, nor an abstract idea or concept.

In my view, civil society has shown a incredible foresight by creating this Committee we are attending today. It is now the moment for this Global Spiritual Forum to take shape and form, supported by the UN University, the UN University of Peace, and so many other complementary structures.

The dialogue with religious and spiritual leaders is not optional, it is mandatory.

This is not something that will be starting from scratch. There are already some proposals like the one prepared by His Holiness, Lama Gangchen Rimpoche. And we should consider this proposal seriously.

Second, the time has come to construct the foundations for another form of public policy-making. It is essential to embrace the role of spirituality (as the ultimate human development paradigm) in the formulation and implementation of public policies, both nationally and internationally. There is a reluctance to move forward because it demands: A revolution in values. A revolution in thinking. A revolution in understanding our process of human evolution.

Third, there are concrete ways to support the critical strategic dimensions of the process towards spiritual economics and to set the conditions needed to reconcile spirituality with economics.

- o **The first** is the recognition that many of the states of human welfare we are all seeking belong to our non-material existence.
- o **The second** is the promotion of the humanization of economics and of economists. The prime step towards the humanization of economics is to move away from aggregated categories of analysis that do not tell the real story. Economics with a human face must be practiced now. But the ultimate would be a move to an economics with a "human soul".
- o **The third** is the explicit acceptance that economics must be at the service of our societal vision (also a global vision), at the service of what we want our society to be(come), and not vice-versa.

Lets us bring the "being" into economics.

Because of the rapid transformation process we experience now the economics we practice today will not be the economics we will be practicing in the future. This is not just another choice to be made.



- o **First**, the public is demanding this transformation and it demands it because judging economic policy making by its results, there is a lot that has not worked.
- o **Second**, the issues economists are trying to resolve are multidimensional in nature, with major ethical and moral overtones.
- o **Third**, the existing economic analysis is not 'neutral' with respect to equity, social justice, and other desired and undesired outcomes.
- o **Fourth**, the revolution in value systems must start now and its foundation must be led by civil society
- o **Fifth**, the solutions to our problems are as much individual as they are collective. Thus, an economics that remains individualistic will simply not do. Slowly, but surely, economics must become the science of the interdependent collective.

In this millennium we will realize that the real invisible hand is human consciousness, a subject of critical importance. And the meaning of development as freedom will be given a new meaning.

Public policy must move from the "gross level" to a more subtle and sacred level of our human existence. I am not suggesting that the material dimensions of our human existence are not important.

Third, social injustices cannot be addressed in a vacuum. It is essential that we link the debate to issues that are embodied in existing forms of governance and economic and social rules of engagement imposed in our societies (including power structures)—which filter a great deal the possibilities of a true transformation towards human betterment. These forms of governance, as the foundation of public policy making—are greatly questioned on the grounds of accountability, participation, transparency, and much more.

Today's public policy has considered two ways of resolving these dilemmas. One, to deepen and accelerate the pace of traditional (material) economic and social reforms and try to improve material development indicators as a result. The other is to consider a totally new set of instruments and corresponding reforms focusing on rights, norms, standards and regulations. I would call this a "neo-human" paradigm geared to enhance the material approaches to development. These second-level reforms include, for example, the recent effort to mainstream human rights into economic development, advocate new forms of governance, reform the role of the state, and enhance participation and empowerment.

In practice, a more profound change in paradigm is needed. In both approaches—the material and the neo-human -- even when the terms human rights is used, they still constitute a limited version of what the real centrifugal force should be in defining both the means and the end of public policy-making.

Fifth, we know that the dilemmas created by the material paradigm are not only material in nature. Some are clearly moral and ethical. For example: how can the world house so many people who suffer from hunger and diseases when there is so much abundance and wastage of food? It is also morally questionable the ways we embrace to treat elderly people and how we have completely disconnected them from their real entitlements over the productive assets of an economy they helped to create in the first place.

The potential contributions of a human-spiritual paradigm are immense. In this context, several concrete elements need to be taken into account:

- o **First**, there is a need to focus on the quality dimensions of human development and not just on its quantitative dimensions.
- o **Second**, the role played by ethical and moral values will become central.

- o **Third**, the acknowledgement of international declarations defining the fundamental role that spirituality plays in public policy-making.
- o **Fourth**, the crucial nature of mainstreaming, adopting, practicing and living at least a core set of human values.
- o **Finally**, the efforts needed to quickly render the concept of Spirituality as meaningful at the policy, institutional and operational levels, while also being politically acceptable and ready for its implementation.

Herewith my personal sacred commitment: To move from this badly conceived private economics to collective economics; from independent to interdependent economics; from an outer to an inner economics; and from a material to a spiritual (soul) economics. By doing so, we will move from an economics as the science of scarcity to economics as the science of abundance. This will result from a major revolution in values. From purely individualistic to collective values and from material values to humanistic and spiritual values (e.g., solidarity, justice, love, harmony, fraternity, hope, peace, freedom, equity, empowerment). All these values with material and non-material connotations.

We will not be able to resolve "our" problems as independent and materially free agents. Our Problems will be resolved

in what is a very interdependent state of our human existence. And, for economics to yield different results from those we complain about today, it requires to change the cycle of negative interdependence.

#### INDIAN STORY

Let us put our sandals on and change the destiny of humanity.

Thank you