



PROMOTING LEADERSHIP IN THOUGHT
THAT LEADS TO ACTION

THE WEALTH OF NATIONS REVISITED

CADMUS

**A papers series of the South-East European Division
of the World Academy of Art and Science (SEED-WAAS)**

Volume I, Issue 3

October 2011

ISSN 2038-5242

SEED IDEAS

Organization Abolishes Scarcity
Organizing International Food Security
Boundless Frontiers of Untold Wealth
Mediterranean-EU Community for a New Era of Mankind

ARTICLES

The World in 2052
— *Ian Johnson*
Rethinking Growth: The Need for a New Economics
— *Roberto Peccei*
The Evolution of Wealth & Human Security: The Paradox
of Value and Uncertainty
— *Orio Giarini and Garry Jacobs*
Real Economies and the Illusions of Abstraction
— *Hazel Henderson*
The Moral Arc of History
— *Robert W. Fuller*
Mediation of Conflicts by Civil Society
— *Melanie Greenberg, Robert J. Berg and Cora Lacatus*
Rising Expectations, Social Unrest & Development
— *Ashok Natarajan*
Brief History of Alternative Dispute Resolution in the USA
— *Michael McManus and Brianna Silverstein*
Turn Towards Unity: Converting Crises into Opportunities
— *Garry Jacobs*
In Search of Failure's Silver Lining
— *Bengt-Arne Vedin*

BOOKS

Towards Green Growth
Taming Global Governance Idea Chaos: A "Frontier
Frame" for Recent Books
— *Michael Marien*

EDITORIAL BOARD

Chairman: Ivo Šlaus, Member of the Board of Trustees of World Academy of Art & Science; President, South East European Division, World Academy of Art & Science, Zagreb, Croatia; and Member of the Club of Rome.

Editor-in-Chief: Orio Giarini, Member of the Board of Trustees of World Academy of Art & Science; Director, The Risk Institute (Geneva and Trieste, Publisher), and Member of the Club of Rome.

Managing Editor: Garry Jacobs, Member of the Board of Trustees of World Academy of Art & Science; and Vice-President, The Mother's Service Society, Pondicherry, India.

Members:

Walter Truett Anderson, Member of the Board of Trustees of World Academy of Art & Science; and former President, World Academy of Art & Science.

Ian Johnson, Secretary General, The Club of Rome; and former Vice President, The World Bank.

Michael Marien, Fellow of the World Academy of Art & Science; and Director, Global Foresight Books.

Winston Nagan, Member of the Board of Trustees of World Academy of Art & Science; and Professor of Law & Director, Institute for Human Rights, Peace and Development, University of Florida.

Francesco Stipo, President of the US Chapter of the Club of Rome.

The CADMUS Journal

The acronym of the South-East European Division of The World Academy of Art and Science – SEED – prompted us to initiate a journal devoted to seed ideas - to leadership in thought that leads to action. Cadmus (or Kadmos in Greek and Phoenician mythology) was a son of King Agenor and Queen Telephassa of Tyre, and brother of Cilix, Phoenix and Europa. Cadmus is credited with introducing the original alphabet – the Phoenician alphabet, with “the invention” of agriculture, and with founding the city of Thebes. His marriage with Harmonia represents the symbolic coupling of Eastern learning and Western love of beauty. The youngest son of Cadmus and Harmonia is Illyrius. The city of Zagreb, which is the formal seat of SEED, was once a part of Illyria, a region including what is today referred to as the Western Balkans and even more. Cadmus will be a journal for fresh thinking and new perspectives that integrate knowledge from all fields of science, art and humanities to address real-life issues, inform policy and decision-making, and enhance our collective response to the challenges and opportunities facing the world today.

Copyright:

Publisher: The Risk Institute - Istituto del Rischio

Via della Torretta, 10 - 34121 Trieste - Italy / 53 route de Malagnou - 1208 Geneva - Switzerland

Editorial Office: 5, Pudukai Sivam Street, Venkata Nagar - Pondicherry 605011 - India

Published under Open Access policy guidelines.

See page 4 for Editorial Policy.

Websites:

www.cadmusjournal.org - www.seed-ideas.org - www.newwelfare.org

E-mail:

editor@cadmusjournal.org

Printed by:

Akaram, Plot No.1, Nirmala Nagar, Thanjavur, India



The Turn Towards Unity: Converting Crises into Opportunities*

Garry Jacobs

Trustee & Chair, Committee on Peace & Development, World Academy of Art & Science;
Vice-President, The Mother's Service Society, Pondicherry, India

Abstract

Human progress is stimulated by external threats and pressures. Values distilled from long experience possess the essential knowledge and power needed for continuous development and evolution. Successive waves of foreign invasions following the collapse of the Roman Empire coalesced the tribes of England into a nation state. Centuries of incessant warfare finally compelled the countries of Western Europe to evolve a regional union within which war has become unthinkable. Most recently, the rising incidence of terrorism has compelled national security institutions to forge a network for global coordination unimaginable during the Cold War. Challenges met are converted into opportunities. Opportunities missed degenerate into problems. All crises are psychological in origin. The remedy always calls for a change of attitude and values. The greatest threats confronting human beings today do not come from external aggressors. They are the result of problems that affect humanity as a whole and can only be addressed collectively by the entire human race. International financial instability, unemployment, terrorism, proliferation of nuclear weapons and climate change are indications that humanity is entering a higher phase in social evolution that compels us to evolve more effective instruments for governance at the global level. No nation or group of nations acting on its own can protect itself from these threats. Effective action to address these issues is unlikely to come from governments whose source of power and very identity are based on national sovereignty and separateness. Mechanisms for global governance will not be effective unless founded upon universally accepted values in fact as well as in principle, a condition violated by the undemocratic character of the UN system. Power relents only in the face of greater power. Power that exceeds that of the five permanent members of the Security Council can only come from representatives of humanity as a whole. A confederation of transnational organizations with shared values and common concerns can formulate a vision and plan that will constitute the seed for future world government. Organizations have evolved to the point where they can play the pioneering role traditionally played by pioneering individuals in the past, but even such organizations must depend on a core group of aspiring individuals to point the way.

1. Crises and Opportunities

Society is founded on the distilled essence of millennia of experience. It takes centuries

* Paper presented at UNESCO Conference on Sustainable Development, Dubrovnik, September 2011, Special World Academy of Art & Science Project "From Crisis to Prosperity."

of experience to create a little history, centuries of history to create a little civilization, and centuries of civilization to create a drop of culture. Universal values are the quintessence of that culture. Spiritual values of freedom, equality, peace, harmony, unity, truth and self-giving are the most precious products of the evolutionary process, for they embody the deepest wisdom of our cumulative experience, the knowledge on which all lasting achievement and sustained progress are founded. Those values are our surest guide to a more perfect future. Values possess unparalleled power for accomplishment.

Experience also teaches us that progress almost invariably arises from the ashes of conflict, crises and, very often, massive destruction. Destruction is destructive of obstacles. Destruction is creative. Hence the irony that the most devastating destruction in human history during WWII has been followed by the most remarkable period of accomplishment. Humanity has developed more during the past fifty years than during the previous five centuries, according to UNDP, and the rate of progress is accelerating. Therefore, we are compelled to acknowledge the mystery that problems and crises give rise to unprecedented opportunities.

At the same time we are forced to acknowledge that opportunities missed often degenerate into problems. Thus, the missed opportunity to found a truly global system of governance in 1945 was followed for 45 years by the Cold War that generated a greater real threat to the future of humanity than all the real wars fought throughout its long history. The irresistible temptation of the victorious nations to unevenly distribute political power in the new dispensation led instead to the fashioning of an effete, unrepresentative system of governance in the name of democracy. Looking back, it is almost impossible to conceive of the logic that compelled informed leaders on both sides to sanction the creation of 70,000 weapons of mass annihilation. Yet this was a 'logical' outcome of the post-war mindset. The physical urge in thought and act is for blind repetition without end until a new crisis compels it to stop.

Once again, after the fall of the Berlin Wall and the Iron Curtain in 1989, unprecedented opportunity presented and was at best half-heartedly embraced. The unification of Europe, establishment of a single world market devoid of ideological barriers, and emergence of the Internet as the first truly global social organization are its finest products. The multiple crises the world faces today are its worst consequences.

2. Psychological History of Human Progress

History records facts. A psychological history reveals the thinking and attitudes responsible for those facts, which alone give us the power to avoid endlessly repeating the same mistakes. Knowledge is power. Psychological knowledge is power to escape from the limitations of the past. All crises are psychological in their origin. They arise from uninformed or misinformed opinion, prejudiced attitudes, exclusive pursuit of narrow self-interests, refusal to renounce a temporary advantage, indulgence of a destructive urge, inability to control a triumphant impulse.

All opportunities are psychological as well. They are created by embracing a higher or wider perspective, a more inclusive viewpoint, the courage to build a fresh future free from the legacy of the past, a willingness to cooperate, an urge for harmony, a sense of fairness, the inspiration of an ideal, the commitment to a value. Thus, millions of impoverished

Europeans, inspired by the ideal of freedom and the value of self-reliance, found the courage and inspiration to give up the settled security of life in their native countries to brave rough seas and settle the American wilderness. It is significant that the most successful American colonies were not founded in the Southern Hemisphere in which European monarchs established crown-administered colonies in quest of gold, but in the northern regions where no gold was found until centuries later. The northern colonies were left to fend for themselves. It was freedom that made America prosperous, not precious metals. Ideals, attitudes and values constitute the principal difference between astonishing achievements and intractable problems.

The nuclear weapon states missed a unique opportunity to rid the world of the most pernicious devices of self-destruction ever fashioned by man. But the five nuclear powers lacked the wisdom and idealism to renounce a temporary individual advantage in exchange for humanity's permanent freedom from a nuclear nightmare. The world's only remaining superpower missed a golden opportunity to pioneer the next stage in global governance. But that required a self-restraint and humility rare among those at the crest of power.

Overlooking the gaping holes in their own half-failed system after the collapse of communism, market fundamentalists of the Washington Consensus proclaimed ideological victory over decrepit, centralized economic autocracy. Swallowing their own propaganda, they discarded the most valuable lessons of the Great Depression and post war decades. The world stands witness to the results of these missed opportunities – chaotic global financial markets, depressed economies, disenfranchised workers, rocketing disparities between rich and poor, the looming threat of environmental catastrophe, youth without dreams, rising levels of social unrest and violence among those who have been left out. The rising of fundamentalism and terrorism are symbols and symptoms of fundamental defects in our own beliefs and attitudes.

Today we face even more threatening crises, which cloak even more promising opportunities. We desperately need to discover the alchemy of consciously transforming crisis into opportunity. The psychological history of recent decades offers all the knowledge we require to effect that transformation, if only we have the sincerity to understand and the will to act on that knowledge.

3. From Threats to Unity

Historically, unity is an adaptive response to a common enemy. Churchill illustrated this process in his *History of the English Speaking People*. After the fall of the Roman Empire, for centuries Britain was subjected to the onslaught of successive invasions by aggressive neighbors – Angles, Saxons, Jutes, Danes and Normans. Each invasion conquered and supplanted the previous ruling tribe. Each new invader was invited or encouraged by warring local barons and the suppressed majority, lured by the hope of casting off the yoke of present tyranny, only to discover the rule of the new tyrant equally or more oppressive than that which it replaced. Is humanity today any better at learning from its experiences? After centuries of recurring conquest, awareness gradually emerged and a common identity was forged among the long suppressed, motley community of successively conquered tribes of Britain. The eventual result was a consolidation of disparate peoples into the united community of the

English under a universally-recognized monarch. Thus, the foundation was laid for the early emergence of Britain as a modern nation-state. It was not commonality of language, race or religion that united the English, but the pragmatic power of values – the values of freedom and unity.

Values are contagious and often surface where we least approve. We revel in our own freedom from subordination to the power of others, yet cry foul when ungrateful others rebel against the gentle yoke of our own superior power. History repeated itself across the Atlantic, when Britain's American colonies came to perceive that only by freedom and unity with one another could they withstand the arbitrary imposition of authority from England or potential threat from other European powers.

Two centuries later, the same ingratitude of the enslaved spurred the emergence of India as a nation-state, a subcontinent which through most of its history had consisted of hundreds of divided and sometimes warring major and minor kingdoms. Eight hundred years of humiliating subjection to foreign rule – first by the Moghul emperors and later by the British traders – forged a culturally united but linguistically, ethnically, socially, religiously and politically diverse people to build a common future based on a common identity. It is as though the fragmentation of Indian society by caste and religion compelled Nature to employ foreign invasion to forge the unity of these people. India's diversity of language, caste, class, religion, race and political grouping – perhaps Nature's greatest experiment with heterogeneity – evolved into Nature's greatest experiment with human unity.

4. Peace as an Emergent Property

Threats and challenges generate opportunities. The UN emerged from the devastation of World War II as humanity's greatest ever conscious endeavor to learn from experience, to transform high ideals into living social values, to convert unprecedented suffering into peace and prosperity. It did succeed in ending the incessant warfare that had made Europe a perennial battlefield of warring peoples for the previous five hundred years. Physical war was replaced by an ever-present, imminent threat of nuclear annihilation, intense political confrontation between opposing ideological blocs, and global competition for allies through the declared idealism of foreign aid and the secret pragmatism of proxy wars. Yet beneath the surface confrontation, the essence of that bloody competitive history gradually coalesced into the idea and eventually the reality of a regional cooperative security system, NATO, and an increasingly united community of nations, the European Union, built on the battlefields of the past. As a result, in the words of a European security expert, "war in Europe has now become unthinkable." That is surely an achievement worth thinking about.

Here too, a great opportunity was only half-seized, leaving behind it inherent weaknesses that have recently surfaced to shake the entire edifice of the nascent union. Spurred by the political and economic triumphs of their mighty neighbor across the Atlantic, yet still possessed by the ghost of divisive nationalism, the members of the EU forged a confederation more similar in most respects to the failed southern Confederacy than the federation of American states it was intended to emulate. The recent financial crisis has exposed the defects in that design, created by political sleight-of-hand to appease nationalistic sentiment at home. The lesson is now apparent. A strong currency union can only be based on a strong central bank

that is a branch of a strong unifying central government. The experience of Europe today foreshadows the experience of the whole world, as it inevitably discovers the desirability and eventual necessity of a single world currency as the basis for a truly global system of governance – an idea seriously contemplated and then short-sightedly abandoned at Bretton Woods in 1945.

5. Global Threats and World Unity

If unity is an emergent property that manifests in response to threats from a common enemy, what possible enemies could pose a common threat sufficient to unify all of humanity? Hollywood's answer is an alien invasion of one sort or another or a wayward asteroid on a collision course with Mother Earth. But no resort to science fiction is required to answer this question. For we already confront those enemies face to face and call them international financial crisis, unemployment, nuclear proliferation, terrorism and climate change. Any one of these very real, present and imposing threats should be sufficient to forge all humanity into a unified, cohesive entity capable of collective response. But will we act even now? Further crises can be avoided, indeed crisis itself can disappear from our lexicon, if only we have the wisdom to consciously embrace and act upon the psychological truths and spiritual values that have brought us this far. Wisdom is to discover that the solution lies within the problem.

6. The Currency of Equality

Human beings have a unique capacity to fashion marvelous instruments for social advance and then to subordinate and enslave themselves as hapless victims to their erstwhile servants. This is the process by which one of the greatest of social innovations – money – has become one of the greatest threats to civilization.

Freedom is the final law, but freedom for whom and for what? The inviolable sovereignty of the nation state is a myth that can no longer be defended. What about the inviolable sovereignty of the individual whose rights are usurped by the dictatorship of majority rule? What about the inviolable sovereignty of humanity, whose sacred commons are raped and pillaged with utter abandon by those with the means who get there first?

In any case national sovereignty has already been defeated by the global marketplace, more specifically by international financial markets. Daily some four trillion dollars in surplus money circles the globe in search of higher returns, moving with the speed of light and callous indifference to consequences of a tornado or tsunami. And like its natural cousins, this social tempest is utterly without conscience, but not without intention. It has an aim which is to maximize self-interest regardless of whose interests are sacrificed as a result. It has a strategy which is to destabilize every certainty, for in uncertainty is found the maximum opportunity for those who know the most and move the fastest. Ranging with the freedom of marauding barbarian hordes against the tiny defenseless outposts of civilization in the past – for history has always favored the barbarian – it seeks out and strikes every vulnerability, uttering the hallowed name of free markets and economic science as it plunders. Never before has human greed had such freedom of action and never has it been less human, for, the soul of the international financial markets is not human; it is a computer running black-box trading algorithms. Nations are defenseless against this most pernicious of all computer viruses, the

virus of financial speculation, which moves with abandon across national borders. Even the strongest of central banks, acting on its own, is hapless to defend itself. But worst of all, the entire world economy is held hostage for an extortionist's ransom. Tens of millions of jobs, which mean tens of millions of lives, are prey to its whims. In the name of free markets, growing numbers of people everywhere are deprived of the most basic of human freedoms, the freedom of livelihood.

Equality does not exist in Nature. Nor does it exist in society. The freedom we so cherish has become a powerful means and resourceful justification for preserving and magnifying inequalities. Yet the wise proclaim equality the most profound of truths, the common basis for our humanity and our spirituality. For freedom without equality is law of the jungle in a tuxedo. Freedom to speculate is a gross misuse of the original purpose for which money was invented as a means to facilitate exchange. Speculation diverts resources from the real economy and undermines its stability. Relative inequalities are no doubt a healthy spur to human initiative.¹ But the rapidly expanding gap between rich and poor in recent times is channeling more and more wealth from productive purposes into a pseudo world where money chases money instead of creating real wealth and welfare.

Investors rightly point out that an effort to regulate or tax money flows and transactions nationally will only encourage the movement of money to foreign markets. Yet the very same group will vigorously protest against efforts to establish uniform policies and tax rates globally, for that would remove the threat which prevents the home government from regulating or taxing financial transactions. Thus the absence of a global financial regulatory mechanism is equivalent to the 19th century land rush in North America, according to the greatest boon to those who came first and staked out a claim for free land. But this time the land is not free. It is the future prosperity of humanity that is up for grabs. The unabashed freedom of the market destroys far more than it creates and undermines human freedom. The wisdom of the marketplace is a myth. Wisdom is knowledge that preserves and enhances human life. Markets do not take cognizance of human welfare.

The unification of global markets necessitates the unification of the regulatory mechanisms for governing those markets, for differences in policy and enforcement are an open invitation for arbitrage. The destructive impact of speculative currency trading can be substantially mitigated without detriment to the global economy by imposition of a uniform Tobin Tax on short term, cross-border currency movements that are not directly related to trade or direct investment. Ultimately, a permanent solution requires a unified global financial organization backed by international law, a world reserve currency and a world central bank.

7. Right to Employment

Money is not the only challenge to national sovereignty. Jobs too have gone global. The traditional theories and policies available to national governments are no longer adequate. Compelled by investors demanding higher profits, multinationals move production facilities to low wage countries, unmindful of the impact on employment and living standards; unmindful also of the enormous benefits they draw from the sophisticated legal, scientific, financial, educational and physical infrastructure of their home base. Raise funds and innovate

at home, create jobs abroad: that is the formula. Topping it off, they demand priority access to government contracts and campaign for lower tax rates with which to finance election of business-friendly candidates. This is plutocracy, not democracy.

Outsourcing has made many types of service jobs equally vulnerable. Visa restrictions can prevent foreign workers from coming in but are helpless to prevent jobs from moving overseas. It is true that this tendency is not new, but it used to occur gradually over decades, providing time for individuals to adjust, younger generations to acquire new skills, and society as a whole to adapt. But the speed with which it now occurs is so rapid that adapting is increasingly difficult and stressful. Unlike a tax that is equally felt by all, the cost of rising levels of unemployment falls disproportionately on the poor and less educated who are least capable of adapting.

Extreme inequality destroys freedom and undermines peace. Rising levels of unemployment aggravate income inequality and increase social unrest and the propensity for violence, as Jasjit Singh argues.² Economically disenfranchised youth in the Middle East are toppling authoritarian regimes, while impoverished tribals in rural India challenge a democratic state by morphing into armies of Naxalites organizing crime and terrorism. We welcome the former and fear the latter. But what will happen if those youth are unable to find jobs in the new dispensation?

Today some 44 million people in OECD countries are jobless. In Spain unemployment tops 21%, including 46% of youth. In the USA alone 25 million people are either unemployed or underemployed and the length of unemployment now averages 40 weeks. Globally the number of jobless exceeds 200 million, a disproportionate number of which are young. This situation would be tragic if national governments were really helpless to address the growing problem, but they are not. They are unable to act because they are held ransom by misconceptions and myths mistaken for scientific truth and pragmatic realism.

The problem of unemployment is the result of policies and priorities held sacrosanct, because they benefit established seats of social and economic power. Change the rules and the results will be dramatically different. Organize to optimize human welfare rather than unbridled growth. A society that can mandate universal education can mandate universal employment opportunities as well. Promote investment in people rather than hedge funds and commodity futures. Develop entrepreneurship and self-employment rather than new weapons systems. Insist on minimum assured income for all rather than tax cuts for the wealthy, who in Germany are actually demanding to be taxed more. Abandon the convenient superstition that more inflation is necessarily harmful in favor of the recognition that more jobless families is absolutely disastrous.

Solution to the global employment challenge necessitates a global modeling of employment markets. It necessitates global coordination of policies and strategies to harness the enormous potential of human capital as well as financial capital to ensure stable employment opportunities for workers everywhere. The alternative is increasing inequality, instability and unrest that threaten to tear apart the delicate social fabric woven so patiently, yet so sensitive and intolerant of neglect. The combination of rising expectations fueled by the information age and rising human insecurity in the name of unfettered markets is not a formula on which a peaceful and prosperous world can ever be built.

Here too, the absence of international regulation or uniformity is exploited to the advantage of employers at the expense of the employed. Global policy coordination can stabilize global labor markets, but it will not address the severe inequalities in wages, which are aggravated by the ease with which jobs now move from one place to another. Some form of global minimum wage, which could be graded according to average national income, would more substantially benefit low income workers with minimal impact on total employment. Its main affect would be to remove the price subsidy which presently benefits more wealthy consumers domestically and abroad.

Policies alone will not be sufficient to meet the global employment challenge. Policies are always based on ideas and values. Current policies are based on the faulty idea that full employment is neither possible nor even desirable and on a system of values that gives greater importance to money than it gives to man. Human capacity is the most precious and remarkable of all Nature's creations. The human resource is the most creative and productive of all resources. Yet we live in a world where the resourcefulness of hundreds of millions languishes for want of employment and the capabilities of a few billion more are grossly underutilized, but not for want of willingness to work. People are a perishable resource. Their capacities grow when engaged, decline when left inactive. Side by side with this unconscionable waste of human resources, society has a vast array of unmet and inadequately met needs – for education, health care, housing, environmental remediation, etc. Efficient market theory is a terrible misnomer. Rationality may have its limits, but this is simply limited rationality.*

Therefore, we need most of all to evolve valid theory of employment based on the premise that the primary purpose of economic systems is to generate human security and promote human welfare, not to maximize growth or preserve accumulated wealth. Such a theory must be founded upon the right to gainful employment as a fundamental human right. For in the market-based economic system now globally prevalent, access to employment is the principal means to obtain access to social freedom and other rights. It is the economic equivalent of the right to vote in democracy. A theory of employment must explain the underlying principles by which global employment increased from 900 million to three billion during the past sixty years.³ Employment being a subset of economics, such a theory must be based on a more fundamental theory of wealth and welfare which does not exist today.⁴ The need for new theory is eloquently expressed by Orio Giarini: "It is nonsense to be in crises with all the progress in knowledge, technology, etc.; we now have far more tools to develop wealth than at the time of Adam Smith!" It is not limits to growth, but the limits imposed by imperfect ideas and narrow, self-centered values that presently limit our growth. The potential for growth is limitless.

The greatest obstacle to global full employment is not population, automation, world trade, multi-national corporations or outsourcing. It is our collective faith in the myth of market fundamentalism and the intrinsic value of money. As Adam Smith so well understood, money is only a symbol for productive capacity and only as valuable as what it can purchase to promote human welfare. "It is not for its own sake that men desire money, but for the sake of what they can purchase with it."⁵ The real obstacle is our collective refusal to recognize

* Limits to Rationality is a topic of an upcoming World Academy project and of a session at the Academy's 2008 General Assembly at Hyderabad.

the most fundamental of all human values – the value of the human being – and the most essential of all social objectives – the security, welfare and well-being of all members of society.

8. Cooperative Security

The proliferation of nuclear weapons has undermined the security of all nations. The increasing threat of nuclear terrorism or blackmail threatens the security of all human beings. These weapons should never have been created. At least now they can have no possible *raison d'être*. *They are a disease that must be abolished. How long should any reasonable man take to get rid of a disease when he knows the remedy?*

The remedy is simple. It is not to stop Iran from acquiring nukes or to convince North Korea to give up the ones they possess. It is not to persuade Pakistan to stop making more and ensure the security of those they possess. It is for the international community in the name of humanity to declare the production, possession, use or threat of use of these weapons a crime against humanity and to destroy the weapons of mass destruction en masse. And if the UN Security Council will not do it and the General Assembly lacks the power to do it, then it is up to the people of earth – the only conceivable ultimate authority on this or any other issue affecting all human beings – to do it directly. Surely a mechanism can be found to make that possible.

But nuclear weapons are only a sign of the problem, not the problem itself. The real problem is the present paradigm of competitive security in which each nation is responsible for its own security and largely dependent on its own means to secure it. Under this paradigm, each nation is encouraged to acquire the maximum defensive and offensive weapons capability to protect against any possible threat. As a natural consequence, the more successfully one nation enhances its own security, the greater the real or perceived insecurity of other nations and the greater the spur for them to match or excel in preparedness. This competitive paradigm was responsible for the insane escalation of arms production during the Cold War, which still persists today. That is the logic which led to 70,000 nuclear weapons and now sustains \$1.6 trillion in global military expenditure, up by 45% in nominal terms since the end of the Cold War. Weren't we supposed to be safer now?

The only obvious permanent solution is to shift to a cooperative security system open to all nations in which each contributes to and is protected by the overall preparedness of the collective in exchange for renouncing the right to aggression against any other state for any reason.⁶ NATO is a working example, but it remains an exclusive club and a perceived threat to countries which are denied entry. The expansion of NATO may make Europe feel safer, but it will also act as a spur to greater military spending by Russia, China, India, Iran, Pakistan and a host of other states left outside its purview. The only permanent solution is a global cooperative security system, which necessitates an effective system of global governance. We have avoided world war for 65 years, but we have yet to secure the peace. That we can only accomplish all together.

9. Law of the Earth and Human Sovereignty

Nuclear weapons are not the only threat to humanity. As the recent nuclear accident at Fukushima illustrates, environmental catastrophes can be equally or more devastating. It matters little to the hundreds of thousands of people who were driven from their homes, many never to return, whether the event was intentional or accidental. The devastation is still equally great. Fortunately for the rest of the world, Japan is an island. If this accident had occurred in Western Europe, the radiation would have respected no national boundaries. If national sovereignty accords each nation the right to decide on the source of power it will generate for its own use, what does it say about the right of neighboring nations to protection from the threat of nuclear contamination from beyond their borders? While regional security may be achieved by cooperation with other nations, global environmental security can only be achieved by cooperation with all nations. It is not the right of nations that is at stake here but the right of humanity as a whole to the global commons.

Environmental problems are not constrained by political boundaries. Of all the threats confronting humanity today, none so clearly and compellingly necessitates concerted global action as that of the environment. Yet this is precisely the field in which cooperation rarely extends beyond the conference table. International environmental law is rudimentary at best. International courts appear reluctant to address ecological issues that require the formulation of new legal principles embracing a universal concept of sovereignty. The very notion of external sovereignty – that the state is not subject to any higher jurisdiction apart from laws and regulations with which it voluntarily complies – is otiose and counter to principles of justice for all humanity. The emperor wears no clothes.

The emergence of common global environmental threats, such as chemical and radioactive pollution, the exhaustion of non-renewable and water resources, and climate change, compels us to accelerate the evolution of international law. Law is the codified public conscience. It presupposes the existence of a collective. International law presupposes the existence of an international community – a community of people as well as states. Social order does not necessitate law. Primitive societies can be sustained on the basis of arbitrary authority, the rule of force and power. Law becomes essential when the rights of the individual are to be safeguarded from arbitrary action. Law emerges in society with the emergence of the individual. Law is conceived and established only when it has gained legitimacy in the minds of those who are governed and when the collective has acquired the capacity for enforcement. Law represents the power of the impersonal collective over the individual, but also the acceptance by the individual of the impersonal authority of the collective internalized in his own mind. Laws that are not recognized and accepted by the minds of those who are governed have no power. Therefore, laws presuppose the mental development and awakening of the individual. What begins as custom and usage evolves over time into codified law. Customs are based on values. Laws come into existence when the customs are accepted by all members of society. The most fundamental premise of law is that each individual's existence must be in harmony with that of everyone else. The challenge today is for us to embrace shared values with respect to the global commons and the sovereign rights of humanity as a whole.

10. Conscious Evolution

Nature's evolutionary method is clear. Like other species, humanity evolves largely in response to changing external circumstances. In lower species, the choices that generate evolution appear to result from a combination of chance mutation and physical necessity. But clearly there is some subconscious urge in all life forms that distinguishes life from inanimate matter – the urge to survive and adapt for self-perpetuation comes from inside.

Human beings differ from the rest in their capacity to make that adaptation conscious. Humanity confronts problems, challenges, crises and catastrophes, because our knowledge is insufficient and our actions are often detrimental to our own survival and progress. Nature confronts us with our limitations so that we can consciously evolve more adaptive and creative responses to enhance the welfare of the collective and the well-being of its individual members. Through experience we acquire the physical knowledge and skills needed to adapt better. Over time that experience matures into a vital sense of history which imparts the understanding and attitudes needed to associate with other people and organize our collective activities more effectively. The rules, laws, customs and institutions of civilization emerge from that historical experience. Spiritual values nurtured as culture are the alchemist's precipitate – the sacred essence of that cumulative experience – distilled, enshrined and passed on as the most precious gift from generation to generation. Knowledge, skill, attitudes, organization, customs, laws and institutions must necessarily evolve with changing times and conditions. But spiritual values are universal and eternal. They are our most precious legacy and valuable guide to the future.

The past few centuries of human evolution have been accomplished by a near universal acceptance of one of these eternal truths – the value of freedom. Freedom is the cultural foundation on which the entire edifice of modern civilization is based. An eternal truth, no doubt; yet like all eternal truths, it can be fulfilled only when it expands to embrace and accommodate complementary truths as well. For narrowly pursued as a sectarian dogma, freedom degenerates into self-destructive license as quickly as the value of equality, separately pursued, degenerated into self-destructive authoritarianism in the 20th century. Freedom separately pursued is the law of the jungle that in the name of a high ideal destroys the freedom of others. And if there is one thing which Nature is trying to teach us through the problems, challenges and crises which currently confront humanity, it is the need to reconcile the greatest freedom for each individual with the greatest welfare and well-being for all. Individual freedom can only be attained and preserved for all by founding it on the unity of the collective, on the value of human unity.

11. Individual and Collective

Historically, the relationship between the individual and the collective has been a stormy love affair, a strange mixture of adulation and intolerance, creative inspiration and blind conformity. Nature's apparent method has been to sacrifice the individual member for the survival of the species. That is the obvious rule in the animal kingdom and in the earlier stages of human evolution as well. Historically, society has been a strict and intolerant

parent. It welcomes new members into its fold and finds room for them, provided they strictly adhere to its beliefs, rules, customs, values and ways of life. Tolerance for dissent – political, religious, social and even intellectual – has rarely been given more than lip-service. In this sense, human evolution conforms to the universal pattern in physical nature.

Yet, ironically, we find that all human social progress can be traced back to the willingness of the collective to follow the lead of a pioneering individual who refuses to conform. The role of the individual is similar to that of the aberrant gene in biology, introducing a new or varied capacity which sometimes proves to be of such immense value to the collective that it is quickly imitated by others, assimilated by the group, consciously multiplied by organization, institutionalized through education and subconsciously passed on to future generations in their cultural genetic code.

Society is the psychological gene pool that preserves capacities acquired by past generations; some that are of greatest value for its survival and development, others that are anachronistic or antagonistic to its persistence and progress. The individual is the point of departure from the past and present into the future. Drawing upon the inheritance of the collective, the individual has the capacity to consciously recombine its elements for greater effectiveness and even to fashion new elements out of the collective knowledge and experience. The adventurer, pioneer, entrepreneur, social innovator, revolutionary leader, inventor, original thinker, genius and saint are fine flowers of individuality. They catalyze the development and evolution of the collective by their visions, ideals, beliefs, ideas, passions, original and courageous actions. The uniqueness of the individual is the complement of the unity of the collective.

Although society has always been intolerant of dissent, throughout history it has looked to the individual for its salvation in times of crisis. Thus, the American Revolution gave birth to Washington and Jefferson, the French Revolution to Napoleon, the Panic of 1907 to Morgan, the Great Depression to Roosevelt, the Second World War to Churchill, Indian freedom to Gandhi, and the Cold War to Gorbachev. In times of rare opportunity, it is always the unique individual that leads the way. Thus, the Renaissance gave birth to Leonardo and Michelangelo, the Enlightenment to Newton and Descartes, the Industrial Revolution to the Rockefellers and Carnegies, the electrical age to Edison, the automobile age to Ford, the Scientific Revolution to Darwin and Einstein, and the PC Revolution to Steve Jobs and Bill Gates.

12. Shifting Balance

In recent centuries the balance of power between the individual and the collective has been shifting. Though an equilibrium still persists, the scales are no longer weighted so heavily in favor of the collective. The reason is evident. Human evolution is an evolution of consciousness. The collective in Nature is subconscious, living by instinct and genetic programming rather than by conscious volition. Human collectives begin the same way, governed mostly by fixed biological needs, physical habits, vital desire and fears overlaid with inherited social traditions that are difficult to change, and topped by a thin layer of mentally conscious understanding driven by the curiosity to know and the urge to explore and innovate.

But over time the relative balance in this equation changes. The conscious part becomes larger and more influential, more and more subjecting the animal instincts and inherited habits to analysis and conscious control. As it progresses, society becomes more adaptive, inventive, creative and capable of development. The individual is the key to this process, the conscious peak and instrument through which the collective experiments with new thoughts, attitudes and actions.

Over millennia, civilizations have discovered that the greater the freedom they accord within limits to their creative individual members, the greater the capacities society acquires for survival, growth, development and evolution. Once realized, society strives to consciously foster at least a modicum of individuality by greater political freedom, rule of law, human rights, economic opportunity, social equality and education.

The past few centuries of Western civilization have led the way in pushing the equilibrium further in the direction of the individual. While the ideal of individuality was born in Europe, the dead weight of social stratification and tradition prevented it from flowering there. Thus, Europe cast its ragged social rebels across the Atlantic, where they could sprout as individuals in the fertile soil of an empty continent. Today America is globally emulated, even where it is not admired, out of recognition that no other society has ever succeeded so far in creating a collective environment for individual development and self-expression. On an evolutionary scale, the results are modest at best. America has become a symbol of pioneering individual initiative, self-reliance, innovation and inventiveness. Social mobility is unimpeded, though social conformity remains the rule. Speech is unencumbered, but thinking at variance with the conventional wisdom is still frowned upon and met with intolerance or derision. The physical individual is born. The social individual is emerging from the womb. The mental individual is still the rare exception.

13. Organizing Individuality

Individual initiative is the catalyst for social innovation. Organization is the mechanism by which nascent inspirations are supported, assimilated and propagated until they become competencies of the collective. From earliest times, human communities have been characterized by a unique capacity for conscious organization. Its most notable expressions include the organization of sounds and concepts (language), productive processes (agriculture and manufacturing), defensive and offensive capabilities (military), mutually beneficial exchange (trade and markets), political and commercial population centers (cities), symbolic media to facilitate accounting and exchange (money), and institutions to optimize the use of resources (banking).

Organizations have traditionally played a conservative rather than a revolutionary or evolutionary role as centers of power and authority (monarchy, parliament and the church). Essentially intended to propagate and preserve what society has already accepted and accomplished, they have rarely led the way, except perhaps at the formative stage of their founding, as the Royal Society did during the time of Bacon and Newton. But even the most revolutionary of organizations, such as the Bolshevik Party in revolutionary Russia, quickly become conservative forces once they are integrated into the social fabric.

That may be changing. For as individuals become more conscious and societies more tolerant and supportive of individuality, the organizations they fashion become more conscious as well. Conscious organizations are conscious centers of conscious individuals. Through them society itself becomes more conscious. This emergent consciousness of the social collective is dramatically illustrated by the phenomenal technological inventiveness of the computer age and the social innovations of the Internet. Individuality has finally managed to evolve a field and platform on which it can compete on almost equal terms with the collective. Google is the epitome of an organization that seems to have acquired the creative characteristics once seen only in remarkable individuals. They and countless other creative individuals and organizations have now given birth to the Internet, the first truly global social organization, a conscious center through which humanity as a whole can become conscious and act self-consciously.

This evolutionary development opens up unparalleled opportunities. No longer are crises the essential and inevitable means for our progress. The conscious individual and the conscious organization have the potential for recognizing, accepting and altering social functioning before it precipitates as crisis, and even for converting looming crisis into unprecedented opportunity. Today even an idea can play the role that a courageous leader played in the past. As Club of Rome awakened the world to the consequences of unbridled growth based on scarce natural resources, as Pugwash and the International Physicians for the Prevention of Nuclear War compelled the World Court to question the inherent legality of nuclear weapons, an organization – better still, an umbrella group or confederation of organizations – inspired by the right idea and the right values can awaken and mobilize international public opinion in a manner inconceivable in the past.

Today humanity is at a crossroads, a critical transition point, where it has to renounce the outdated conceptual framework of the past half century, as 60 years ago it renounced the archaic concepts of competitive nationalism that had led to two world wars in forty years. The world view based on the sanctity of national sovereignty, a useful concept in the battle against colonialism and empire, has now become the principal barrier to human progress. To expect nation states – especially those who hold the reins of power – to unilaterally renounce an acquired temporary advantage which they regard as a natural right and to cede power on their own is no more realistic than to have expected monarchy and aristocracy in the past to voluntarily forego the powers and privileges inherited from their ancestors. Nor is it likely that states will consent to substantially alter the structure of unrepresentative international organizations they presently dominate. Power does not renounce itself. Power relents only to greater power. Where power of governance exercises authority independent of the will of those who are governed, there is need to appeal to a higher authority and to evolve new structures at a higher level.

And there is a higher power in the world today waiting to be summoned, a power more sanctified than the rights and authority of the nation state. It is the power of humanity as a whole. Throughout history, humanity has been a voiceless, powerless witness to the actions of its constituent parts. This is no longer the case. Today humanity has acquired the conscious self-awareness and the organizational capacity for self-expression and coordinated action.

Organizing the consciousness of the global power of citizenry is the natural step to transcend the nation state. It needs only the right pioneering leadership with the right ideas and the right values to sound the call.

Author Contact Information

Email: garryj29@gmail.com

Website : www.mssresearch.org

Notes

1. Ivo Šlaus and Garry Jacobs, "Human Capital and Sustainability," *Sustainability* 3, no. 1(2011): 97-154 <http://www.mdpi.com/2071-1050/3/1/97/pdf>
2. Jasjit Singh, "Revolution in Human Affairs: the root of societal violence," *Cadmus* 1, no. 2(2011): 114-120
3. Garry Jacobs and Ivo Šlaus, "Global Prospects for full employment," *Cadmus* 1, no. 2(2011): 60-89 <http://www.cadmus-journal.org/files/pdfreprints/vol1issue2/Global%20Prospects%20for%20Full%20Employment,%20Jacobs,%20Garry%20and%20Šlaus,%20Ivo.pdf>
4. Orio Giarini et al., "Introductory paper for a programme on the wealth of nations revisited," *Cadmus* 1, no. 1(2010): 9-27
5. Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (London: W. Strahan and T. Cadell, 1776)
6. International Commission on Peace & Food, *Uncommon Opportunities: Agenda for Peace & Global Development* (London: Zed Books, 1994), 39-43.

Rising expectations release enormous amount of social energy that spills over into social unrest when no suitable positive channels are available to utilize it for social advancement. Harnessing that energy for constructive purposes requires appropriate social organizations and productive skills.

Ashok Natarajan, Rising Expectations, Social Unrest & Development

I would suggest searching for a more appropriate word for failure, one not tainted with negative connotations. Because failure is the high road to innovation, because failure is the inevitable investment in the future, because failure is – the road to success.

Bengt-Arne Vedin, In Search of Failure's Silver Lining

First, we must recognize the crises we face are not black swans, fat tails or perfect storms, but symptoms of our limited perception, fragmentary reductionist mindsets, models, research methods and academic curricula, particularly in economics and business schools. Second, we must move beyond economics to capture all their "externalities" in multi-disciplinary frameworks, systems models, multiple metrics and pluralistic research.

Hazel Henderson, Real Economies and the Illusions of Abstraction

The wide range of innovative mechanisms commonly employed to settle disputes outside the courtroom is illustrative of the larger potential for organizational innovation in other fields designed to enhance governance nationally and globally.

*Michael McManus and Brianna Silverstein,
Brief History of Alternative Dispute Resolution in the United States*

Today humanity has acquired the conscious self-awareness and the organizational capacity for self-expression and coordinated action. Organizing the consciousness of the global power of citizenry is the natural step to transcend the nation state. It needs only the right pioneering leadership with the right ideas and the right values to sound the call.

Garry Jacobs, The Turn Towards Unity: Converting Crises into Opportunities

Global governance is clearly taking shape in complex and chaotic ways, with widespread dissatisfaction of present arrangements and numerous proposals for betterment — all at a time when many national governments are also being questioned, arguably due, at least in part, to deficiencies in global governance and international accords.

*Michael Marien,
Taming Global Governance Idea Chaos: A "Frontier Frame" for Recent Books*

The world needs a paradigm shift in economics similar to the one physics experienced at the dawn of the last century, when quantum mechanics and the special and general theories of relativity were invented to address new phenomena not explainable by Newtonian mechanics or Maxwell's electrodynamics.

Roberto Peccei,

Rethinking Growth: The Need for a New Economics

Society is evolving. Understanding the present in the light of the past, we see only the problems resulting in gloom. Understanding the present in the light of the future compels us to evolve, we see the opportunities it points to.

Ian Johnson, The World in 2052

We have organized production to perfection, but left out the most crucial ingredient – humanity. We have raised the value of GDP phenomenally, but overlooked the value of human security. The process of society's past evolution offers hope and assurance that there is a better way and a better life for all humanity waiting to emerge. Human-centered economic theory and measures of wealth, welfare and human security can help us realize it now.

Orio Giarini & Garry Jacobs,

The Evolution of Wealth & Human Security

Working for peace is part of the heritage WAAS fellows have been given by Academy founders who, after helping develop the theories and technology for nuclear weapons, were amongst the first to recognize that they should be banned. Two of the seven founders of WAAS (Robert Oppenheimer and Bertrand Russell) became global figures in proposing nuclear disarmament.

Melanie Greenberg, Robert J. Berg & Cora Lacatus,

Mediation of Conflicts by Civil Society

The difference between predation and competition is that predation knows no rules. In contrast, competition can be made fair. Making sure that it is—by disallowing rankism in all its guises—a proper function of government.

Robert W. Fuller, Moral Arc of History

Continued . . .