

Towards a World Economy*

John Huddleston

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Abstract

This article discusses two main themes of the Bahá'í vision of a future economy. The first theme is that the economy will be global and serve the material, intellectual, and spiritual needs of all humanity. The second theme is that the underlying force driving the economy will be spiritual or, in secular terms, ethical. The author proposes that these themes have been gathering force over the last two centuries. Technology is pushing economies to merge into one global system. At the same time, society is accepting that all will benefit from application of ethical values aimed at abolishing poverty and protecting the environment. Successful continuation of these themes, it is suggested, will largely depend on how we view humanity. Are we simply super animals, or do we have a noble or spiritual side to our being?

Résumé

Cet article propose deux thèmes principaux du point de vue bahá'í sur l'économie de l'avenir. Le premier explique que l'économie sera globale et adaptée aux besoins matériels, intellectuels, et spirituels, de toute l'humanité. Le second démontre que la force motrice de l'économie deviendra spirituelle ou conforme à la morale. L'auteur pense que ces thèmes se sont développés depuis les deux derniers siècles. De plus en plus la technologie incite les économies à émerger dans un seul système global. Simultanément, la société accepte que le respect des valeurs morales visant à l'élimination de la pauvreté et à la protection de l'environnement est dans l'intérêt de tous et de chacun. On suggère que le succès de la progression de ces deux thèmes dépend de notre façon de voir l'humanité. Détenons nous un côté noble et spirituel au sein de l'être humain ou sommes nous tout simplement des animaux extraordinaires?

Resumen

Este artículo presenta dos enfoques principales del pensamiento bahá'í referente a la economía del futuro. El primer tema indica que la economía será global y que estará al servicio de las necesidades materiales, intelectuales y espirituales de toda la humanidad. El segundo expone que la fuerza motriz que sustenta la economía será espiritual, o en terminología laica ética. El autor propone que estos conceptos han ido tomando impulso durante los dos últimos siglos. La tecnología obliga a las economías a incorporarse dentro de un solo sistema global. Al mismo tiempo, la sociedad acepta que todos se beneficiarán de la aplicación de aquellos valores éticos encaminados a la abolición de la pobreza y a la protección del medio ambiente. Se sugiere que la continuidad exitosa de estos conceptos dependerá más que nada de nuestra definición de la humanidad. ¿Somos nada más que superanimales, o existe en nuestro ser un aspecto noble y ético?

Most of us take some interest in looking into the crystal ball of the future—even the most unworldly spare a thought about the source of their next meal. But as individuals our perspective is generally short term: the next few days, or weeks, or months, or maybe a year of two—rarely a decade, and certainly not a century or millennium. This short-term perspective is reinforced by the political process when considering public affairs, particularly in democracies, where the prime interest is often on the next election. When public affairs are narrowed to the economy, the focus is the same. Capital and labor alike worry if the next year or two will see the economy crash. Financial markets focus on the next quarterly report of companies quoted on the stock market; others worry about currency exchange movements over the next six months, and so forth. The point is reinforced by Lord Keynes's famous remark: in the long run we are all dead.

Clearly, the short term is important, but it should not be allowed to block out long-term perspectives, for these can be of vital importance for both our generation and the next. First, experience shows that any society which tries to resist the underlying forces of history will create much pain and anguish for itself, e.g., the resistance to

democracy and national self-determination by the *ancien* regimes of Europe prior to the Great War. To avoid this mistake, we have to find out what are the long-term trends. Second, if there are major long-range factors that will have a harmful effect on society, it is often necessary to begin taking corrective action well in advance, e.g., with regard to the environment and conservation of resources. Similarly, we can sometimes miss singular opportunities to benefit humanity if we do not see that opportunity in advance. Examples of such missed opportunities have included 1919, when a lasting peace might have been established, and 1974, when the oil crisis might have been used to end once and for all profligacy in our use of nonrenewable energy resources.

There is, of course, a minority that does have a relatively long-term perspective: social and economic planners, environmentalists, futurologists, etc. But to a greater or lesser extent each of these groups has a narrow vision related to their particular interest, and it is usually focused on the advance of technology and its side effects. There is very little about the pulsating life of society as a whole. The one major exception is religion, which has always had as one of its main concerns the broad long-term trends in society.

Now, of course, the very term *religion* makes many of us nervous: it is all too often associated with superstition, division, and irrelevant issues. Though such fears are often justified, it is not rational to jump to the conclusion that religious principles and experience are best ignored. A balanced view of history surely has to acknowledge the great advances society has made as a result of the teachings and examples of the Buddha, Jesus, and Muhammad, for instance. In our own day, a growing number of peoples from an immense diversity of backgrounds all around the world are coming to recognize that the newest of the world's religions, the Bahá'í Faith, has something of great value for society. Here, there are no barriers of superstition: the emphasis is on the partnership of science and religion in seeking the truth, and there is little ritual. Here, there is no division: all religions are recognized as essentially one in their teachings of universal truths, and the founders of all the great religions are revered equally with the founder of the Bahá'í Faith, Bahá'u'lláh. Here, there are no irrelevant issues. The Bahá'í Faith is about the vision of a new, ever-advancing civilization based on the oneness of humanity, and it represents a practical, comprehensive, step-by-step plan for the achievement of that vision.

This brings me to the theme of this conference, "The Economy and Society: What are the Prospects after the Present Crisis?" The Bahá'í Faith has quite a lot to say about the economy in that vision of the future. Two of the most important themes, which are closely interlinked, are (1) that the economies of the world will become one global economy serving the material, intellectual, and spiritual needs of all humanity; and (2) that the underlying force driving the economy will be spiritual or, in secular terms, ethical. The purpose of this presentation is to discuss briefly what evidence there is that this is happening, and second, what this means in terms of present and future policy.

From the beginning of civilization right up until recent times agriculture has completely dominated the vast majority of the economies of the world. Agriculture could normally meet local needs for food, clothing, and shelter, and consequently communities were largely self-subsisting. There was, therefore, little incentive to have contact with other communities, and in practice the vast majority of people rarely travelled more than twenty or thirty miles from where they were born. This tendency to isolationism was reinforced by inefficient and slow systems of transport, by language barriers, and by the sheer risk of travel over long distances even when peace was enforced over a wide area and for considerable periods of time by mighty empires such as those of Rome and China. No wonder that high interests were charged for loans to finance overseas trade. What trade there was outside the average locality was generally in commodities that were light and compact in relation to value, for example, preservatives and luxuries, or that were vital and not immediately available, for example, metals, timber, or hemp. The modern concept of importing goods because they might be cheaper than those produced locally barely existed. On the great land mass of Euroasia, where the bulk of the world's population lived, there was a thin network of communications—a spiderweb in Europe, others in the Middle East, India, and China, and so on—that were joined together at times by such fragile links as the silk road between China and Europe. Whole continents—the Americas, Australasia/Oceania and sub-Sahel Africa—were for the most part totally isolated from the rest of the world.

This general picture of the economies of the world over several thousand years began to change with the Renaissance and the rise of Europe. Over a period of three centuries (from the fifteenth to the eighteenth), Europe established contact with North and South America, India, southeast Asia, Australasia, and sub-Sahel Africa. These contacts were vastly strengthened in the nineteenth century by the improved systems of communication of the Industrial Revolution, systems which were fast, had increased capacity for bulk cargo and for cargo that hitherto would have deteriorated en route: the fast sailship, the steamship, the refrigerator ship, the telegraph. The Industrial Revolution also brought a vast increase in the volume and the variety of goods and services, first in Europe and North America, then in parts of Asia, and there was pressure to sell these goods to the rest of the world in return for a growing range of agricultural products, as well as for raw materials needed for industry. New trading posts were established and expanded; mass migration from Europe colonized sparsely populated lands in America, Australasia,

and Africa. Lands were joined together in vast globe-encircling empires, and passage on the high seas became safe with the dominance of the British navy—Pax Britannica. Capital was exported from Europe to develop the new lands and conquered countries alike, helped by an increasingly sophisticated financial system based on a common currency, the gold-backed pound.

Old mercantilist theories, which encouraged states to export for gold rather than for imports and which therefore created artificial barriers to international trade, were replaced by the free-trade theories of Adam Smith, who promoted the view that all benefited when nations, as well as individuals, specialized in those activities where they were most efficient—the theory of comparative advantage. Great Britain, with the richest economy in the world, within the space of three or four decades, adopted free trade and despite increasing problems towards the end of the century, particularly in agriculture, maintained that policy for decades. Most of the other great trading nations followed the lead of Great Britain in varying degrees.

It was also recognized that the new world trade system would be strengthened and thereby give benefit to all, if there were technical cooperation among nations. As a result, the world's first international public service agencies were established—the International Telegraph Union (1865), the Universal Postal Union (1874), the International Institute of Agriculture (1905), the International Office of Public Health (1909), etc. Not to be forgotten was the emergence of a network of transnational private organizations promoting the idea that national economies were becoming interdependent—such organizations as the Workers International and the International Chamber of Commerce. As a result of these mutually supporting developments, world trade in the nineteenth century expanded in real terms at an unprecedented rate—nearly 4 percent per annum.

And then a disaster, which for a time seemed to put the process into reverse: the greatest war in the history of the world to date not only killed and maimed millions but also destroyed states, ruined others, created huge debt burdens, and undermined established patterns of trade. After the fighting stopped, valiant attempts to restore the old international economic order failed. Industrial countries suffered from persistent unemployment; the financial markets indulged in wild speculation; currencies were unstable; new nations disrupted trade with barriers to protect their industry and agriculture. The Great Depression of the thirties led to a major shrinkage in the economies of the world and in international trade in particular as each nation unilaterally tried to improve its own economic situation at the expense of others. A second war even more destructive than the first was a logical consequence.

After six years of war, peace of sorts was reestablished, and as had happened after the previous conflict, there was a great public yearning to make a better world. In the context of this discussion, there was general agreement that greater integration of the national economies of the world would be mutually beneficial and that the process should be encouraged by cooperation among national governments. The core arrangement was to be the establishment of two new international agencies: an International Trade Organization (ITO) and an International Monetary Fund (IMF), which respectively would sponsor removal of physical barriers to trade such as tariffs and quotas, and monetary barriers such as manipulation of currency exchange rates and restrictions on use of currencies. The ITO proved too controversial, and it was replaced by a much weaker General Agreement on Trade and Tariffs (GATT). Though weaker, the GATT has nevertheless proved a useful instrument for encouraging the growth of international trade. Over four decades, it has been used to negotiate some eight rounds of reductions in trade barriers, and as a result, tariffs on industrial goods of the richer nations have been reduced from an average of forty percent *ad valorem* to about five percent.

The IMF has also had its successes. Most of the important trading nations have removed restrictions on use of currencies, and agreement was reached on the establishment of a new international reserve—the Special Drawing Right—which can be seen as an embryo world currency, a major monetary device for reducing risk in international trade. The problems associated with establishing stable exchange rates and flattening the world trade cycle so as to avoid recessions on the one hand and inflation on the other have drawn attention to the need for cooperation among nations with regard to both monetary and fiscal policy. Discussions of these issues now take place annually at meetings of finance ministers at the IMF and among the heads of governments of the major trading nations at regular summit meetings.

Broad cooperation to remove barriers to trade at the world level has been supplemented by regional and bilateral arrangements. Undoubtedly, the most spectacular of the regional arrangements was the 1957 formation of the European Community, which now embraces twelve countries that have taken a multitude of steps to remove mutual barriers to trade, capital movement, and migration. Of particular interest are arrangements to provide transitional assistance to regions hurt by changing patterns of trade that occur when national barriers are removed. With regard to bilateral arrangements to expand international economic activity, it is perhaps sufficient to mention two recent and significant arrangements: that between the United States and Canada and that between Australia and New Zealand.

The result has been that world trade since the end of the Second World War has expanded in real terms at a rate of six percent per annum, even faster than in the nineteenth century. Of course, not all of this success can be attributed to government action. The drive to remove barriers to integration of the world's economies on the part of national governments has been greatly strengthened by a series of interconnected technical, economic, and political developments. One of the most visible has been the vast improvement in communication systems since the end of the Second World War, e.g., the jet airliner and the application of electronics in such devices as the artificial earth satellite, radio, television, telephone, and computer. At the same time, English has, in effect, become the language of international commerce. One consequence of communications technology is that financial markets in North America, Europe, and East Asia for currencies, commodities, and corporate shares are increasingly affecting each other, and in some cases it is not an exaggeration to speak of a global market open twenty-four hours a day. Consumer products such as soft drinks, cigarettes, automobiles, television, radio, and records are becoming standardized around the world. The red and white Coca-Cola sign epitomizes the world market. Vastly more significant is the unified world market in oil and associated products. Yet another development has been the enormous growth in tourism, first within nations, then between nations, and now between continents. In turn, these developments have led to a growing number of transnational and global corporations that increasingly have a world rather than national view. The attraction of the international consumer market has made it increasingly difficult for governments to pursue policies that isolate their peoples from the rest of the world: the most obvious case being the gradual integration into the world trade system of the socialist group of nations, which for decades essentially functioned as a separate economy. As in so many areas of life, national governments are losing sovereignty and will only regain it through mutual cooperation.

So far the discussion of the trend towards a world economy has focused on one dimension: the integration of national economies into one system. But there are at least two other important dimensions to this process. The first of these is some acknowledgement that the economies of the world are divided by extremes of wealth and poverty and that it is in the interest of all that poverty should be eliminated and further, that distribution of wealth should be more equitable. The great religions of the world, promoting the idea of humanity being one family, have always shown concern for the poor and encouraged charity. However, it was not until the Industrial Revolution brought the real prospect that a decent material standard of living could be provided for all humanity (if the economy were properly organized) that the drive for a more equitable society began in earnest. The gap between the potential and the actual was too outrageous to be left to the slow corrective action of the market and trickle-down theories. Accordingly, a multitude of activist approaches to the problem came into being: trade unions, cooperatives, socialism, profit sharing, the welfare state, etc. Attention was focused on such issues as guaranteed minimum incomes and provision of adequate health care, housing, education, and safety regulations in the workplace. Some approaches involved progressive taxation, state ownership of the "commanding heights of the economy" and state planning. Rich, vested interests and laissez-faire ideologues resisted the latter idea in particular; but in the long run much was achieved, and there can be no question that the internal distribution of resources in what are known as First and Second World countries is much more equitable now than it was a hundred years ago and perhaps ever was. This judgment is also, no doubt, true of many Third World countries as well.

Initially, the move towards a more equitable society was essentially confined to arrangements within each nation, but since the Second World War growing attention has been given to the need for greater equity among nations. The founders of the United Nations (UN) recognized that one of the major flaws with the preceding League of Nations had been lack of sufficient attention to the underlying causes of war: whole nations in poverty and widespread violation of basic human rights. One result was a development unprecedented in the history of civilization: agreement for the voluntary transfer of resources and technical assistance from wealthy countries to poor countries, partly bilateral with strings attached, partly multilateral on a more detached basis. The first major event in this process was the Marshall Aid Program of the United States to help nations ravaged by the Second World War to rebuild their economies. More long term were new or expanded international organizations for managing multilateral transfer of assistance to the world's least economically developed nations, such as the World Bank, the World Health Organization (WHO), the Food and Agriculture Organization (FAO), the UN Development Program (UNDP), the UN Children's Emergency Fund (UNICEF), and the UN Educational, Scientific and Cultural Organization (UNESCO). In addition, there were a multitude of regional organizations including the Organization for Economic and Cultural Development (OECD). In the last three decades, the UN has set agreed targets for international aid for rich countries, expressed in percentages of gross national product (currently 0.7 percent). Furthermore, a special effort has been made to give less developed nations opportunities to expand their overseas trade with the establishment of United Nations Conference on Trade and Development (UNCTAD) and such arrangements as the Lomé Convention of the European Community. One of the potentially most significant of recent

developments is the cooperative project of several international organizations to work for the elimination of illiteracy by the year 2000.

The third dimension to the evolving global economy is the growing acknowledgement that in physical terms the economy is an integral part of the natural environment and that there will be enormous costs for all if this fact is ignored. Throughout history there have been instances of major damage to the world's ecological system as a result of humanity's economic activity, but the issue has become increasingly important since the Industrial Revolution. There were pioneer actions to control the problem in the nineteenth century and the first half of the twentieth century, but it has only been in the last few decades that humanity has started to wake up to the great dangers involved. One aspect of the problem is pollution or poisoning of air, water, and land, and possibly even climatic change, with all the massive long-term consequences that implies. The other is exhaustion or destruction of limited or fragile resources: fertile soils, clean water, forests, minerals, fish stock, and species of animal and plant wildlife. The sources of the problems are wide and include such aspects of the economy as industry, energy systems, transportation, agriculture, population growth, military activities, destruction of traditional culture, and wasteful and excessive materialism. As with the poverty issue, vested interests have resisted practical action to protect the environment, and many were persuaded at first that it meant anti-growth and anti-development. As with the poverty issue, the main initial thrust to protect the environment was also within national communities, but increasingly it is recognized that environmental problems do not stop at national boundaries. In consequence, there have been a series of international agreements on the issue, starting with the establishment of the UN Environmental Program, regional agreements such as those covering the Baltic and Mediterranean Seas and the great European river systems, and culminating with the Montreal convention with regard to action to protect the earth's ozone layer. It is of interest that one of the most influential events in persuading nations to be more frugal in their use of energy was the massive increase in world oil prices in the 1970s as a result of the activities of the Organization of Petroleum Exporting Countries (OPEC). A recent, potentially significant development is a proposal to retire international Third World debt in return for domestic conservation measures—an idea now being weighed by the Congress of the United States. Another is the suggestion of the World Wildlife Fund that particular attention be paid to seven "megadiverse" countries (Brazil, Colombia, Mexico, Zaire, Madagascar, Indonesia, and Australia) that among them contain fifty-four percent of all known living species on earth.

This short recital of some of the highlights in the evolution of the economies of the world surely gives evidence that there is an overriding trend towards their integration into one global system and that this has been paralleled by growing spiritual imperatives with regard to the need first to integrate all peoples into the economy so as to abolish the division caused by extremes of wealth and poverty, and second to integrate them into the global ecological system. I would suggest it is of vital importance that we, individually and collectively, accept these historical trends and act to smooth their further evolution rather than attempt to oppose them.

In particular, this should be the mental attitude we have as we tackle important economic issues on the world agenda. That agenda includes issues pertaining to all three dimensions of the world economy that have been mentioned in this discussion.

Among the issues concerning further integration of national economies into a real world economy are:

- Extension of the effort to reduce trade barriers to include the agricultural and service sectors, and strengthening of means for enforcing the terms of liberal trade arrangements;
- Stabilization of currency relationships so as to reduce monetary risks in international commerce, with the ultimate goal of a unified currency system managed by a world authority;
- Greater coordination of national monetary and fiscal policies so as to reduce the risk of world recession, on the one hand, and world inflation, on the other;
- Development of international law for the regulation of transnational and global corporations so as to prevent possible abuse of monopoly, exploitation of employees in different countries, avoidance of fair taxation, and environmental regulations, etc.

Among the issues concerning further reduction of extremes of wealth and poverty are:

- Should the real goal be true equality of opportunity rather than direct greater equality of wealth regardless of effort?
- How best to ensure that reduction in poverty continues while pursuing policies to make the economy more efficient through such means as reducing the public sector, decentralization, deregulation and increased competition, lower and less progressive taxation (all policies that are being pursued in varying degrees in socialist as well as capitalist countries). Experience so far suggests that, in the short run at least, such policies are *increasing* the number who are impoverished.
- Can the problem be solved by changing the welfare state so that it is more targeted to benefit the poor, by greater emphasis on training, by encouraging dispersal of wealth through taxation of inheritance according to the

recipient rather than the donor, greater use of profit sharing, and by elimination of racial and sexual discrimination in employment?

- How best can we convert the phenomenon of an aging, static population in rich countries into an asset rather than a liability?

- What is the optimal model for an educational system, a key input and output of any economy? What should be the mix of sciences, arts, and ethics? What proportion of the population should have the opportunity to receive secondary and tertiary education? What role should the teacher have in society?

- What to do about the international trade in drugs that destroys the lives of millions and vastly increases the power of criminals, and yet at the same time represents for many poor countries one of the main sources of foreign currency necessary to buy vital imports?

- What to do about the economic consequences of the arms race and the international arms trade? What is euphemistically called “defense” consumes or wastes some six percent of the world’s gross annual product, but, at the same time, provides employment for large numbers of people;

- How to make international aid more effective and attractive to donor countries? This question raises such issues as:

- Involvement of aid recipients at the grassroots level in the choice, planning, and management of their projects so that they have a real sense of ownership;

- Greater involvement of women;

- Elimination of corruption in aid programs, both in donor and in recipient countries;

- The problem of continued rapid population growth in Third World countries, which aggravates food shortages, slows down efforts to reduce per capita poverty, and presents a major threat to the world’s environment;

- Revival of the rural sector so as to improve the food supply and reduce the growth of the slum megalopolis;

- Ensuring that IMF programs to stabilize economies do not hurt the poor;

- Finding ways to relieve the international debt of the poorest countries without discouraging future international investment in these countries.

Among the issues concerning the reconciliation of a growing world economy with the need to protect and strengthen the natural environment are:

- What is the most efficient and least risky approach to the energy problem: nuclear power, fossil fuels (oil, coal, gas), hydroelectric power, renewable power resources (wind, sea, sun), greater efficiency in the use of power, or a switch in the mix of goods and services in the output of the economy so that the need for power is reduced?

- How to make natural agriculture and traditional cultures as efficient as the environmentally damaging modern system based on monoculture and chemical fertilizers;

- How to manage the oceans, forests, soils, and rivers for the maximum long-term benefit of all;

- Is the Western consumer society with its present emphasis on massive use of resources to produce extravagant, disposable goods a practical or desirable model for a development strategy intended to abolish international poverty?

In considering these questions, it becomes apparent that the issue is not just a matter of moving in accordance with the tides of history. Underlying any approach to the economic agenda are some deeper philosophical questions, including at least two concerning our perceptions of what it means to be a human being.

First, we have to decide if humans are merely superior animals with interests that are essentially materialistic, or if they are distinguished from the animals by a spiritual side to their nature that yearns for the transcendental, as is the theme of religion.

Second, we have to decide if humanity is a collection of groups contending for dominance in one world, or if it is one family—another theme of religion.

The very act of asking these questions, I would suggest, is what is important. This is because once asked the practical evidence in each case points all in one direction.

With regard to human nature, it is, of course, fashionable to have a pessimistic view: humanity is essentially self-centered, greedy, selfish, and violent. This point of view is no doubt justified by some of the major collective experiences of this century: two world wars and the holocaust. But a moment’s reflection is surely enough to show that this view is one sided and not in accordance with either individual experience or the collective experience of history. Human beings do have a spiritual side to their nature, as shown in noble actions, and an instinct for the transcendental that even the most powerful of militantly atheistic regimes have been unable to crush in seven decades of rule.

Similarly, the forces of history make it clear that groups struggling for dominance today are dangerous to all, including themselves, and that their goals are unattainable and irrelevant. To advance, indeed, to survive, we have to act as one family—to be true to the findings of biology, which show that our physical differences are minute compared with our physical commonality. If we do indeed perceive human beings to have a spiritual side to their nature and humanity to be one family, there are, it seems to me, some clear guidelines on how to deal with the economic agenda of the next decade or so.

Thus, if we are in essence spiritual beings, then the end product of an economy should be those goods and services that help each man, woman, and child to develop their full physical, mental, and spiritual potential. This surely means an economy that puts emphasis on basic physical needs—quality food, clothing, shelter, health care, and exercise facilities—and on cultivation of the mind and spirit—education in the arts, sciences, and ethics, skills in crafts and native culture, appreciation of nature. It suggests reduced emphasis, if not outright voluntary abolition, of those goods, services, and practices that are essentially harmful and degrading to the body, mind, and spirit: excessive luxury, conspicuous waste, throw-away goods, and other practices that are damaging to the global ecology—junk foods, alcohol, tobacco, and other drugs. In very broad terms, this all means a long-term shift in economic activity from production of goods to production of services—a process already started: the post-industrial age.

If we are one family, then in economics, as in politics and social affairs, the spirit of management should be cooperative and mutually supportive. Competition and striving for excellence is indeed to be encouraged, but with the purpose of maximizing service to humanity, rather than mere self-advancement. Labor and capital markets should provide a more rational system of reward based on this theme of real service to the community. In particular, if we are one family, the poverty of even one human being is intolerable to the rest, and the elimination of poverty throughout the world will be of the highest priority and will justify sacrifice by all those fortunate enough not to be in poverty. The cessation of war between nations (which must be a logical consequence of adoption of the idea of the oneness of the human family) would alone release large resources for the relief of poverty.

To summarize, the opportunities for the advancement of humanity presented by the evolving world economy are immense—greater even than those that occurred with the introduction of agriculture and with the coming of the Industrial Revolution. But to exploit those opportunities, the right decisions have to be taken, and that will to a large extent depend on the system of values that we follow.

Postscript

This presentation was made at a conference on the theme “Économie et Société: quelles perspectives au-delà des crises actuelles” held in Lausanne, Switzerland in October 1988. The Association for Bahá’í Studies for francophone Europe, which sponsored the conference, had invited a wide range of participants including some who might well have had a typical Western European perspective of extreme skepticism with regard to religion. Accordingly, the approach taken was to minimize direct reference to the Bahá’í Faith both in terms of quotations and solutions. As will be noted, the emphasis was on raising fairly conventional questions rather than answers and on suggesting that when seen together such questions inevitably lead back to fundamental spiritual principles.

However, in a published paper, it is perhaps appropriate to make some more direct comment on the Bahá’í approach to economics. In the Bahá’í writings, economics is not treated as a separate subject as such but rather as an aspect of the human condition at both the level of the individual and of the community, and, therefore, references with economic significance form a part of a seamless whole. Nevertheless, there are some key passages in the Writings and in statements of the Universal House of Justice and its associated institutions that are particularly relevant to the discussion in this presentation. With regard to the Bahá’í view of the evolution of a global economy, there are two passages in *The World Order of Bahá’u’lláh* by Shoghi Effendi² in sections headed respectively: “The Goal of a New World Order” and “The Unfoldment of World Civilization”:

Some form of a world super-state must needs be evolved, in whose favor all the nations of the world will have willingly ceded... certain rights to impose taxation.... A world community in which all economic barriers will have been permanently demolished and the interdependence of Capital and Labor definitely recognized... a single code of international law.... (40–41)

a world legislature, whose members will, as the trustees of the whole of mankind, ultimately control the entire resources of all the component nations.... A mechanism of world inter-communication will be devised.... A world language will either be invented or chosen from among the existing languages.... A world script ... a uniform and universal system of currency, of weights and measures, will simplify and

facilitate intercourse and understanding among the nations and races of mankind.... The economic resources of the world will be organized, its sources of raw materials will be tapped and fully utilized, its markets will be coordinated and developed, and the distribution of its products will be equitably regulated.

... economic barriers and restrictions will be completely abolished, and the inordinate distinction between classes will be obliterated. Destitution on the one hand, and gross accumulation of ownership on the other, will disappear. The enormous energy dissipated and wasted on war, whether economic or political, will be consecrated to such ends as will extend the range of human inventions and technical development, to the increase of the productivity of mankind, to the extermination of disease, to the extension of scientific research, to the raising of the standard of physical health, to the sharpening and refinement of the human brain, to the exploitation of the unused and unsuspected resources of the planet, to the prolongation of human life, and to the furtherance of any other agency that can stimulate the intellectual, the moral, and spiritual life of the entire human race. (203–4)

With regard to economic and social development, the key document is: “The Bahá’í Mandate for Development”³ issued by the Universal House of Justice in 1983. A useful supplement is a report issued by the Bahá’í World Centre in 1985 summarizing information on Bahá’í development projects around the world at that time.⁴ The Bahá’í approach to environmental issues has been officially summarized by the Bahá’í International Community Office at the United Nations in “A Statement on the Environment,”⁵ which was prepared for the World Commission on Environment and Development, and by the Research Department of the Bahá’í World Centre in a compilation headed *Conserving our Natural Resources*.⁶

As for commentaries by individual Bahá’ís, perhaps the most comprehensive summary of Bahá’í economic teachings is to be found in “Economics and the Bahá’í Teachings: An Overview” (Gregory C. Dahl, *World Order Magazine*, Fall 1975), which includes a wide range of references to the Bahá’í writings. Very useful also is a compilation from the Bahá’í writings entitled, *A Bahá’í Perspective on Economics of the Future*, by Badi Shams (New Delhi: Bahá’í Publishing Trust, 1989). A broad picture of Bahá’í economic goals is given in my article “The Economy of a World Commonwealth” (short version in *World Order Magazine*, Summer 1975 and long version in *Bahá’í Studies Notebook*, vol. III, nos. 3 and 4, February 1984). These articles include some discussion of transitional arrangements to a regime of world free trade. A comprehensive review of the Bahá’í approach to development is given in *Social and Economic Development: A Bahá’í Approach* by Holly Hanson Vick (Oxford: George Ronald, 1989).

Notes

1. This was a common phrase of the fifties and was particularly used in the election manifesto of the British Labour party of that time.
2. Rev. ed. (Wilmette: Bahá’í Publishing Trust, 1974).
3. *Bahá’í News*, January 1984.
4. *Bahá’í News*, March and April 1986.
5. *Bahá’í News*, November 1988.
6. Reprinted in *Bahá’í News*, January 1990.