

In Search Of Spiritual Economics

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Alfredo Sfeir Younis, a Chilean National, is currently President and Founder of the Zambuling Institute for Human Transformation, a non-profit organization established in Washington DC, whose charitable and artistic objectives are to promote and advance an understanding of the need for human transformation and spirituality in order to bring about peace, justice, equal rights, education, employment, and adequate food, water, natural and environmental resources for all and, therefore, heal the world from illnesses of the body, mind and soul. He is an economist graduated from the University of Chile, with a Master and a Doctorate from the University of Wisconsin and the University of Rhode Island, USA. He recently retired from the World Bank where he held various key positions for nearly 29 years. His last position was Senior Advisor to the managing directors of the World Bank and the Institutional Focal Point on human rights and globalization. Mr. Sfeir-Younis has written more than 100 papers, articles and books on many topics such as public policy and globalization, human rights, healing and alternative medicine, spirituality and economics, peace education, environment.

We are living at a crucial moment in human history. There are many ways to interpret this moment and we must make the right decisions if we want to promote positive human and social transformation.

Despite what we might say about “material progress”, for many people, life is a major struggle. It seems essential to assess whether we are adequately addressing the challenges and directions of our human destiny. No matter where we are, whether we are rich or poor, black or white, Asian or Latin, or whether we live in the north or south, we are all seeing incredible changes in our existence. The changes manifest with so many contradictions and contrasts: for example, peace and war, wealth and poverty, health and illnesses, happiness and suffering, and karma (action) and yoga (union).

We question everything, while, at the same time, several new spaces are being created to find the answers. Who will fill these spaces? What will in the end fill these spaces? How will these spaces be filled? These fundamental questions must be answered before it is too late.

Many scientists are moving fast in their search for ultimate answers and, as a result of their research, they are making discoveries that will change the way we view life. For example, quantum physics has discovered that the atomic world is nothing like the world we live in and

it contains many clues as to the fundamental nature of the universe. String theory has emerged and is at present the best hope to give concretely computable answers to fundamental questions such as the underlying symmetries of nature, the quantum behavior of black holes, the existence and breaking of supersymmetry, and the nature of quantum mechanics and space and time. All these discoveries point out that the ultimate source of matter is non-matter. Also, biologists can look with greater detail the elements that make up life and they are able to work with many of these elements. Many of the other sciences are doing the same in their own domain and within their established boundaries.

The closer we get to the “ultimate” state, the more we realize that all fields, professions and people’s lives have so many dimensions in common. In particular, the awareness in many domains that the ultimate source of “matter” is “non-matter” (from Quantum Physics) is affecting tremendously the structure, content and options offered by the old paradigm. This awareness is fundamental to be perceived before we fill the above mentioned new open spaces with more ‘matter’ and ‘materialistic elements’.

Today, we know that our non-material existence is at the roots of what we see, touch, smell, and hear. In effect, this non-material existence

is found, for example, in the subtle intelligence of our vision, and it is this intelligence the one that determines what we actually see. The same applies to all our senses and their respective inner wisdom.

We know that we are much more than the sum of our physical parts. Thus, a materialistic understanding of life as a paradigm that has reached its limits in explaining human reality. This paradigm has reached the limits of wisdom, effectiveness, capacity, and the limits that would explain the ultimate source of change and human transformation.

Can economics -and economic development as its expressions - be exempt from an investigation of its ultimate source? In my view, this is neither possible nor acceptable.

The success or failure of development in many societies cannot be explained by, or be based exclusively on, a narrow notion of material progress or material welfare. For example, in Bhutan, the government is not just focusing on progress in the Gross National Product (GNP), which as we know, is a very materialistic way to see both material and non-material existence, but also on the new concept of Gross National Happiness (GNH). Those who still view matter as the ultimate reason for human existence will ridicule the idea of GNH, and continue to

argue that the ultimate source of economics is only material.

Few economists –a recent exception being Amartya Sen– are asking themselves the question of what is the ultimate source of economic development. Amartya Sen, a Nobel Prize winner, has linked development to human freedoms. This paradigm represents a major shift in economic thinking.

There is no doubt that modern economics has made a significant contribution in many fronts, particularly in explaining human behavior under conditions of material scarcity; i.e., when needs are more than the resources available to satisfy them. Economists have explained to private and public decision makers the consequences of ignoring the dimensions and dynamics resulting from material scarcity. This has been done via concepts such as opportunity cost, productivity, comparative advantage, competitiveness, benefit cost relationships, shadow (economic and not market) prices, and others. Economists have also offered insights regarding the ways people behave under conditions of scarcity (i.e. to avoid wasting scarce resources unnecessarily; dilemmas that societies face due to unequal distributional patterns; allocation of public funds; selection of development investments; design of economic and financial policies such as trade, monetary, balance of payment, foreign-exchange and

expenditure). While all these insights are valuable, they do not explain the ultimate source of economic development.

If we do not try to answer this question, we will continue to be distracted by the atmospherics of a complex phenomena, and be unable to unify economic thinking and practice. Policies will remain superficial and dispersed. Policy makers will produce policies that will end up being suited to the real world as a boat that was built by someone who does not understand the effects of wind and waves. Economic policies and programs will continue to be short-term palliatives and not fundamental instruments for human and social transformation.

This situation is so perverse that we witness how billions of dollars are spent in the name of development, while this money fails to really alleviate poverty, protect the natural and human environment, and provide adequate options for future generations. Research and studies continue to show that economic development has failed to solve persistent economic disparities, issues of social instability, and many forms of discrimination, which are a key source of major social ailments, such as civil conflicts and wars. This is against the popular perception that ethnicity, religion, and other social factors are the real causes of conflict. Also, economics, as conceived and applied today, has resulted in exclusion of many minorities. Consequently, it

is imperative that the field of economics focuses on the challenges of inclusion.

As a result of the failure of economic policy to meet many of the world's social challenges, many development institutions have gone beyond a materialistic view of human life and have started to focus (rightly so) on empowerment, participation, voice, gender equity, anti-corruption, human rights, representative democracy, social justice, improved governance, enhancement of human and social capital, and more.

Now, the major focus is on people as the subject of development.

This new emphasis is not random. Ex-post evaluations of development effectiveness have clearly shown that success depends in most cases on “someone” and not on “something”. It is a someone the one who makes the something play a critical role in human development and transformation and not the other way around. Therefore, human development is not just a phrase, but a fundamental pillar of whatever we do in development. Human development is not simply more schooling or information dissemination. It is about people, their needs, their human betterment, and their happiness.

There are very few economists - but a large number of people - who question whether or not the economic and social instruments we use today are the right ones, and whether efforts to increase development, based on the same set of instruments, will actually change development outcomes in favor of the poor, powerless, and voiceless. This is a legitimate concern because we see so many negative outcomes of the development process.

To me, the future will be totally different from the past, and if we want to effect ultimate change and avoid the negative outcomes we experience today, we have to change now our trajectory, instruments and processes. Otherwise, more of the same will yield more of the same.

So, where do we go from here?

There may be a few magic bullets, but economists cannot remain on the sidelines and refuse to address the fundamental humanistic questions being addressed by other sciences. An effective pathway into a new future needs a new economics and a new economics needs a new human consciousness.

Economics is no more than a collection of values (rationally or implicitly

declared) that have determined/explained/rationalized decisions responsible for the negative outcomes we see (e.g. environmental destruction, poverty). Therefore, in order to understand the negative outcomes of many development programs, it is necessary to question the values underlying the decisions that created those outcomes. These values guide the basis of the assumptions, the cultural dimensions, and the vocabulary policy makers embrace in relation to development decisions. These values will also guide the definition of what they advocate as being the 'right options' for our societies.

If values are individualistic in nature, outcomes for the collective will be less desirable. If values are humanistic in nature (e.g., love, compassion, dignity, caring, sharing, fraternity, justice, human identity), the outcomes will be completely different and, most probably, acceptable to the collective.

However, we face an added challenge. These values are not just words to advocate but they are real expressions of an "absolute state of our Being". An absolute state of our human reality. Therefore, we will never know what these values really mean until we self-realize them, both individually and collectively, and the character and quality of self-realization will depend on our level of human awareness and consciousness.

It is in this sense that we can say that the ultimate source of economic development is human consciousness.

It is our human consciousness--expressed individually and collectively--that conditions our behavior under conditions of material scarcity. It is our inner development that dictates behavior and defines the content and ultimate quality of the development process. It is our level of human awareness that propels us in one direction or another and determines what we think about production, consumption, disposal, trade, investment, and other economic variables.

The shift in this direction will by design pay more attention to the quality of development. Quality of development in the public and private sectors. This is why many businesses are addressing the issue of "Corporate Social Responsibility", which, in a sense, represents a form of institutional space within which entrepreneurs, managers, owners, workers, stockholders, and investors decide whether to embrace a new set of corporate values for the good of humanity and not just the corporation.

We must embrace some agreed notion of social and human "responsibility" that is to guide economic thinking and practice.

In particular, economics cannot be practiced in an ethical and moral vacuum. Therefore, we must open the doors for a revolution in values: values that are humanistic and spiritual. It is these new values that must form the basis of a new economics called: spiritual economics. This science, art, or practice should not focus just on human behavior under material scarcity but should be based on attaining the highest levels of human consciousness and awareness. Spiritual economics should be based on:

- the self-realization of humanistic and spiritual values;
- the fundamental importance of non-material existence;
- the superior value of human betterment in which all aspects of matter must be aligned;
- the value of inner experience and inner development;
- the principles of universality and inclusion, no matter who and no matter where;
- the view that every aspect of human transformation is an organismic component of the laws of nature;

-the premise that people come first, not as numbers or emotions, but as a matter of unconditional commitment for all to benefit from development and progress;

-the understanding that for human beings to prosper, caring for nature and the natural environment is a key component of these values.

The idea of spiritual economics is not an esoteric proposition. It is not rhetoric for the sake of rhetoric. The proposition comes from subtle forms of human reality, and expresses the fact that human beings DO NOT have as their sole motivated existence the satisfaction of material needs.

The material needs approach has become central to the practice of what we should label outer economics. This is an economics where the fulfillment of those needs are found solely outside of us. Because outer economics has benefit only a few, it is time we try to develop also inner economics (the other side of the same coin) that can strengthen outer economic actions and propositions.

Outer and inner economics must become one strong and powerful discipline.

It is the existence of an outer and inner human reality that will enable us to create what we may call The 200% Society. This will be a society where people will be materially and spiritually abundant. It is spiritual economics that will enable us to create societies where individuals accumulate and share both material and spiritual wealth. Therefore, being materially rich cannot be the end of our human story; it is just one dimension of our existence in human-material-form. We must create societies that are also spiritually rich via the economic paradigm.

The risk we run by accepting the idea that we are only “human having” and “human doing” and not “human knowing” and human beings” is to condemn humanity to a life that may end up being both materially and spiritually poor. This would be a world of no hope, filled with violence, intolerance, and human suffering.

It is imperative to advance at the same time in both fronts, the material front (i.e., having, doing) and spiritual front (i.e., knowing, being) until they become one and the same. In practice, this means that a pro-growth policy or program will have to become pro-material growth and pro-spiritual growth, and when we talk about pro-poor policies, we will need to address material and spiritual poverty at the same time.

If we are to alleviate poverty, protect the natural and human environment

in its highest expression (both material and spiritual), and provide for future generations, it will be spiritual economics that will provide the foundation of our lives in this new millennium.

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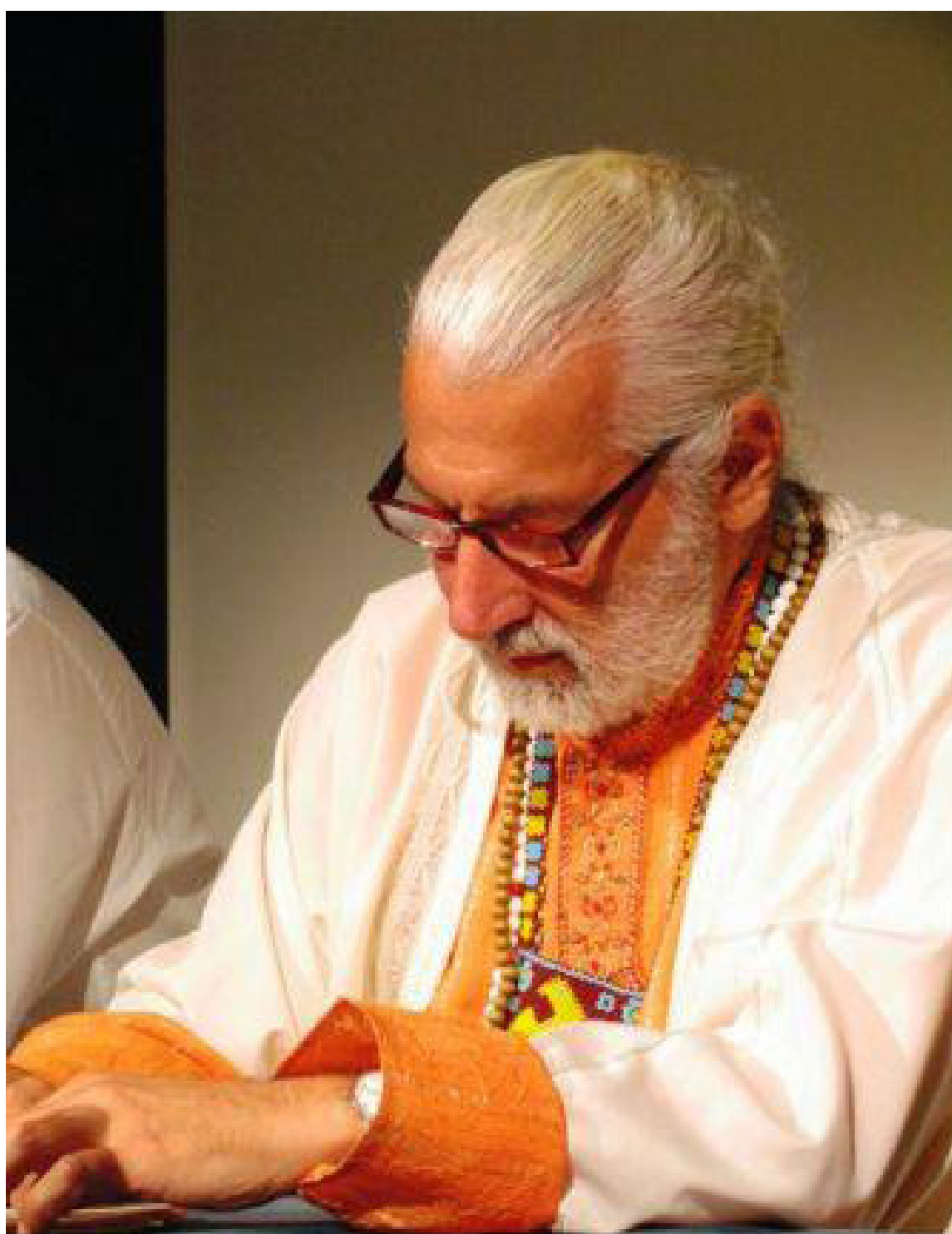
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