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Towards Creating the Right Kind of Globalisation

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Towards Creating the Right Kind of Globalisation:

An Analysis - with Proposals

(presentation by Professor Prabhu Guptara at the Conference on The Role of Law and Ethics in a Globalised Economy, organised by the Max Planck Institute for Intellectual Property, Competition & Tax Law, co-sponsored by The European Academy of Sciences and Arts as by The Bavarian Ministry of Economic Affairs, Infrastructure, Transport and Technology; held at the Bavarian Academy of Humanities & Sciences, Munich, Germany, May 22-23, 2008)

Our global economy, though marked by deep and urgent social and ecological problems, is underpinned by law and ethics. So it is self-evident that our social and ecological problems must be related in some way to at least some of our existing legal and ethical concepts and practices. It is also self-evident that while there are cultural differences in values and ethics¹, the right kind of globalisation would ameliorate rather than exacerbate social and ecological challenges, as our boom-bust economy does by its very nature².

I will first outline the four key issues in our globalising economy; second, explore the background to some of these issues as well as six consequences for our day; third, consider the flouting of law around the world today, exploring the roots of the phenomenon; and, fourth, present some proposals for creating the right kind of globalisation.

Four Key Issues in our Globalising Economy

The first thing to understand about today's economy is its historically unprecedented wealth. Kings and emperors of past years had splendid buildings but, thinking of variety and quantity of food, clothes, entertainment or housing, their actual standard of living did not match that of even most middle-class people in developed countries

today. Technological developments enable us to produce far more than humanity needs of everything from potato chips to computer chips, from clothes to homes and buildings, from rice and wheat, through beer and wine, to aeroplanes and cars. In car production alone, we have 30% over-capacity worldwide (a calculation from the height of the boom, before taking into consideration the factories coming on stream in countries such as Brazil, China and India). In steel, chronic overcapacity forced down prices by more than 2% annually for the 25 years to 2002 – though there has been an increase in the prices of all metals, partly as a result of what I fear will be a temporary boom in demand, and partly due to speculators. In fibre-glass cables, we have already laid enough to have theoretically unlimited capacity to transfer images and content across the globe.

The positive effect of such capacity to over-produce is that the only remaining obstacle to the abolition of absolute and even relative poverty is value-systems that allow the emergence and/or sustenance of kleptocracies that keep people in thrall, as in most parts of Asia, Africa, Eastern Europe and Latin America. Robbers, thieves and murderers also ruled in pre-Reformation Europe – but the people here freed themselves, so there is cause for hope for similar liberation elsewhere.

The negative effect of our capacity to over-produce is that, in marketing terms, 'it is war out there'. With global over-supply (whether of banks, postal systems, manufacturing capacity, or education providers), that there will necessarily be bankruptcies and/ or consolidation – indeed, as I have argued elsewhere, right across industries³.

Further, as a consequence of our capacity to over-produce, the basic assumption of the whole of economic theory, resource scarcity, is being called into question. There are only two kinds of 'scarcity' that are left. First, energy – though we should be able to overcome that, given the theoretically unlimited amounts of solar, wind, wave, and geothermal energy available – once we develop sufficiently efficient ways of harnessing those. Second, the capacity to recycle our waste products, such as batteries and nuclear waste. One key hindrance to addressing social and environmental costs is that they are not taken into account in risk-analyses, company balance sheets and national GDP accounting. Elites fight hard to privatise economic gains and socialise environmental costs. However, social and environmental costs can be properly represented in accounts, not merely by means of some sort of 'environmental audit' accompanying the accounts, but a co-ordinated change in accounting laws and practices at least in the USA and Europe. Fortunately, work has already begun on this⁴, though sceptics would say that we have a long way to go before we get anything like agreement within countries, let alone across them. 'Green taxes' are creeping in, but are primarily ways for governments to raise additional income without any commitment to devote the resulting revenues to 'green' matters. Moreover, most such taxes are at present are both marginal and inappropriate⁵. There are cultural, psychological, social and political matters involved here – but such reform in accounting law and accounting ethics is the first key need.

By contrast, the second issue in our globalised economy is unprecedented poverty. Never earlier in history have so many people lived in absolute poverty – something like a third of humanity, two billion people, live on less than two dollars a day. The percentage is undoubtedly smaller than it has ever been, but that abstraction does not dent the fact of the sheer numbers in today's grinding poverty. Earlier, poverty

had the consolation of community. Most people were in the mess together and were not actually starving, as they lived on the land. Further, the rich did not live entirely in their own ghettos, isolated from the poor as they do today, and the gap between the rich and the poor was nowhere near as large as it is now. The new poverty hurts because the people who rummage the rubbish bins for food do so in sight (really or virtually) of multi-billionaires. Nothing wrong with having multi-billionaires of course – more joy to them! – but can a global society really tolerate existence holding nothing but **avoidable** suffering for other human beings? In times before the power of machines and ICT (the Information and Communication Technologies), widespread human hunger was 'merely' an unavoidable tragedy. Today, with the possibilities and actualities of over-production, human deprivation is not only a tragedy, it is also a scandal.

What would it cost to provide a minimally-humane standard of living to the two billion who are underprivileged? Actually, not that much, and certainly not as much as it costs to provide research, development, manufacture, maintenance, supply and deployment for the arms industry alone⁶. I am not a peacenik; I point to a slightly better balance that, if achieved, would dramatically diminish the probability of wars. Wars are usually started by elites to buttress or extend their power at the cost of the average person in the regions they dominate. However, even a cursory glance at today's war zones and poverty levels demonstrates that the material circumstances of a region may play a significant part in encouraging or discouraging wars.

The third issue for our globalised economy is our ecological problems. Though a minority of scientists doubt the relationship between the nature of the global economy and global ecology – e.g. in the area of global warming - the majority of scientists

seem to agree that there may well be some relationship. In any case, most of us aspire to be responsible citizens. Providing incentives for global companies to move from the developed world to the developing world in order to escape taxes, dump waste, and evade pension, health and safety obligations is not entirely sensible for a globalising world where unhappy social, political, economic or ecological situations impact not only near neighbours but also distant countries. For example, the plume from the 1986 Chernobyl disaster in Ukraine spread over parts of the western Soviet Union, Eastern Europe, Western Europe, Northern Europe and even eastern North America! The 1997 forest fires in Indonesia created a haze problem not only for that country but also for Singapore, Malaysia and other countries⁷. Piracy is another area which is related to poverty, and terrorism may also have some roots in poverty⁸.

The fourth issue in our economy is volatility. Some people used to theorise that if national barriers, information opacity, subsidies and distortions such as in tax regimes were swept away, the global economy would function more or less smoothly. By contrast, it is quite clear that the more globalisation we have (at least globalisation of the current sort), the more volatile the economy becomes. Since the fall of the Berlin Wall, a marker for the current phase of globalisation, we have seen many more booms and busts in the economy than earlier. So the key issue in our economy is NOT growth, as is constantly chanted like a mantra by the high priests of orthodoxy. Thanks to the mesmerisation of our society by that chant, we are now in our second global bout of stagflation. The first-ever bout of global stagflation, which lasted some ten years, was ended by President Reagan's formula of reducing the growth of government spending, reducing marginal tax rates on income from labour and capital, reducing government regulation of the economy, and controlling the money supply (in order to reduce inflation). The global economy has been following the first

three precepts ever since his time - though, since the dot com bust, the USA has been printing more and more money.

Monetary manipulation is a game that most countries can play. Not surprisingly, most countries joined in, led by China and India. With the money supply growing at about 10% a year, there is simply too much money in the world. Inflation is the natural and necessary consequence. In spite of all that governments can do to try to hoodwink us into looking only at official measures of inflation, we all know that the official 'basket' does not measure the reality of the price of housing, transport, medical, legal or school bills. All of us could see 'crazy' prices being paid – whether for companies, real estate or works of art. There was a fundamental disconnect between the fancies invented by the elite⁹ and the real experience of humanity. Well, reality struck! It is not clear whether printing yet more money – the same as giving more poison to a sick person - is going to get the global economy back to any kind of health. The painful medicine, control of the money supply, will need to be given. At present, the authorities continue to print more money while trying to reduce the speed of movement of this money by raising the interest rate. But the quantity of money is one thing, the speed at which it might move is another. The two are related but should not be confused.

Is it possible to have a globalising economy that is not marked by extreme wealth, extreme poverty, and unacceptable levels of environmental damage as well as unacceptable levels of volatility? To answer that question, it is necessary to have a bit of background.

How Did We Get Here?

Throughout recorded history, there was not much to choose, except occasionally, between the different geographical parts of the world: all were marked by relative ignorance, poverty, and material exploitation by elites on the basis of brute force compounded by legal systems they created or manipulated for their benefit¹⁰. Naturally, some rulers were relatively enlightened while others were mere looters. This was historically the 'normal' situation.

The first part of the world to escape that historically 'normal' situation was Northern Europe - and that was entirely due to the Protestant Reformation, to which we owe in fact everything that we value in our modern world, in contradistinction to the pre-Protestant world. Among other things, the Protestant Reformation resulted in an unprecedented entity, the nation state, in which individuals were no longer subjects but acquired the dignity of citizenship. In principle, the Reformation also produced freedom of thought (including the freedom to be an atheist or agnostic). It produced the first societies marked by that peculiar combination (the rule of law, a serious work ethic, and modest lifestyles) which led to the accumulation of wealth among ordinary people. This was allied with the notion of civic responsibility, summed up in the dictum: 'Earn as much as you can, save as much as you can, give away as much as you can'.

Perhaps the greatest achievement of the Reformation was the inculcation of mass education and a culture of debate (and of loving one's enemy). This caused not only democracy to flourish on a sustainable basis for the first time in history, but also gave birth to modern science – which laid the basis for continuing material progress.

Though scholars such as Weber, Tawney and Millendorfer¹¹ have studied aspects of this, scholarship has paid little attention to the concatenation of the above factors that

led Europe, from being one of the poorest parts of the world, from times immemorial and right up to the sixteenth century, into becoming one of the richest parts of the world by the start of the nineteenth century. For that startling fact, there is no intellectually satisfactory explanation other than that which I have just put forward – at least, none that I have seen (I should, at this point, make it clear that, though I follow Jesus the Lord, I am a Hindu).

Though nation states provided Europe with a framework for progress, these were and remain contested spaces, fought over by reformers on the one hand, and on the other hand by the old exploitative elites, whom I call 'establishmentarians'. However, members of the old elite have themselves occasionally become reformers. Some among them were probably mere pragmatists (e.g. Bismarck, various royal families, and the post-WWII Conservative Party in the UK), while others were drawn to action by values and ethics (e.g. William Wilberforce and his Clapham Circle, whose titanic achievements were to abolish the slave trade and, more important, to clean up Britain which was one of the most corrupt countries in the world and became through their efforts one of the cleanest, most transparent, and most reliable countries¹²). In addition to such members of the old elites who betrayed their exploitative heritage, there were officially-NON-Protestant reformers (including, today, even Roman Catholics). Indeed, as can be seen from the history of countries outside Europe and North America, most reformers came from backgrounds other than Christian. For example, in India, apart from the initial impetus provided by the work of William Carey (who laid most of the cultural foundation for the emergence of India as a nation¹³), most of the reformers were Hindus¹⁴. In the same way, contemporary reformers in the Middle East, whatever we think of the kinds of reforms that they are introducing, or would like to introduce, are all Muslims. One could, in fact, provide examples of

major reformers in the context of their own societies from all around the world, with people from Buddhist, Shinto, Confucian, Communist, and Tribal backgrounds.

We may put it briefly thus: the Protestant Reformation made northern Europe uniquely hopeful, in contrast to the perennial fatalism of the world before then, leading to the birth of notion of 'progress' and of 'modernity'. This became secularised, and led to a wave of reformation across most parts of the world. The unreformed elites ('establishmentarians') were forced to concede to the reformers point after creeping point in the fields of education, science, technology, business, institutions, social structure, politics, law, and so on – to the great advantage of most people around the world. We thus had three centuries of reformation.

By the 1970s and 1980s, however, we have something strange: the old starts becoming the new! In other words, the space between the old unreformed but defeated establishmentarians and the victorious reformers starts getting muddied, specifically in the West. New spokespeople for the old establishmentarians, the 'Neo-Olds', start presenting the traditional values of the old elite as 'modern' values - e.g. they start presenting as 'modern' the idea that 'greed is good' or that 'the prime purpose of life is to acquire as much as you can'. Let me emphasise the difference between the establishmentarians and the Neo-Olds: the establishmentarians fought unsuccessfully against the reformers to preserve their power, pelf and perquisites; the Neo-Olds arose from the largely-defeated establishmentarians, and fought back against the reformers in order to take power again and to reverse the reformers' achievements in social justice, political freedoms, cultural balance, and so on.

From the 1980s, we see the triumph of these Neo-Olds, starting in the USA under President Reagan, jumping across the ocean to the UK with Prime Minister Thatcher, and thence to the whole world. One result was that tax systems were changed to favour the rich and disadvantage the middle class: in just seven years, the income tax rates of the top personal tax bracket dropped from 70% to 28%; on the other hand, the effective tax rates on the lower two income quintiles increased, as did payroll taxes. With the sub-prime crisis and the global credit crunch¹⁵, are we at the end of the wave of global triumph of the philosophy of the Neo-Olds? In any case, the period from the 1980s to the present might be called the period of the Triumph of the Neo-Olds, or the Revenge of the Non-Reformed.

Meanwhile, the sovereignty of the nation state has been diffused because of developments in science, technology, industry, business, law and politics, so that the contested space is no longer simply within nation states, it is now also across nation states, in the new international institutions, as well as in the struggles for the kinds of new international institutions that might be built. Instead of having a world marked only by a sort of civil war between reformers and Neo-Olds within countries, we now have what may be, somewhat exaggeratedly, described as a 'global civil war' between reformers and Neo-Olds.

The first consequence of this history is that there is a question regarding the future of cross-border institutions (the media, the UN and its bodies, the British Commonwealth, the European Union, et. al.) which have been built since WWII on the basis of reformist ethics, for example in their rules and codes of conduct¹⁶. Will such institutions continue to deliver the blessings of the Protestant Reformation to the world, or will there be a sort of 'global strikeback', for example by conglomerations of

non-democratic states allowed to become as powerful as democratic states? Or by the media returning to the role they had in Pre-Reformation Europe - that of a sort of opium, similar to the role of circuses in the Roman Empire, delivering entertainment to console and distract the masses? Whatever may happen in the future to the cross-border institutions whose basic structure was up to now settled in favour of reform, there are also many emerging issues, at present perceived as 'marginal', which are still to be settled. These could become central in the relatively near future – e.g. robots, nanotechnology and transhumanism¹⁷.

The second thing to comprehend, regarding the current state of the 'global civil war', is the sub-prime crisis, which is covered in detail elsewhere in this volume. I will say only that the entire phenomenon was caused by the domination of the Neo-Olds over the last quarter century. If the philosophies and ideologies of the Neo-Olds have their comeuppance as a result of the crisis, that will provide the only basis on which the roots of the crisis can be addressed. Those are also, by the way, the roots of financial, political and social crises that will otherwise be upon us.

The third matter to comprehend, in the context of the current state of the 'global civil war', is the struggle for what kind of World Trade Organisation we should have. Much of our global challenge in the matters of ecology and social injustice goes back to the creation of the North Atlantic Free Trade Agreement (NAFTA) - the ideological precursor of the kind of World Trade Organisation (WTO) we have. The key personalities in relation to that treaty were President Clinton and Vice-President Al Gore. They had touted, as part of their election platform, a pledge to sign the NAFTA Treaty only if it included environmental and human safeguards. However, they abandoned those commitments, and Clinton signed into being a NAFTA that

specifically excluded environmental and social considerations (details, for example, in Jeff Faux's The Global Class War, Wiley, 2006). Meanwhile, Al Gore has now disgracefully been awarded the Nobel Prize, even though he has never acknowledged his own contribution to environmental disaster. The main struggle regarding the new WTO treaty is the inclusion or exclusion of environmental and social justice questions. For example, agriculture needs to be taken out of the remit of the WTO - or to be left in, but with the duty of ensuring that local production is always preferred to imports from distant places. But perhaps the latter point will now be taken care of by natural forces, so to speak, if energy and therefore transport costs continue to become more and more expensive¹⁸.

The fourth thing we need to note is that we live in a world where companies grow bigger and bigger while unprecedented opportunities exist for niche companies to be set up, whether by a handful of people or by an individual. Life is possible for companies at both ends of the scale! But what is difficult for companies is life in the middle. In every industry, we see middle-sized companies being squeezed out - and middle-sized companies are what provide the bulk of jobs.

The fifth thing we need to note is a parallel in society: the middle class is being eliminated (the growth of the middle class in China and India is a different phenomenon, needing another discussion). What is under threat is the future of the middle - whether economically, socially, politically, or technologically.

Sixth, we have had an efflorescence of lawlessness even in what used to be the 'Protestant heartlands' of the USA and Europe¹⁹ as the influence of Protestant and

other reformers has waned under the impact of the Neo-Olds. 'Legal nihilism' is a term coined by Russia's President Dmitry Medvedev to describe widespread disrespect for the law at all levels of Russian society. A former law professor, President Medvedev has promised to make law and order a top priority, for example calling for legislation to rein in 'reiderstvo' - the lucrative business of paying a publicly known scale of 'fees' to various law enforcement and court officials in order to bankrupt or take over a company. The 'administrative' work involved costs only around \$300,000 dollars. What is not known is how much has to be paid to politicians and others. And if it is the politicians themselves doing the takeover, presumably they have to share at least some crumbs with others in the system. One imagines that the crumbs have to be relatively large if the company is the size of Yukos or TNK-BP or Hermitage Capital Management. But even relatively small companies, on Russia's scale, must be tempting - according to the Russian Chamber of Commerce & Industry, some 8,000 companies a year are targets of 'reiderstvo'.

What is President Medvedev's solution to such rampant manipulation of the law by political, criminal and business groups? Among other things, the Russian Parliament is debating a twenty-year jail sentence for raiders who acquire companies illegally. However, when the judicial system is itself corrupted, it is not clear that any legislative measure is going to ameliorate a disease that is deeper than can be tackled by mere legislation. The disease is, in fact, cultural.

In other words, the question that President Medvedev does not ask is: what are the cultural roots of Russia's lawlessness? As long as he does not ask that question, find sufficiently insightful answers, and thereby put in place an effective programme to combat those roots, he has no hope of actually doing anything about cultural

lawlessness, however noble his intentions.

So what are the roots of a whole culture that is lawless? Clearly, in Russia's case, the other-worldly tradition of the Orthodox Church has something to do with it, because it not only failed to instil in the elite a culture of compliance with the teachings of Jesus the Lord, but also actively colluded in creating that culture of elite lawlessness, so that the law itself became a form of lawlessness. A second contributor to Russia's cultural lawlessness is its Communist heritage. The 'law' was whatever the current clique in power SAID was the law, and this continues to be the situation. A third contributor to cultural lawlessness is the sort of capitalism Russia has put in place: a Darwinist or jungle capitalism arising primarily from the ideology of theorists such as Milton Friedman, and not from any overwhelming sense of morality, justice or what is humane. There are doubtless additional significant contributors to 'legal nihilism' in Russia and countries within its erstwhile empire.

In other countries, highly different reasons are either responsible or contributory. For example, in India, it is the 'Hinduism' typified by the Vishwa Hindu Parishad. In countries such as Sri Lanka, Myanmar/ Burma, Thailand and Cambodia, it is the quiescent and other-worldly Buddhism of the majority population. In the Philippines, it is the Romanism of its majority. In Africa, it is primarily tribalism and the other-worldliness of the local religions. The reasons for my denigration of 'other-worldly religions' are documented (probably insufficiently!) elsewhere²⁰.

However, you may wonder about the role of a this worldly religion' (Islam) and why THAT does not seem to end up today delivering the rule of law in any sense that results in flourishing of humankind. Let me briefly note that, as Islam cavils at the

essential point of whether morality is absolute or relative in relation to the spread of Islam, Muslims have made various compromises in terms of law, ethics and morality in order to spread Islam (much as the Roman, Orthodox and Anglican churches have, and have Hindu and Buddhist traditions). Once Islam is established in any society, it has so far shown a tendency towards stasis (just as have the other traditions just named). It is only in the last few decades that there has been any widespread attempt at Muslim self-criticism and reform (not always in a desirable direction, principally because such self-criticism and reform have been in response to what Muslims have perceived as the 'threat' of modernity - or, in our terms, Protestantism²¹). That seems to me the principal reason why the actual results of contemporary Muslim reform movements have been either a mixed blessing or overall negative so far, although they could have ended up (and could still end up) being positive.

Examples of non-Protestant traditions (though all influenced by the Bible in various ways) that provided some minimal respect for law at least for a time, have been:

- Maoism in China,
- Japan's 'catching up' movement, starting under the Tokugawa Shogunate and the Meiji oligarchy in the eighteenth century but more fully under direct American tutelage after World War II, and
- simple nationalism (such as in India under the influence of Mahatma Phule, Mahatma Gandhi and Dr. Ambedkar).

However, a glance at the 2006 'Rule of Law Index'²² - a measure of the extent to which agents have confidence in and abide by the rules of society - shows that countries which were most strongly influenced by the Reformation (that is, North

America, Europe, Australia and New Zealand) are the areas that are even today those that are most substantially under the rule of law.

I come now to the matter of the key additional reforms that are needed if globalisation is to avoid creating an inhumane, and to create instead a humane, future.

Seven Steps to the Right Kind of Globalisation

Summarising my argument up to this point: the issue is not globalisation as such, but rather the kind of globalisation we have had so far. Nor is the issue merely law and ethics, but the kind of law and ethics that is involved. Remedying such matters involves working at a level rather deeper than mere globalisation, law or ethics. It involves working at the level of culture and structure. Here are my proposals for that purpose:

1. Our culture needs to be focused again on a realistic optimism not a fatalistic pessimism. The trend has been in the opposite direction, as is well-documented by Oliver Bennett in his book, Cultural Pessimism: Narratives of Decline in the Post-modern World (Edinburgh University Press, U.K., 2001). Cultural pessimism arises with the conviction that the culture of a nation, a civilisation or of humanity itself is in a process of irreversible decline. Surveying the history of pessimism, Bennett concludes that it will be difficult to turn the tide of contemporary pessimism. It is precisely that difficult task that must be tackled.

2. We need to restore education to its function of nurturing citizenship and genuine personal fulfilment – and move away from the present function of training people for employment by the elite. This will involve restoring the function of enabling

individuals to think for themselves, not merely to learn by rote in order to pass exams and gain certificates or college/ university degrees. It will mean moving from presently-dominant 'merely technical' training, even in subjects such as economics and IT, to education in the widest sense, reincorporating history, literature and philosophy. It is striking how much freedom of thought has been lost even at the doctoral level and at faculty level in universities where, increasingly, one has to follow what is perceived to be 'politically correct', in disciplines as diverse as economics, sociology, anthropology, psychology and even science, in order to be hired and then to be granted tenure. Indeed, even tenured faculty have been hounded from their positions because of their views.

Contemporary educators as well as people in government like to point out how successful we are at education, but fail to observe that we have redefined educational success in such a way that it is empty and meaningless from the viewpoint of nourishing an open, democratic and fulfilling culture. Educational excellence needs to be defined once again to include and emphasise responsibility, not individual greed and collective consumerism. More broadly, there needs to be a cultural inculcation of the notion of 'enough' specifically in matters of economics, business and money. The restoration of Sunday as a day of rest, and of limited trading hours during the rest of the week, would in addition go an enormous way towards reducing stress and stress-related diseases - which are now the largest killers, present in epidemic proportions, though it is politically incorrect to recognise their existence.

What else is being done to reverse the present trend towards extreme greed and individualism consequent upon the triumph of the Neo-Olds and the decline of

reformism? There is the strategy favoured by the media: naming and shaming the 'fat cats'. This sport no doubt can contribute to circulation and ratings, but little else.

3. The media needs to be restored to the function of truth-telling, by removing the obsession with entertainment - partly by global quantity controls, and partly by introducing competition for the commercial sector from socially-sponsored media responsible for quality alone. Britain could have had such a situation, but the elites there have weakened public broadcasting by requiring the BBC to compete with commercial television in entertainment and ratings. As long as budgets were adequate for top-quality productions, the BBC could compete even in entertainment but, as budgets were squeezed, the BBC too has increasingly produced the broadcasting equivalent of candy or aspirin. Public broadcasting needs to be strengthened even in the U.K. by such a dual system as I propose – and mandated worldwide. At present, in most parts of the world, media provide only government propaganda and/ or elite propaganda. Of course the media must entertain! But the central question is: do the media allow space for debate, discussion, thinking – or do they squeeze out the space for it?

4. Political parties and representative democracy should now be abolished, and direct democracy installed instead, because the system of political parties has proven open to manipulation and vicious behaviour²³, and because direct democracy increases transparency while saving costs (taxpayers do not need to pay for an expensive body of legislators!). We already have the technical means for direct voting on all issues. We even have the technical means to identify and ascertain the way each vote is cast. This will militate against anonymity, but anonymity is not an essential part of democracy: responsibility is what is essential. A primary part of

responsibility is identifying where you stand on any issue on which you care to take a position. Even in Switzerland, the home of direct democracy, I find a reluctance to recognise that the system of having parties is what creates deadlocks – and a tendency to blame direct democracy instead! But as issues are liberated from party considerations, it becomes much easier to reach decisions, as well as to enable effective implementation.

5. Fundamental and even applied research needs to be liberated from the trammels of private sponsorship. Many react negatively to such a proposal on grounds of efficiency. However, efficiency is less important than the consequences of research for humanity: it does not matter how efficient my car is, if I am driving in the wrong direction! Science and technology are more and more divorced from real human needs: perhaps 98% of worldwide research money goes into the obsessions and problems of the rich, who are certainly by any measure no more than one sixth of the world population. I would not expect only one sixth of research money to be devoted to their needs and desires. In fact, I don't expect even one third or one half, but perhaps sixty or seventy percent would be fair – 98% certainly does not make sense. However, I agree with the need for efficiency, and believe that we will get it by global mechanisms for ensuring greater competition and commercial freedom for products and services.

6. A global minimum wage and/or guarantees need to be introduced for food, clothes and shelter. Today, this is not particularly costly and can certainly be easily afforded. That needs to be combined with re-establishing the middle class worldwide (we have a global elite but not a global middle class). In turn, that can only be accomplished by redefining work and strengthening the family, for example moving worldwide from

the current marriage penalty to a premium for nurturing children, with encouragement and celebration of parents who bear and bring up children, and do not send the mother out to work in pursuit of illusory material gains²⁴).

7. Fundamental reforms are needed if the global economy is to avoid becoming an enslaving economy. Not all of the following reforms may be needed - some may be too extreme or not be radical enough for you. Each of us must come to our own conclusions and work for whatever reform(s) we think are necessary.

Usury is so fundamental an error in the global economy that it needs to be re-abolished²⁵. Fiat currencies are another²⁶. But we also have corporation law that encourages irresponsible behaviour with which managements must struggle as best they can²⁷. We have a stock exchange system²⁸ that encourages short-termism, and (most crucial) a global culture of greed and fear which is the basic cause. To illustrate: the charging of interest is contrary to Sharia (Islamic) law²⁹ but, as the rise of a substantial usury-based banking industry in Muslim-majority Middle Eastern countries shows, ways are found to pay lenders to lend. Indeed, funds from Muslim sources have not been un-prominent in leveraged finance (a sophisticated form of gambling, which is forbidden by the Koran). Why is this? As someone once put it, the heart of our problems is the problem of the human heart. Our problems in the outside world emerge from our problems in our insides. Moses and Jesus, for example, pointed this out long ago. We ignore the solutions provided - not only to our individual disadvantage, but also to the endangering of the whole of the world.

The kinds of steps I mention above are intended to be building blocks in a concerted campaign to stop the spread of the sort of unfettered greed which has taken hold in

the Anglo-American parts of the world since the time of President Reagan and Prime Minister Thatcher. That sort of capitalism may have been acceptable then from a purely economic point of view, and might still be acceptable today if we did not live in a globalising economy: there are advantages and disadvantages to every financial and economic mechanism. Today, however, we need to develop a new movement for 'world capitalism' based on

- the best of the human-capitalist tradition of Europe,
- the risk-friendly capitalism of the USA and UK, and
- the new requirement for social justice and for environmental and emotional care worldwide.

What is the chance of creating the right sort of globalisation, rather than the current sort of global casino? As far as I can see, the chance is an open one. Our individual and collective decisions each day can continue the momentum towards the wrong kind of globalisation - or, equally, they can help create the right kind of globalisation. There is hope because human beings are not predestined or pre-programmed to be slaves. In fact, the contrary is the case: freedom finds an echo in every human heart, and it is never too late to choose to pay the price of freedom.

Those who are prepared to pay the price should be aware that reformation arises from two sorts of energy

- A **negative** energy of outrage against perceived wrongs, and a **positive** energy of striving towards goals that are perceived to be universally desirable.
- Both forms of energy have their roots in social, psychological and spiritual sources – and these are systematically undermined and marginalised in our dominantly Neo-Old culture, so that the drive for the right kind of globalisation

is vitiated and weakened. A restoration of such energy itself depends on the sorts of reforms I have indicated.

Stephen Marglin's book: The Dismal Science: How Thinking Like an Economist Undermines Community (Harvard University Press, 2008) points out that we all think like economists nowadays. This sort of thinking undermines community, families, businesses and nations. This was perhaps why traditional wisdom, whether in Europe, India, Japan, or Africa consigned the business class to the bottom of 'respectable' society (priests and nobility had a higher place - tribal societies of course did not accept any merchants at all). Till recently, it seemed as if the relative advantages of our global system worked to all our benefit. Now it is clear that the disadvantages outweigh the benefits. To those who want to see, the facts are clear.

Regretfully, there are none so blind as those who do not want to see, fearful that seeing might cause them to question their own attitudes, beliefs - indeed the very ground of their beings, their souls and personalities. However, such seeing and such questioning can be the secret of a new beginning. Perhaps that is what Jesus the Lord was talking about when he declared that it is something extraordinary, something supernatural, something from God Himself, that enables us to be willing to lose our self-interest, to die to ourselves, to be born again (The Gospel of John, Chapter 3, verses 1-21). At least, that is one Hindu's view of it.

We need to rediscover what he meant, and we need the resulting birth of a new generation of reformers who will continue the work of the now-unknown Anabaptists and well-known folk such as Luther and Calvin. It is eventually to such reformers that we owe today's universal literacy and the knowledge revolution, the birth of modern

science and technology, the rule of law and the possibility of prosperity for the average person, our political freedoms, our concept of the family and of women's rights, of heroism and of environmental care. To William Wilberforce and his Clapham Circle, in the 19th century, we owe the breathtaking vision of a cleaned-up and responsible polity and economy. Together, these reformers created everything that we understand by the term 'modern civilisation'. What more do we need today, what remains for the new generation of twenty-first century reformers to accomplish? Just as the early Reformers rejected the authoritarianism of the Roman Catholic Church, we need today to reject the totalitarian stranglehold of our current global financial and economic approach and mind-set if we are to create the right kind of globalisation. Just as Wilberforce created alliances and institutions to clean up public and economic life, so we need to create new alliances and new institutions to clean up the current form of globalisation so that it is transformed from an agent of massive blessing for a few, into becoming an agent of massive blessing for everyone.

When I raise such matters, well-meaning people say to me, 'Professor Guptara, are you not being a little idealistic?'. I reply that when an unknown business executive called Peter Eigen started calling for the elimination of financial corruption and backhanders from the global economy, lots of people thought he was a dreamer – till the work of Transparency International started having an impact. When Princess Diana started calling for an international ban on the use of anti-personnel landmines, almost everyone thought: 'Another wild idea from someone out of touch with reality'. But, dear colleagues, God has given us a real world with real limits, though we also impose artificial limits as a result of our fears and anxieties. Within real limits, we can dream new worlds into being. The question is whether our dreams are ideals or

nightmares – and we can tell the difference by whether they will create a world of freedom and opportunity for the vast mass of humanity.

Law and ethics in our globalised economy face two principal challenges: first, the challenge of the Neo-Olds or the New-Lawbreakers, modelled, encouraged and enabled by leaders from President Reagan to President Clinton, and from Prime Minister Thatcher to President Putin and Robert Mugabe; and second, the subtle as well as massive challenge of creating an appropriate culture of law and ethics for our globalised world. We have today a clear choice between entrenching an existing global system that already works primarily for the benefit of the elite³⁰, and creating a culture that is to the benefit of humanity as a whole but especially the poor and disadvantaged. We are constantly fed the propaganda that what is good for the elite is also good for the poor and disadvantaged – even though both theory and experience tell us this is not only false, but is a lie.

The first culture WITH a respect for law was, clearly, Jewish culture, where even kings and emperors had to be subject to the law, understood as God's law. Rulers could not simply make up laws suiting their whim, fancy or benefit. However, when kings failed to submit to the law and resorted to manipulating the law, the Jewish understanding is that God allowed the consequences of such manipulation to take their course – exile from their land with consequences down to our time.

The second historical culture with a respect for the law was created by a rediscovery of the Hebrew tradition, as the Bible was studied from say the 11th century and led to the rise of what came to be known, from the 16th century, as Protestant or Reform movements - protesting against the political, legal, social, military and economic

manipulation of Roman Catholicism. Naturally, the Reformers were as human as the rest of us. They too were occasionally (or a lot of the time!) selfish, manipulative, exploitative and the rest. However, as long as they studied and attempted to implement the teachings of the Bible, they received from it standards, inspiration, challenge and rebuke that led to the continued reformation of society – specifically, the unprecedented separation of Religion and Region ("Church" and "State"), and the division of powers within the state, for the first time in history, which is what led to the secularisation of progress, which blessed (and blesses) the whole world as long as the world's elites were and are willing to heed what is right.

Though the teachings of the Bible were increasingly rejected by the West's elite from the 1880s, that rejection had little impact on the material culture of the West till the rejection attained society-wide proportions as a result of the rise of mass education from the 1950s under the guidance of the now-Godless elites. Not surprisingly, the West's 'progress' has become increasingly inhumane since then³¹.

There is now a reaction against materialism and Godlessness. The only problem is that many of the new believers are culturally, politically, economically and technologically illiterate, resulting in initiatives that have been irrelevant, collusive or so far ineffective. However, they are learning from their mistakes and becoming better co-ordinated and educated, not only among themselves but also with others who are likeminded on particular issues. Though there are some totalitarian-type reactions, the prospects for a positive and humane resolution (rather than a totalitarian resolution) of the current global civil war are at present bright.

There remains the question of which side the new global elites will choose, and which side the now-global masses will choose. Together, the new global elites and the new global masses can make choices that put in place the genuine rule of law globally for the first time in history. What is quite clear, even from the few aspects that we have been able to explore, of the spiritual, psychological, and cultural sources of the transforming power that has actually confronted legal and ethical challenges successfully in the past, is that reformation is possible once again today.

What would that mean in legal terms? If Sharia law is inhumane because it ultimately appeals to force rather than to discussion or persuasion, and if EU law is opaque, heavy and ineffective, what we need is global law that is transparent, light and effective - and is, above all, seen to be just.

NOTES:

1. GUPTARA, Prabhu 'Ethics Across Cultures', Journal of the Royal Society for the Encouragement of the Arts Commerce and Manufactures, London, England, UK, issue 2, 1998, pages 30-32). For an excellent discussion of a globally-acceptable definition of "integrity", see *Reporting with Integrity*; Institute of Chartered Accountants of England and Wales, 2007.
2. For the details of the argument concerning the source and effects of a boom-bust economy, see GUPTARA, Prabhu *Was Niemand Sehen Will: Die Folgen Eines Auf Zins Beruhenden Weltwirtschaftssystems* WEIS, Mathias and SPITZECK, Heiko (Herausgeber), *Der Geldkomplex: Kritische Reflexion unseres Geldsystems und mögliche Zukunftsszenarien*, Haupt Verlag, Bern, Schwyz, 2008. Banks, insurers and investment houses have faced a crisis since summer 2007. They have "recorded more than \$400bn (£203bn, €257bn) in losses ... (and have) been forced to raise \$300bn-plus in capital at bargain basement prices," (Financial Times, 26 June 2008). Since 2006, approximately 100 million people have been pushed into poverty as a result of increased food prices, according to Vikram Nehru, the World Bank's Director of Poverty Reduction and Economic Management and Acting Chief Economist for East Asia. The deep logic of religious and quasi-religious (i.e. market-fundamentalist) convictions has deeply influenced people's ethical responses to globalisation. Research by Peter Berger and Benjamin Freedman demonstrates that those who seek solutions to the adverse effects of globalisation, tend to be those who embrace progressive forms of classical religious traditions - e.g. STUCKELBERGER, Christoph 'Chances and Challenges for ICT', International Review on Information Ethics, issue no. 2, July 2008.
3. GUPTARA, Prabhu 'Managers' Lives, Work and Careers in the Twenty First Century', COOPER, Cary L. (Ed.) *Leadership and Management in the 21st Century*, Oxford University Press, 2005.
4. See, for example: www.beyond-gdp.eu; and www.epa.gov/opptintr/library/pubs/archive/acct-archive/pubs/final.pdf; and LETMATHE, Peter and DOOST Roger K. 'Environmental cost accounting and auditing', Managerial Auditing Journal, 2000, 15/8, 424 -431.

5. The Economist now favours encouraging alternative energy sources by 'taxing carbon (even knowing that places like China and India will not) and removing subsidies that favour fossil fuels' ('The Future of Energy', 19 June 2008). The massive subsidies heaped on the oil, coal, gas and nuclear industries, if shifted to production tax credits, can accelerate the growth of renewable energy, as can lower taxes on incomes and payrolls, while taxing waste, pollution, planned obsolescence and resource depletion. Windfall taxes on energy company profits would help too, especially if they could be offset against investments in alternative technologies, or in new supplies or facilities. See also: www.house.gov/stupak
6. The US spends some \$700 billion per year on defence - almost as much as the rest of the world put together. Dwight D. Eisenhower once pointed out that "Every gun that is made, every warship launched, every rocket fired signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed. The world in arms is not spending money alone. It is spending the sweat of its labourers, the genius of its scientists, the hopes of its children... This is not a way of life at all, in any true sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron." (in "The Chance for Peace" address delivered before the American Society of Newspaper Editors, April 16, 1953; available at: http://www.eisenhower.archives.gov/speeches/Chance_For_Peace.html)
7. DAUVERGNE, Peter 'The Political Economy of Indonesia's 1997 Forest Fires', *Australian Journal of International Affairs*, 52 no. 1, April 1998, pp13-18, and GLOVER, David & JESSUP, Timothy (eds) *Indonesia's Fires and Haze: The Cost of Catastrophe*, Singapore, ISEAS, 1999.
8. TAN, Andrew T. H. & BOUTIN, J. D. Kenneth (eds.) *Non-traditional Security Issues in Southeast Asia*, Singapore, Select Publishers for the Institute of Defence and Strategic Studies, 2001; DJALAL, Hasjim 'Piracy and the Challenges of Cooperative Security and Enforcement Policy', *Indonesian Quarterly*, 30 no. 2, 2002, pp106-116; LISS, Carolin 'Maritime Piracy in Southeast Asia', in SINGH, Daljit & CHIN, Kin Wah (eds) *Southeast Asian Affairs 2003*, Singapore, ISEAS, 2003, pp52-70; WARREN, James Francis *Iranun and Balangingi: Globalization, Maritime Raiding and the Birth of Ethnicity*, Singapore, Singapore University Press, 2002; YOUNG, Adam J. & VALENCIA, Mark J. 'Conflation of Piracy and Terrorism in Southeast Asia: Rectitude and Utility', *Contemporary Southeast Asia*, 35 no. 2, August 2003, pp269-283.
9. Consider Alan Greenspan's invention and promotion of the idea that the dot.coms had created a "New Economy" - which ended in the "dot.com bust"; and his urging US borrowers to jump to adjustable rate mortgages, hailing the new derivatives as "financial innovations that spread risk to those able to bear it" - which ended in the "sub-prime crisis".
10. Since 1989, the antics of Silvio Berlusconi, the Italian politician, entrepreneur and media promoter, are a case study in how to manipulate the law. Similar studies can be carried out of the actions of many current politicians from Mugabe through Putin, to the European Commission and the European Parliament which continue to flout the popular will as expressed in referenda in the Netherlands, France and Ireland.
11. Max Weber's most influential work is *The Protestant Ethic and the Spirit of Capitalism*, available in several translations from 1904 onwards. However, Max Weber on Law in Economy and Society (first translated in 1954) is certainly most interesting in the context of our topic, as is R. H. Tawney's *Religion and the Rise of Capitalism*, first published in 1926 and now available in numerous editions. MILLENDORFER, J. 1984: Hemmfaktoren einer gerechten industriellen Entwicklung. In: Vereinigung der Politologen an der Hochschule für Politik, München (Hrsg.): *Energie und Gerechtigkeit, Interdisz. Reihe Nr. 6*, Minerva Publikation, München, S. 64-101; MILLENDORFER, J. and GASPARI, C. 1971: Immaterielle und materielle Faktoren der Entwicklung. Ansätze zu einer allgemeinen Produktionsfunktion. *Zeitschrift für Nationalökonomie* 1971, 31, S. 81-120; MILLERNDORFER, J. and GASPARI, C. *Konturen einer Wende. Straegien für die Zukunft* (Graz, Vienna, Cologne: Styria, 1978).
12. TOMKINS, Stephen *William Wilberforce – A Biography*, Oxford: Lion, 2007; HEYCK, T. W. *The Transformation of Intellectual Life in Victorian England*, Croom Helm, London, 1982; Briggs, Asa. *The Age of Improvement: 1783-1867*. 2nd edition. New York: Longman, 2000.
13. MANGALWADI, Vishal *William Carey* Newcastle: OM Books, 1997
14. Raja Rammohan Roy, Keshub Chandra Sen, Swami Vivekananda, Swami Dayananand Saraswati, Mahatma Phule, Mahatma Gandhi, Dr. S. Radhakrishnan, and so on. Reformers, not influenced by the West to the same extent, though influenced by Islam and Christianity, include Kabir (the 15th century hymn writer and religious reformer), Guru Nanak (the founder of Sikhism), and Swami Narayana (the Gujarati founder of a sect named after him).
15. The sub-prime crisis has now affected some 8% of global GDP, versus 3% that was affected by the LTCM crisis, and 10% that was affected by the Japanese crisis in the 1980s;
16. Though multilateralism is nowadays often about achieving agreement at least on the lowest common denominator. In contrast, globalisation is driven by the latest innovation in technology.

17. GUPTARA, Prabhu ' Will Japanese Robots Rule the World by 2020?', <http://www.theglobalist.com/DBWeb/StoryId.aspx?StoryId=5084>; 'Will Robots You're your Job?', <http://www.ethix.org/article.php3?id=334>; CAMERON, Nigel and MITCHELL, M. Ellen *Nanoscale: Issues and Perspectives for the Nano Century*, Wiley-Interscience, USA, 2007
18. Gazprom, for example, has predicted that the oil price will reach \$250 a barrel in 2009; my own view is that, while supply constraints and rising demand have effected and will effect the price, much of the price rise since 2005 is due to speculation (<http://www.prabhuguptara.blogspot.com>; specifically the entries for 9 May, 3 June and 11 June 2008). The urgent priority of curbing speculation is shown by the fact that 630 hedge funds and others had futures contracts worth \$8 trillion for oil alone in 2007. Esoteric derivatives (CDOs, SIVs, CDSs) were of the value of \$62 trillion in 2007. Daily currency trading is of the order of \$2 trillion. Money, an important invention, retains its usefulness only if it is a more or less accurate gauge of the value of the products and services in the real economy. Pyramiding paper or electronic "assets" inevitably leads to busts and write-downs, dislocating not only speculators but also the rest of the economy - with additional new pressures on the poor and on the environment. Most expert testimony from independent financial players, to the US Congress Energy and Commerce Committee and the Joint Economic Committee of the House and Senate in 2008, agrees that if the Commodities Future Trading Commission (CFTC) were to implement moves such as 50% margin requirements (and full disclosure of hedge funds, of the volume of "paper barrels" versus real barrels of oil, and of institutional investor positions in the oil and commodities futures markets) the price of oil would drop to somewhere between \$70-100 per barrel within 30 days. "Financial sectors of the US, UK and other market economies (have) metastasized – just as they (did) prior to the Wall Street Crash of 1929. In Britain, finance represents 25% of GDP and over 20% in the USA. Too many people are now employed in trading, borrowing and financial engineering, rather than in producing real goods and services" (HENDERSON, Hazel 'Changing Games in the Global Casino', InterPress Service, 2008, available at www.ethicalmarkets.com). The single most helpful step would be to curb the \$260 billion in index funds tied to oil and other commodities - or repealing the "ENRON loophole" passed in 2000 that de-regulated energy trading in the USA. The world's central banks are mainly preoccupied with manipulating interest rates. However, they could also increase the capital reserves which must be held by banks and, further, raise margin requirements on stock purchases, forward trades and leveraged finance transactions. Additional reforms which are needed in the global financial casino include greater transparency and oversight of hedge funds, private equity and sovereign wealth funds.
19. Skillen, James W. 'Rule of Law Succumbs to Torture', Capital Commentary, June 6, 2008 (available also at: <http://www.cpjustice.org/content/rule-law-succumbs-torture-safety>)
20. GUPTARA; Prabhu *Indian Spirituality*, Grove Books Ltd, U.K., 1984
21. Wilson, James Q. 'The Reform Islam Needs', City Journal (USA), 2002; available at: http://www.city-journal.org/html/12_4_the_reform_islam.html; see also <http://frontpagemag.com/Articles/Read.aspx?GUID=2ABD8FD8-75BD-4B90-8DC5-F9D8AD1D8DE4>; STÜCKELBERGER, Christoph 'Calvin, Calvinism and Capitalism', in DOMMEN, Edward and BRATT, James D. *John Calvin Rediscovered: The Impact of His Social and Economic Thought*, Blackwell, U.K., 2008
22. http://info.worldbank.org/governance/wqi2007/worldmap_start.asp?allcountries=1 then choose 'Rule of Law' and click on 'Submit Choices. Good governance is the key to economic and social progress, so the key question is: why do some countries get good governance and others do not? Essentially, this has to do with the extent to which the elites are willing to take the wider, rather than an exclusively self-interested view. Compare also Transparency International's Corruption Perception Index, which shows that countries with a Protestant heritage are less corrupt.
23. Consider the way in which Swiss politics is developing, with the vituperation over the position and reactions to Justice Minister Eveline Widmer-Schlumpf, who has the support of Switzerland's six other (multi-party) Cabinet Ministers but disagrees with her own party on a certain issue. The vindictiveness of her party's leadership has gone to the extent of expelling the whole of the party's organisation in the Kanton of Graubunden, which also supports the Justice Minister. Such vituperation can be seen also in the response to the resignation of the UK (Conservative Party) Shadow Home Secretary, David Davis ,on what he considers a matter of principle. Senior members of his party signalled that Mr Davis 'will not be offered a fast route back to the front bench' (!). This is not an isolated incident. See also: GUPTARA, Prabhu '*The Future of Democracy: An Indian Perspective*', HAHN, Hans-Joachim et al (Eds.), *Erreicht oder reicht uns die Demokratie?*, Verlag des Professorenforums, Giessen, Germany, 2004
24. Johnson, Rachel 'Even Middle Class Children Are Suffering From Neglect' <http://www.spectator.co.uk/i/the-magazine/features/767376/even-middleclass-children-are-suffering-from-neglect.thtml>; CARLSON, ALLAN C. *Third Ways: How Bulgarian Greens, Swedish*

- Housewives, and Beer-Swilling Englishmen Created Family-Centered Economies—And Why They Disappeared*, ISI Books, USA, 2007; FOX-GENOVESE, Elizabeth *Marriage: The Dream That Refuses to Die*, ISI Books, USA, 2008.
25. GUPTARA, Prabhu *Was Niemand Sehen Will: Die Folgen Eines Auf Zins Beruhenden Weltwirtschaftssystems* WEIS, Mathias and SPITZECK, Heiko (Herausgeber), *Der Geldkomplex: Kritische Reflexion unseres Geldsystems und mögliche Zukunftsszenarien*, Haupt Verlag, Bern, Schwyz, 2008
 26. KENNEDY, Margrit *Interest and Inflation Free Money*, Seva International, 1995; BOYLE, David *The Money Changers: Currency Reform from Aristotle to E-Cash*, Earthscan, London, 2003
 27. CLEAVER, Antony et. al. *Tomorrow's Company*, RSA, London, 1995; GOYDER, Mark, *Living Tomorrow's Company*, Gower, U.K., 1998; SADLER, Philip *Building Tomorrow's Company: A Guide to Sustainable Business Success*, Kogan Page, U.K., 2002; GOYDER, Mark et. al., *Tomorrow's Global Company: The challenges and choices report of the conference*, Centre for Tomorrow's Company, London, 2005; CLEVERLY, Patricia et. al., *Tomorrow's Global Company: Challenges and Choices*, Tomorrow's Company, London, 2007; SCHLUTER, Michael et. al. *The 'R' Factor*, Hodder, London, 1993, and *Jubilee Manifesto*, Inter-Varsity Press, USA, 2005
 28. MICHIE, Ranald C. *The London Stock Exchange: A History*. Oxford: Oxford University Press, 1999; GUPTARA, Prabhu 'Floor Wars: Trading Places', *Quantum: Finance in Perspective* quarterly, Qatar, Issue 1, 2007
 29. BUCKLEY, Susan L. *Teachings on Usury in Judaism, Christianity and Islam*, Edwin Mellen Press, 2000
 30. The richest 2 per cent of adults own more than half the world's wealth, according to a most comprehensive study of personal assets by the World Institute for Development Economics Research of the UN University, published in December 2006. The richest 10 per cent of adults accounted for 85 per cent of assets. The bottom 50 per cent of the world's adults owned barely 1 per cent of global wealth. One of the authors of the report, James Davies, Professor of Economics at the University of Western Ontario, said: "Income inequality has been rising for the past 20 to 25 years and we think that is true for inequality in the distribution of wealth". The trend continues: according to The World Wealth Report 2008, a study compiled by Merrill Lynch and Capgemini, the world's richest people expanded their assets by more than 9 per cent last year to USD 40,700 billion. A simple way of improving the state of the world would be to require the richest 500 individuals in each country to invest say 1% of their earnings in a microfinance fund of their choice in their own country. Additionally, but eliminating duplication, the richest 500 individuals in the world could be required to invest say 2% of their earnings in a "minifinance fund" (the next level up from microfinance) of their own choice in any of the Least Developed Countries.
 31. One in 32 American adults is either behind bars or on probation or parole, according to the results of a Pew Charitable Trust report released in February 2008:
http://www.pewcenteronthestates.org/report_detail.aspx?id=35904

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