Globalised Interdependent World: Issues and Options

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Prologue

The Author has a very wide experience not only in the Railways but in other important sectors of the economy too. In his Article, issues of globalisation in an increasingly interdependent world (the world has become flat - as Friedman says) have been examined. Climate change, poverty, conflicts and terrorism, food security and other financial and sustainability issues have been analysed in depth. All these are major challenges of the 21st century and the world is now ‘at the edge’ – to use an expression from Chaos Theory.

The Author has also dwelled upon important subjects like dharma and ethics and spiritual solution to present day problems. Considering the cause of the US subprime crisis and the global meltdown, these assume paramount importance. He reiterates the old saying ‘physical prosperity cannot be sustained without moral values; and moral values cannot be sustained without spiritual values’.

The Author suggests that problem solving in an interdependent world needs an approach where all the countries collectively enforce self-regulation through a plan agreed in a new World Community of Nations. The action plan for such a forum should be decided jointly and collectively so as to achieve the purpose of sustained world development, while at the same time preserving/developing core values. Indeed a very thought-provoking Article.

- Editor

Introduction

Recent decades have witnessed a galloping pace in various activities/events triggered by the technological explosion and the developments in the fields of transport
7.2 Globalised Interdependent World: Issues and Options

The information and communication technology (ICT) revolution has accelerated the process of globalization to the extent that the world has become a ‘global village’. National boundaries are crumbling and perception of transnationality in several areas like mass media, consumption, tourism, etc., is gaining ground.

This growing interconnectedness/interrelationship/interdependence is making us realize that we all are living in an interdependent world; terrorism in some parts of the world affects most of the countries; economic slow down of US economy affects the whole world. Several issues / problems are such that these cannot be solved by the concerned countries alone but need the cooperation/participation of other nations. There is a growing awareness about global ecological dangers and efforts are on to draw up joint action plans.

Growth of population, growing interconnectedness, and accelerating global information flow are resulting in more and more people, knowing more and more about the happenings outside their local communities and national borders. Those suffering from inequality and deprivation are becoming increasingly aware of the better lives that others lead elsewhere leading to ‘Demonstration Effect’, thus promoting class conflicts.

Business organizations are realizing the paramount importance of ‘ethics’ for sustainability, but the ethical system failures in several international organizations are pointing towards the need for ‘ethics’ to be rooted in some higher values for its sustainability. It appears that, for sustainability in an interdependent world, we have to develop a value culture, which transcends the approach of ‘Self Interest’ to achieve ‘Enlightened Self Interest’ while remaining rooted in ‘Enlightened Collective Interest’.

Global problems/issues, and challenges of sustainable development like protecting the environment, finding a solution for abject poverty, etc., are staring at us. The existing international/national institutions are only delivering results, which can at best be termed sub-optimal. It appears that these institutions are not able to cater to the needs of the multipolar ‘interdependent world’. The approach of ‘We vs You’ has to give way to an approach of ‘We’ for finding the most appropriate solutions to such global issues/problems/challenges. To create such an environment seems an utopian task, in a world which is divided/fragmented; but we need to realize that without it our very survival is at stake. In this article, an effort has been made to examine these issues holistically to develop a line of thinking, which cuts across our created boundaries and may help in solving complex global issues.

Globalization

Globalization can be defined as the intensification of world-wide social relations, which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice-versa. Globalization in its wake has brought in many new factors, some of which are mentioned below (Agarwal - 2004):

- Interaction across national frontiers with a high degree of mutual dependence and obligation.
- Perception of transnationality, e.g., in the mass media, consumption and tourism.
• ‘Placelessness’ of community, labour and capital.
• Awareness of global ecological dangers and the corresponding arenas of action.
• Inescapable perception of transcultural others in one’s life.
• Increased numbers and power of transnational actors, institutions, and agreements.

Thomas Friedman (2005) mentions that the explosion of new technologies has suddenly connected the knowledge-pools and resources all over the planet, levelling the playing field (world has become flat) as never before, so that each of us is potentially an equal – and competitor – of the other. This ‘death of distance’ has made the world ‘Tiny’ and individuals are now globalizing. He broadly divides the ‘Globalization’ era into three parts:

<table>
<thead>
<tr>
<th>Period</th>
<th>World Shrunk</th>
<th>Primary Globalizing Agents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Globalization 1.0</td>
<td>1492-1800</td>
<td>Large to Medium</td>
</tr>
<tr>
<td>Globalization 2.0</td>
<td>1800-2000</td>
<td>Medium to Small</td>
</tr>
<tr>
<td>Globalization 3.0</td>
<td>2000-</td>
<td>Small to Tiny</td>
</tr>
</tbody>
</table>

Peter Drucker (2003) also observes that in the mental geography of e-commerce, distance has been eliminated. There is only one economy and only one market. One consequence of this is that every business must become globally competitive, even if it manufactures or sells within a local or regional market. The competition is not local anymore – in fact, it knows no boundaries.

Global Issues

More than at any other time in history, the future of mankind is being shaped by issues that are beyond any one nation’s ability to solve. Climate change, avian flu, financial instability, terrorism, and seemingly intractable poverty – all these are examples of global issues, whose solution requires cooperation amongst nations.

For global issues, the consequences of action, inaction, or inadequate action are felt globally – not just somewhere on the other side of the world, but here, where we live. It is a fortunate coincidence that the new communication technologies have made global grassroots interaction possible allowing us to consider these disparate issues simultaneously, side by side, and to understand that they are all issues of great importance whose impact is felt everywhere – that they are indeed global issues. A list of such issues based on World Bank (2006) Study can be seen in Box 1.

<table>
<thead>
<tr>
<th>Thematic Area</th>
<th>Global Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Economy</td>
<td>International trade, financial stability, poverty and inequality, foreign aid, debt relief, international migration, food security, intellectual property rights.</td>
</tr>
<tr>
<td>Global Human Development</td>
<td>Universal education, communicable diseases, humanitarian emergencies, hunger and malnutrition, refugees.</td>
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</tbody>
</table>
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Each issue seems at first to be little connected to the next, but if one reflects a moment, some common features soon become apparent:

- Each issue affects a large number of people on different sides of national boundaries.
- Each issue is one of significant concern, directly or indirectly, to all or most of the countries of the world; often as evidenced by a major UN declaration or the holding of a Global Conference on the issue.
- Each issue has implications that require a global regulatory approach; no one government has the power or the authority to impose a solution, and market forces alone will not solve the problem.

Major Challenges of the 21st Century

According to Sachs (2008), the defining challenge of the twenty-first century will be to face the reality that humanity shares a common fate on a crowded planet. This common fate will require new forms of global cooperation. Dr. Abid Hussain (2008) also observes that while the challenge of the twentieth century was to handle a divided world, the challenge of the twenty-first century will be to handle an interdependent world.

In the last seventy-five years, most successful countries have gradually came to understand that their own citizens share a common fate, requiring the active role of government to ensure that every citizen has the chance and means to participate productively within the society, and to curb society’s dangerous encroachments on the physical environment. Sachs (2008) observes that the challenges of sustainable development – protecting the environment, stabilizing the world population, narrowing the gaps between the rich and the poor, and ending extreme poverty – will need global cooperation. To find the way peacefully through these difficulties, we will have to learn, on a global scale, the same core lessons that successful societies have gradually and grudgingly learnt within their own national borders.

Four goals have been suggested by Sachs (2008) to overcome these challenges of sustainable development:

- Sustainable systems of energy, land, and resource use that avert the most dangerous trends of climate change, species extinction, and destruction of ecosystems.

| Global Environment and Natural Resources | Climate change, deforestation, access to safe water, loss of biodiversity, land degradation, sustainable energy, depletion of fisheries. |
| Peace and Security                     | Arms proliferation, armed conflicts, terrorism, removal of land mines, drug trafficking and other crimes, disarmament, genocide. |
• Stabilization of the world population at eight billion or below by 2050 through a voluntary reduction of fertility rates.
• The end of extreme poverty by 2025 and improved economic security within the rich countries as well.
• A new approach to global problem solving based on cooperation among nations and the dynamism and creativity of the non-governmental sector.

Attaining these goals on a global scale may seem impossible. Yet there is nothing inherent in global politics, technology, or the sheer availability of resources on the planet to prevent us from doing so. We need agreements at the global level and attitudes throughout the world that are compatible with meeting the global challenges.

World is at the Edge

‘At the edge’ is an expression from Chaos Theory, a relatively new science which describes the unpredictable behaviour of things like the weather, the human heartbeat, beehives, and the stock markets. In Chaos Theory, the edge is the meeting point between order and chaos, between the known and the unknown.

Our interdependent globalised world needs the willing cooperation of nation states for several issues, which are beyond any one nation’s ability to solve, like the climate change, terrorism, seemingly intractable poverty, etc. If these issues are not tackled effectively with speed, the future of humanity will be at stake. On the other hand the prevailing world atmosphere is that of conflict and cynicism rather than that of cooperation and faith. The world appears to be at the edge.

Five E’s of Sustainable Development

If one is asked to choose five most important parameters which can help an individual to perform all his actions/activities, on a sustainable basis, in the best possible manner, the following could be listed:

i) Efficiency
ii) Effectiveness
iv) Environment: Be in tune; Don’t damage; Improve, if possible.
v) Evolution: Create positive impact on the value structure.

Efficiency covers all activities, which make actions efficient and will, interalia, include efficient time management, good physical and mental health, possession of adequate knowledge and skills, will to do the job, positive attitude, doing things right the first time, low stress levels, etc.

Effectiveness will mean that the actions result in achieving useful goals for which it will be essential to have necessary vision, broad idea of goals to be achieved, systems to be followed to reach the goals, necessary co-ordination/co-operation with
other individuals/organizations, conscious realization of one’s capacity/capability levels etc.

Ethics is essential for sustainable development and performance. It also helps in arriving at solutions, which are more equitable (concern for Equity). It reduces stress levels, as ethical paths can be very clearly charted as against the paths which are followed for achieving the goals through unethical means. Stress and strain, thus, drastically come down and one is at peace thereby ensuring that mind is tranquil and hence more efficient and effective.

Environment has to be seen in a broader context and may include physical environment, working environment, political environment, financial environment and the like. Activities have to be performed keeping these in mind, lest they trigger reactions which may be difficult to control. Further, actions should not damage the Environment rather, improve it to the extent possible.

Actions must support the process of Evolution and Development in the positive direction for all those connected with the activities. Decline in human values can be detrimental to the society.

For better performance on a sustainable basis these parameters, i.e., the Five ‘Es’ are equally relevant to a Group of Individuals (Teams), Activities, Systems, Organizations and even the Nations. Efforts should be directed to continuously improve upon them.

Prosperity and Human Progress

Prosperity can be defined as the ability of an individual, group, or nation to provide shelter, nutrition, and other material goods that enable people to live a good life, according to their own definition. Prosperity helps create space in people’s hearts and minds so that they may develop a healthy, emotional and spiritual life, according to their preferences, unfettered by the every day concerns of the material goods they require to survive.

Prosperity of a nation can be seen as a set of Stocks. Harrison & Huntington (2000) list in this regard seven kinds of Stock or Capital, the last four of which constitute Social capital :

1. Natural endowments such as location, subsoil assets, forests, beaches, and climate.
2. Financial resources of a nation, such as savings and international reserves.
3. Humanly made capital, such as buildings, bridges, roads, and telecommunication assets.
4. Institutional capital, such as legal protections of tangible and intangible property, efficient government departments, and firms that maximize values to shareholders and compensate and train workers.

5. Knowledge resources, such as international patents, and university and think-tank capacities.

6. Human capital, which represents skills, insights, capabilities.

7. Culture capital, which means not only the explicit articulation of culture like music, language, and ritualistic traditions but also attitudes and values that are linked to innovation.

**Progressive Cultures and associated Values**

Harrison & Huntington (2000) while defining the Culture purely in subjective terms as the values, attitudes, beliefs, orientations and underlying assumptions prevalent among people in a society, identify ten values, attitudes, or mind sets that distinguish progressive cultures from static cultures:

1. Time orientation: progressive cultures emphasize the future.

2. Work is central to the good life in progressive cultures.

3. Frugality is the mother of investment – and financial security – in progressive cultures.

4. Education is the key to progress in progressive cultures.

5. Merit is central to advancement in progressive cultures; connections and family are what count in static cultures.

6. Community: In progressive cultures, the radius of identification and trust extends beyond the family to the broader society.

7. The ethical code tends to be more rigorous in progressive cultures.

8. Justice and fair play are universal impersonal expectations in progressive cultures.

9. Authority tends toward dispersion and horizontality in progressive cultures; towards concentration and verticality in static cultures.

10. Secularism: The influence of religious institutions on civic life is small in progressive cultures.

Steingart (2008) mentions that no one has analysed the reasons for the rise and fall of nations more precisely than the Harvard historian David Landes, who has
spent much of his academic life studying wealth and poverty in world’s nations. One of his (David Lande’s) conclusions is that the rise and fall of nations is not determined by climate and natural resources, military might, financial muscle, technical expertise, or even inherent biological traits; Culture is the decisive factor; Culture in the sense of moral values and behaviours. **If we extend David Landes conclusion to the ‘interdependent globalised world’ the need for orienting the various world cultures towards moral values and behaviours becomes apparent for the sustainability of our planet.**

**Market/Social/Spiritual Values**

Value Chain Analysis for Market Values, Social Values, and Spiritual Values and the driving forces behind them are given in Table 1 (Subhash Sharma – 2007). It can be seen from the same that global problems of our Inter-dependent World cannot be solved through an approach where ‘self-interest’, i.e., market driven approach, is predominant. Higher values are the need of the hour.

<table>
<thead>
<tr>
<th>Nature of Values</th>
<th>Illustrative Phrases &amp; Expressions of the Value Chain</th>
<th>Driving Force</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Values</td>
<td>Competition, Efficiency, Profitability, Survival of the fittest, Downsizing, Economic Value Addition (EVA) etc.</td>
<td>Self-interest</td>
</tr>
<tr>
<td>Social Values</td>
<td>Co-operation, Justice, Equity, Human rights, Gender equality, Social harmony, Pluralism, Workplace diversity, Empowerment of the Weakest, Bio-diversity and other Environmental concerns, etc.</td>
<td>Enlightened self-interest</td>
</tr>
<tr>
<td>Spiritual Values</td>
<td>Symbiosis, Helping others, Joy, Bliss &amp; Peace, Beauty, Goodness &amp; Truth, Symphony &amp; Harmony, Survival of all &amp; development of all, etc.</td>
<td>Enlightened collective interest</td>
</tr>
</tbody>
</table>

**Scope of State Functions and Concept of Specificity**

National governments carry out various governance functions through their Institutions. The broad scope of these State Functions may include the following (Fukuyama – 2004):

**A. Minimal Functions**
- Providing Pure Public Good
- Defence
- Law & Order
- Property Rights
- Macroeconomic Management
- Public Health
- Improving Equity
Protecting the Poor  
Anti-poverty Programmes  
Disaster Relief  

B. Intermediate Functions  
Addressing Externalities  
Education  
Environmental Protection  
Regulating Monopoly  
Utility Regulation  
Financial Regulation  
Insurance  
Social Insurances  
Overcoming Imperfect Education  

C. Activist Functions  
Industrial Policy  
Wealth Redistribution  

The strength of State Institutions is more important in a broad sense than the scope of State Functions. However, Institutional development is heavily impacted by the social structure, culture, and other variables not under the direct control of public policy. It often takes a crisis of one sort or another – whether external, like a war or pressure from foreign governments, or internal, like a revolution or economic collapse – to create the political conditions for major Institutional reforms.

The term ‘Specificity’ refers to the ability to monitor a service output. Fukuyama (2004) explains that Jet Air Craft Maintenance is a service with ‘High Specificity’ because it needs complex skills that are hard to fake. If the mechanic is incompetent consequences will be immediate. On the other hand High School Counseling is a service with ‘Very Low Specificity’. (Both are important but one cannot be measured easily). Figure 1 given below explains the concept-taking examples of some selected activities.

![Fig. 1]
It will be seen that activities falling in Quadrant IV, even though important (High Transaction Volumes), are difficult to evaluate/measure. The efforts by way of decentralization may address only the ‘transaction volume’ problem by putting local people in touch with local administrators but it will not solve the ‘specificity’ problem which has to do with the inherent difficulty in evaluating the underlying activity.

If we broadly examine the global financial, climatic and social issues in this perspective we will find that they all are important (very high transaction volumes), but are difficult to measure (low specificity). However, the financial issues may have higher specificity vis-à-vis climatic/social issues. Since most of the issues/problems are interconnected, an effort to solve financial issues (having higher specificity) while impacting the climatic/social issues will also have better psychological impact on the world community.

Dharma as enjoined in Ancient Indian Philosophy

It is difficult to define Dharma as at different times different Seers have given different definitions. Further, detailed Dharmas (Duties) have also been prescribed for the various category of people like a King, Householder, Housewife, Priest, Guest, etc. The following three definitions, however, should be able to provide a reasonably good appreciation about Dharma (Agarwal - 2004):

1. Truth, Purity, Compassion, and Charity are the four pillars of Dharma.
2. Patience, forgiveness, restraint, not coveting others’ possessions, purity, control over sense organs, talent, knowledge, truthfulness, and absence of pride are the ten characteristics of Dharma.
3. Dharma of a human being is humanity and the ‘humanity’ comprises of all the good qualities like kindness, forgiveness, truthfulness, honesty, purity, etc.

Ancient Indian philosophy broadly classifies the Dharma into two groups, namely:

i) Sanatana Dharma: This is Universal Dharma and does not change with time. It is prescribed through Upanishads or the Vedas (Sruti).

ii) Yug Dharma: This changes with time, people, country, etc., and is prescribed through Puranas (Smriti).

The flexibility to change (Yug Dharma), coupled with core truths remaining intact (Sanatana Dharma), makes the Dharma universal in its applicability. Whenever there is a conflict between Sruti and Smriti, it is the Sruti which prevails.

Four Purusharthas for healthy Living and Evolution

Indian philosophy recommends four pursuits (Purusharthas) for healthy living and evolution of every individual. These are as under (Agarwal - 2004):

i) Dharma (Duty/Moral Values/Humanistic Values)

ii) Artha (Wealth)
iii) **Kama** (Sensory pleasures)
iv) **Moksha** (Attainment of everlasting freedom/Spiritual goal)

The Philosophy does not advocate man to renounce material activity and simply target Moksha, the ultimate goal of life. It considers man’s need to earn wealth (Artha) and the desire to satisfy his senses (Kama) as legitimate and essential to life. However, it recommends that Artha and Kama must not be pursued indiscriminately and must be tempered by Dharma. Pursuit of Artha and Kama, if not done keeping the aspects of Dharma in mind, degenerates a human being, a condition which is so obvious in the present day society.

Further, even the Dharma for its sustenance has to be guided by a Higher Principle, i.e., Moksha which is attainment of everlasting freedom. There is hardly any one who does not want to be free from sorrow. Moksha, however, is not only freedom from ordinary sorrow but is a state when one is in equanimity, both under happy and unhappy circumstances (a state of complete detachment/zero attachment, from fruits of actions). In such a situation activities do not bind the man and he becomes free.

It will be observed that Dharma, which enjoins Duty/Moral Values/Humanistic Values, is not enough and an individual has also to be guided by higher principles of life. A terrorist or a human bomb probably performs his Dharma as conceived by him, without keeping in view these higher principles and so is a major problem for the society including himself.

Our organizations are consciously recognizing that Ethics (Dharma aspect) is needed for sustainable performance/development and all out efforts are also being made to imbibe it in the organizational culture. However, glaring ethical system failures in some reputed international organizations like Enron, Arthur Anderson, Satyam, etc., point towards the need for the Ethics to be rooted in some Higher Principles for its sustainability (Very much like the Dharma rooted in Moksha). One remembers an old saying in this regard:

“Physical prosperity cannot be sustained without Moral Values; and Moral Values cannot be sustained without Spiritual Values”.

**Development Paradigms and Ancient Indian Thought**

Subhash Sharma (2008) succinctly brings out the need for Dharma (Duty/Moral Values/Humanistic Values) for Sustainable Development and the need for even higher values for Holistic Development as detailed in Table 2.

<table>
<thead>
<tr>
<th>Development Paradigm</th>
<th>Values Rootedness</th>
<th>Values Expression</th>
<th>Expression from Ancient Thought</th>
</tr>
</thead>
</table>

Table contd.
The holistic education must acknowledge the multiple dimensions of human personality, viz., Physical, Emotional, Intellectual and Spiritual, and seek a harmonious development of an integrated human being. The four pillars of such an education can be seen as:

(i) Learning to ‘Know’.
(ii) Learning to ‘Do’.
(iii) Learning to ‘Be’ – It implies a movement inwards, towards the depth of our psyche to find the light and strength to behave as responsible and creative citizens in the emerging global economy.
(iv) Learning to ‘Live Together’.

The ancient Sanskrit Shloaka given below provides us a holistic view of life and suggests that ‘enlightened collective interest’ should be the basis of our actions.

*Sarve bhavantu sukhsa sarve santu niramaya,
Sarve bhadrani pashyantu ma kaschit dukhbhavat bhavate.*

Let everyone be happy,
Let everyone be healthy,
See good in everyone,
Let nobody be ever unhappy.

Need for Mutual Faith

Confucius when asked about the greatest necessities in a good Government, replied that the ruler should be able to provide enough food to its subjects, should have enough weapons for their protection, and people should have faith in the ruler. When further asked about the priorities of these necessities, he mentioned, “Weapons are the last priority. If we choose between the remaining two, food can be dispensed with, for one must die one day. But if the people do not have faith in their ruler, they
cannot exist”. What is true of Rulers/Administrators is equally true for Leaders and Managers. (Agarwal & Mani - 2002)

Faith primarily relates to the emotional/intellectual/spiritual planes. One develops faith in an individual/organisation based on his personal contact as also the image or the reputation of the concerned individual/organisation. Any act resulting in breach of faith results in a situation where its restoration becomes extremely difficult and invariably takes a long period of time. If one wants to enjoy the reputation of being a ‘gentleman’ he has to be continuously considerate to others.

This poses special problems for organisations as any wrong act on the part of any of their employees not only damages the image of the concerned individual, but of the organisation as a whole. Bigger organisations, therefore, need much greater surveillance to ensure that their employees act ethically and the faith of their clients/customers is not breached by anyone of them. Similarly, if two individuals want to maintain a faithful relationship on a longer time frame, effort has to be made not to allow any breach of faith, a very difficult proposition in today’s environment. Big organisations not giving due importance to ethical behaviour are going out of existence. Leaders/Managers are also facing this crisis of faith, vis-a-vis, People/Customers/Employees, basically due to some wrong doers in their clan. Improved faith helps both the managers and the employees and is a boon for the organization. In an interdependent globalised world need for mutual faith amongst various nations cannot be overemphasized.

Some Points to Ponder

I. Post-modern Norms / Laws

Modern physics tells us that the Newtonian model is valid for objects consisting of large numbers of atoms, and only for velocities which are small compared to the speed of light. When the first condition is not given, classical mechanics has to be replaced by Quantum Theory; when the second condition is not satisfied, Relativity Theory has to be applied.

It appears that in the high-tech globalised world (worldwide instant connectivity, i.e., death of distance; growing volume of trade; one economy and one market) the hitherto accepted norms of economics and other social sciences are also undergoing changes. In this regard the following examples can be cited (Steingart – 2008):

(a) For a developed economy, the natural progression is to move from an industry-based to service-based economy. It is an accepted norm. However, in the globalised world, while more people are doing industrial jobs than ever before, the developed countries are loosing these jobs. It appears that the industrial work is shifting to less developed countries, especially in Asia. Perhaps the service sector economy is a part of the
industrial society and the service jobs are at the end of the production chain and are not an independent unit.

(b) Economics and morals have nothing in common, is being proved wrong. Many developing countries in the absence of prescribed international norms, use unethical labour practices and systems to gain an edge vis-à-vis the developed countries, in the globalised world trade. Unethical practice is good economics for them.

(c) Despite the international flow of goods and intensive interdependence in commerce (which should improve friendship and peace), the risk of armed conflict has certainly not diminished.

II. Greed/Intense Competition and its effect on Economy/Society

The recent US ‘sub-prime crisis’ reveals how a housing loan fiasco got transformed into a general financial crisis with the potential to snowball into a worldwide economic recession. In this regard following could be mentioned (Ramji – 2009)

(a) In the name of liberalization, the time tested canons of banking system and credit mechanisms were relaxed beyond controllable limits by overzealous authorities, abetted by greedy brokers.

(b) The greed overtook all other values, and the basic difference between profits and profiteering was forgotten by highly paid financial wizards of the concerned international institutions. This was inspite of the fact that there is very great emphasis in management (through courses, seminars, and conferences) to ingrain ethical values.

(c) Ultimately the tax-payers money is used to bail out those who are hurt. The greedy broker, who made quick money, and the inefficient executive, who failed to read the writing on the wall often get away. What sort of social justice is this?

III. Development

Relative roles of the conventional agents of development – the state, the market, the society and the global mechanisms – have been under continuous change. The original aim of ‘development’, ‘modernization’ or catching up with the West, itself is in question in view of the growing concerns of ecology, technology, equity, and global diversity. Further, several decades of development have not yielded the expected results.

Economic Growth has become the secular religion of advancing industrial societies. Gradually, it is being recognized that the goal of development is not simply GDP growth but even more it is the human development. The values of ethics, poverty
alleviation, equity, inclusion, human security, and sustainability are essential to human development.

Market forces marginalize many in society, but the appropriate response may not be to reject market forces but to explore common ground between market and social development.

The holistic development has several dimensions – on a physical level, in an ecological framework, as shifts in social relations, changes in emotional landscapes, on a mental plane, in political field, in historical context, on a moral plane, and in universe of meaning. (Anand - 2009)

IV. Ecological Security

Ecological security is the foundation of sustainable development. The clash between economics and ecology arises from the fact that whereas nature is cyclical, the industrial and commercial systems fuelling our present-day economy are entirely linear. Sustainability will require pattern of production and consumption that are cyclical, imitating the process of nature (Samar Singh – 2007).

One cannot be truly human and civilized unless he looks upon not only all fellow men but all creation with the eyes of a friend. One can take from the earth and the atmosphere only so much as one puts back into them. This feeling of the oneness of all life is best expressed in the Atharva Veda compiled about four thousand years ago, as given below:

We are birds of the same nest,
We may wear different skins,
We may speak different languages,
We may believe in different religions,
We may belong to different cultures,
Yet we share the same home – Our Earth.
For man can live individually,
But can survive only collectively.
Born on the same planet,
Covered by the same skies,
Gazing at the same stars,
Breathing the same air,
We must learn to happily progress together,
Or miserably perish together.

V. Change in Mind-set for Peaceful Co-existence

The globalised world will have to deliberately encourage multi-cultural coexistence, i.e., respect for one another’s culture, and accommodation of one another’s differences. A kind of post-modern culture of co-existence would have to be
found in the context on One World. A moral minimum will be needed which links different cultures and not let them clash. Sources for such an approach could be found in the philosophy of tolerance and non-violence. (Abid Hussain - 2008)

To preserve peace between civilizations, Laws and other Regulatory measures will not suffice. The values of trust, openness, responsibility, solidarity, and love will have to be nursed and developed. This new human order could be based on renewed and reinforced commitment to basic eternal values and philosophies of life.

The world will have to think in terms of giving up its militarist mentality as wars can never solve problems more so in an interdependent world. An approach, which is ‘anti-war’ and ‘pro non-violence’, will have to be used to resolve disputes between the nations.

It is an extremely difficult task to make people agree on various issues. For making a beginning, a broader spectrum could be taken up. For example, majority would agree with the following assertions (Harisson & Huntington – 2000):

- Life is better than death.
- Health is better than sickness.
- Liberty is better than slavery.
- Prosperity is better than poverty.
- Education is better than ignorance.
- Justice is better than injustice.

For resolving the differences/disputes an approach where the problem areas are explored jointly in a friendly atmosphere with an open mind will be required. Methods similar to ‘Parallel Thinking’ (Edward de Bono - 2008), which result in cooperative exploration of problems, could be gainfully used.

**VI. Spiritual Solution to Problems**

One of the mantras of Bhagwan Mahavira to solve problems was based on the principle of bringing harmony between the extremes. He said, “One who is cognisant of the intrinsic is cognisant of the extrinsic; one who is cognisant of the extrinsic, is cognisant of the intrinsic.” Here the intrinsic correlates with the spirituality, while the extrinsic with the external or physical conditions (Economic Times, New Delhi, 20th April 2009).

There are some people who assert that spirituality holds the key to all problems, while others insist on bringing about a change in the external conditions for
solving all problems. **In fact, a holistic approach would be that it is imperative to change the external conditions as well as the internal ones.**

The two great challenges of the present day world are unlimited wealth and unlimited consumption. On account of limitless individual possessions, one section of the society is becoming more and more affluent, whereas another section is becoming deprived and is reeling under the agony of extreme poverty and hunger. Further, the primary cause of environmental pollution is over-consumption or unnecessary consumption.

For solving these two prime challenges (Extreme poverty & Environmental pollution) two mantras enunciated by Bhagwan Mahavira can prove extremely effective:

(i) Putting a limit on one’s possessions.
(ii) Putting a limit to one’s consumption.

In this regard following can be suggested:

(a) Most of the countries do fix a minimum wage/income. It may be desirable to fix a maximum limit also which may be about 20 times the minimum wage/income. Further, all those below the minimum wage/income level must be supported by the Society/Government. This will ensure reduced disparities and will avoid extreme hunger and poverty.

(b) While a culture of austerity must be developed wherein one acts to get his needs fulfilled (and not the greed), individual governments, within an overall accepted world norm, must fix per capita consumption limits for certain critical items. Controlled levels of consumption coupled with technological inputs should ensure that what we take from Nature is duly returned to make the ecological cycle sustainable.

VII. Leaders of ‘Great’ Companies

In his book ‘Good to Great’, Jim Collins (2001) analyses the basic difference between the Leaders of the ‘Great’ vis-à-vis ‘Good’ companies and their performance strategies. Some salient points are mentioned below:

(a) Leaders of ‘Great’ companies (Great Leaders) channel their ego needs away from themselves, into the larger goal of building a Great company. Indeed they are ambitious but their ambition is first and foremost for the Institution, not for themselves.

(b) The Great Leaders first select the right people for their ‘executive team’ and then jointly decide the right path to greatness. On the other hand,
Good Leaders set a vision and roadmap first, and then select capable ‘helpers’ to assist and execute.

(c) The Great Leaders preserve the ‘Core Values’ and ‘Core Purpose’ of the Company and change the ‘Cultural and Operating Practices’ and the ‘Specific Goals & Strategies’ according to needs.

Need for a World Forum

Solutions to global problems, in an interdependent world, need the willing support/action on the part of all the countries. We can think of a WORLD FORUM wherein a suitably selected leader (having attributes similar to a Great Leader as above) from each Country acts as a Country representative and then this World Forum jointly works to achieve the “Core purpose (Sustainable World Development)” while preserving/developing “Core Values (e.g., Market, Social and Spiritual Values)” by realigning the cultural and operating practices to achieve specified goals through mutually agreed strategies; as suiting to the concerned individual Country but within the overall framework agreed and decided upon by the World Forum. Such an approach may be more suitable and effective for an Interdependent World because of the following:

- Action plan is made jointly by the world countries to achieve the ‘Core Purpose’ preserving the ‘Core Values’ and will be acceptable to all.

- ‘Cultural and Operating Practices’ and ‘Specific Goals & Strategies’ are decided by the Forum jointly and are not imposed by one country on the other.

- Country specific plan is made within the overall International ‘Core Purpose’ and ‘Core Values’. (Think Globally – Act Locally)

- It will promote better understanding and mutual faith between the countries for tackling other global issues/problems.

- Such a World Forum can in due course suggest changes in the existing International Organisations/Institutions as considered appropriate.

Conclusion

- Humanity shares a common fate on a crowded planet. Increasing pace of globalization has made the world a ‘global village’. We all are interconnected/interrelated/interdependent.
• Sustainable development, i.e., the development which meets the needs of the present without compromising the ability of future generations to meet their own needs, is becoming a big question mark.

• Globalised world is facing several ‘global issues’ which affect a large number of people across national boundaries and such issues are beyond any one nation’s ability to solve.

• Challenges of sustainable development like protecting the environment, stabilizing the world population, narrowing the gaps between the rich and the poor, and extreme poverty; need global cooperation for problem solving and are an urgent need of the hour.

• Several International/National organizations are engaged in tackling these global issues and challenges but the results have been sub-optimal.

• Sustainable development is the key to our survival. Effective solution of global issues is the urgent need of humanity.

• Problem solving in an interdependent world needs an approach wherein all the countries collectively enforce regulations. It becomes an approach of self regulation by each country according to an agreed plan of the World Community of Nations.

• Obtaining willing support and cooperation of the world countries in problem solving, may appear to be a Herculean task. However, survival of humanity hinges on it and all out efforts have to be made to ensure it. Failure will mean extinction – success will mean survival.

• It is possible that a World Forum, as suggested, will be able to handle these issues and problems more effectively. It may be wrong to chart an action plan for the World Forum; rather it should decide the action plan on its own jointly and collectively to achieve the “Core Purpose (Sustained World Development)” while preserving/developing the “Core Values”. However, the World Forum may find some of the issues/options/solutions as discussed in this article useful.

References


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