

# New Paradigm: The Necessity and the Opportunity

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## **Abstract**

*The multi-dimensional challenges confronting global society today will not lend themselves to resolution by piecemeal sectoral strategies and incremental measures. Their causes are deep, inextricably interconnected and result from deficiencies in values, concepts, institutions, policies and actions. Fundamental change is needed in both thought and action – a new intellectual paradigm that is comprehensive and integrated combined with a new institutional policy framework founded on the values of human welfare and well-being. At every crucial juncture in human history the advent of new paradigms has precipitated radical change. Past paradigm changes confirm that the problems created by human beings can be solved by human beings. At such moments, ideas have the power to precipitate radical change driven by compelling social forces and emerging deep drivers. Today the pressure of rising expectations for freedom and prosperity, unprecedented technological capabilities, burgeoning global financial assets, and an inevitable movement toward an integrated global society combine to generate the opportunity and necessity for fundamental change. The starting point is the willingness to challenge the irrationality of the premises underpinning the existing paradigm. Paradigm change is not only possible. It is inevitable. The only question is whether it will occur by gradual, progressive, peaceful social evolution now or drastic, sudden, violent and potentially catastrophic revolution later.*

## **1. Multidimensional Global Challenges**

The world today presents unprecedented opportunities intricately intertwined with seemingly unsolvable challenges. A proliferation of money, technology, education, trade, communication links and democratic institutions is fueling ever more rapid global development. At the same time, prevailing ideas, institutions and policies impose severe constraints on our ability to meet the growing needs and rising aspirations of the human community for freedom, security, welfare and well-being in a peaceful, effective, harmonious and equitable manner. The growing global capacity to meet human needs has come face to face with seemingly insurmountable obstacles posed by out-moded ideas and attitudes, vested-interests, entrenched forces and ineffective institutions.

These opportunities and challenges present a nexus of unparalleled complexity. Each positive advance brings with it new problems and aggravates existing ones. Technological wonders widen social disparities and displace workers, generating public discontent, political instability and conflict. Rapid growth accelerates environmental depletion and competition

for scarce resources. Spreading democracy provides greater scope for polarization of society on religious, ethnic, linguistic, political and economic lines. Globalization opens up economic opportunities while making states and their people increasingly vulnerable to destabilizing impacts from beyond national borders. The weakening of national sovereignty has created a widening legal and governance vacuum at the international level at the very moment when coordinated global action is more necessary than ever before.

These challenges and opportunities share common characteristics. They are all interrelated and interdependent, global in nature, transcend narrow disciplinary boundaries, and subsist on the basis of erroneous conceptions, flawed theories and out-moded ideas. They defy solution by piecemeal concepts, incremental policies and sectoral strategies framed within the context of the prevailing values, concepts and institutions that preside over the formulation and execution of public policy. Each can be traced back to similar underlying factors and “root” causes, a major reason why they defy effective remedy by partial strategies. The true source of these crises lies in the ideas and values that underpin the structure of modern society and they will only lend themselves to permanent remedy when understood and addressed from a deeper and wider perspective. They are all anthropogenic in origin. All are the expression of prevailing ideas, values and actions, not inalienable laws of Nature, which means that all can be rectified by a change in those ideas, values and actions. As President John F. Kennedy put it, “Our problems are man-made – therefore, they can be solved by man.”<sup>1</sup>

As they grow in magnitude, these challenges will compel a questioning, re-examination and reformulation of things once considered as sacred and unshakeable as the Roman Empire in its day or the USSR before its sudden demise a quarter century ago. Failing this, they will lead to increasing social turbulence unleashing revolutionary forces of violent change as society has witnessed at crucial transition points in the past. Whether by violent revolution or peaceful social evolution, the current impasse must and will inevitably be resolved by effective action, as surely as the Great Crash and Great Depression led to the evolutionary advances of the New Deal and the rise of the modern welfare state.

If not incrementally and piecemeal, then the solution must lie in a broader more fundamental recasting of the political, legal, economic and social pillars on which global society is presently based. We have to move the goalposts that presently constrain our thinking and our action. The existing paradigm must inevitably give way to a new paradigm. This implies significant or even radical changes in the values that guide public policy and action, in the concepts that underpin our comprehension of society and its development, in the political institutions of governance and their relationship with different sources of social power, in the laws governing relationships between sovereign states and between governments and the governed, in the regulation of economic activities and their impact on people and the environment, in social policies that determine the distribution of rights and benefits in society, and in countless other areas.

A better appreciation of their common attributes and root causes will provide a platform for insightful debate and more effective remedies. Approaching the multiple crises from a

common perspective and addressing multiple pressure points at their common underlying roots can lead to solutions that are far more practicable, effective and lasting than those resulting from a fragmented approach. Only then can we hope to reconcile these complex economic, ecological, social and political forces and forge a coherent strategy to promote security and welfare for all human beings, present and future.

An integral perspective constitutes the starting point, but in order to translate it into usable, practical results, we will also need to examine the ruling ideas and values that govern the present system, the theoretical constructs and policy framework on which it is based, the social institutions through which it functions, and the structures and laws by which it is governed. These constitute the essential sources of the current problem as well as the principal instruments for building a better world.

## **2. Characteristics of the Existing Paradigm\***

Ideas and values underlie all our thought and action. The world we know today is a natural consequence of ideas and values formulated in the past, adopted over time and still prevalent in spite of increasing challenges to their validity, fairness and relevance. The existing paradigm of global development is based on a set of spurious assumptions, premises and principles which may have had some utility in the past, but now represent serious impediments to global social, economic and political progress. There are numerous reasons why the present paradigm fails to provide optimal solutions.

The current paradigm is based on outdated and naïve economic theories and assumptions, such as the infallibility of free enterprise, which ignores the obvious fact that unregulated markets, like other networks, are neither free nor fair, for they invariably become skewed in favor of early adapter or the most powerful. It is based on economic doctrines more appropriate to a capital-intensive, technology-driven industrial economy at a time when human services account for three-quarters of all economic activity and the quality of human resources is the single most important contributor to wealth creation. It is based on measures of economic value that consider expenditure on arms exports, war and environmental catastrophes of equal value to those on education, health care and human security. It is based on a narrowly defined notion of economic efficiency that neglects the wider efficiency of the society of which economy is but a part. A society with 20 or 50% youth unemployment does not qualify as efficient by any rational considerations, for it is a society that is squandering its most precious and perishable resource and sowing seeds for future revolution.

The current paradigm is also based on outdated concepts regarding national and global governance. In countries around the world rule by money power, plutocracy, masquerades as representative democracy. It supports an undemocratic system of global power sharing established more than sixty years ago that is grossly out of tune with both professed ideals and current realities. It is founded on a narrow conception of national sovereignty that – regardless of the actual form of national government – subordinates the legitimate rights of

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\* This section is adapted from an earlier published article by the authors. See <http://cadmusjournal.org/article/issue-6/search-new-paradigm-global-development>

individual human beings and the collective rights of the human community to that of national governments acting on behalf of special interests and power groups. It upholds the right of some nations to special privileges unmatched by commensurate responsibilities. It sanctions the production, possession and possibly even the use of weapons that violate the humanitarian rights of all humanity and endanger the global environment.

### **3. Characteristics of Paradigm Changes**

History offers precedents for radical change. Usually it occurs in the form of violent revolution in the face of intractable vested interests that resist dilution of their power, as in Revolutionary France and Czarist Russia. Occasionally it has been ushered in by far-sighted leaders who recognized the urgent need for rapid social evolution to preempt the possibility of violent revolution, as nineteenth century England sought to avoid a repetition of the bloodshed that wiped out the French aristocracy by opening up to the prospering middle class a greater share of political power and social respectability.

The challenges confronting humanity today are as formidable and threatening as any or all of these earlier challenges combined. At the same time the opportunities available to humanity to meet the needs of all human beings have never been greater. Both the compulsions of eminent danger and the prospects for unprecedented progress constitute powerful incentives and enabling conditions for unparalleled actions with potentially momentous consequences.

This naturally raises questions as to whether a significant change in paradigm is possible or likely in the foreseeable future and as to whether there is anything that can be done by a group of likeminded organizations and individuals to make that change occur or occur any sooner that global social conditions determine. An examination of past paradigm changes during recent WAAS conferences at Trieste, Geneva, Alexandria, Washington DC, Ottawa and Podgorica provides some insights regarding these questions.

#### **3.1. *Paradigm changes are not uncommon***

A review of past centuries and more recent times supports the conclusion that significant paradigm changes are more common than is commonly believed. In 1932 US President Franklin Roosevelt spearheaded a remarkable and unprecedented change of paradigm in US economic and social policy. In the wake of the banking panic that led to the closure of more than 6000 US banks, he pushed through radical reform of the banking system, erecting the safeguards that protected the economy from recurrent banking crises for the next seven decades. But he did not stop there. It was almost unthinkable in 1932 to imagine that the world's leading proponent of free enterprise would adopt strong social welfare policies. Yet during the following two years FDR ushered in the New Deal, a radical reformulation of public policy to promote social security in a country previously resistant to all government-sponsored welfare measures. Had he not died prematurely before the end of the war, he would have capped his revolutionary program with a new bill of economic rights, which included the right to employment. The adoption of similar social welfare policies in Europe

led to a period of unprecedented economic development and rising levels of prosperity throughout the Western world.

Since 1945 four equally remarkable changes in paradigm have radically advanced the cause of freedom, peace and global security. India's non-violent independence movement marked the end of colonialism and was quickly followed by freedom for more than 50 subject nations representing about one-third of humanity. After fighting two horrendous world wars, the great powers founded the UNO to permanently shift the theater of major conflict between nation states from the battlefield to the conference table, thereby successfully preventing a third world war during the 20<sup>th</sup> century. In the 1950s the perennially warring European powers took the first steps toward founding a trans-national union that has brought unprecedented peace and prosperity to the continent and made war in Europe unthinkable. Again in the late 1980s, Gorbachev initiated steps which led to the dissolution of the authoritarian Soviet Empire, ended the Cold War and brought down the barriers dividing East and West. As a cumulative result of these four great transformations, between 1945 and 2012, the number of democracies rose nearly five-fold from 21 to 98.<sup>2</sup> During the same period, annual war casualties dropped from 500,000 to 30,000.<sup>3</sup> Since 1988 high intensity wars that kill at least 1000 people a year have declined by 78%.<sup>4</sup>

In past centuries and with increasing frequency, significant and sometimes radical changes of paradigm have altered the complexion of society in countless ways. Paradigm changes are of many types: intellectual, political, economic, technological and social.

The Copernican and Newtonian revolutions, scientific positivism, the theory of evolution, theories of economic progress, psychoanalysis, Relativity Theory and Quantum Theory, cybernetics and complexity theory are just a few of the radical changes in ideas that have powerfully influenced our understanding of the world and our ways of relating to it. The political revolutions in England, America, France and Russia are prominent historical examples. Since 1980 successive waves of democratic revolution have swept through Eastern Europe, Central Asia and from there to every continent.

The Industrial Revolution, monetarization of the economy, rise of the modern corporation and later the MNCs, rise and spread of the Middle Class, emergence of the modern service economy, financialization, neoliberalism, globalization and deregulation mark significant changes in economic paradigm which have had profound impact on global society.

Recent technological revolutions in telecommunications and computing are only the latest in a long history of radical transitions brought about by new forms of energy, transport, production and communication.

The New Deal, the rise of the welfare state, protection and equal rights for minorities, and emergence of global civil society represent game-changing shifts in social values and policies.

### ***3.2. Paradigm changes are rarely perceived before their onset***

Paradigm changes tend to occur suddenly, unexpectedly and rapidly. After more than

five centuries of incessant warfare culminating in two world wars, the idea that war in Europe would finally come to an end and within decades become almost unthinkable seemed mere wishful thinking in 1945. The founding of the European Coal & Steel Community, the European Economic Community, and the European Union mark a peaceful evolutionary paradigm change in political, social and economic dimensions of unparalleled speed and magnitude.

In the mid-1980s, it was simply inconceivable, even to the most far-sighted, that communist authoritarian governments, the Berlin Wall, the entire East-West divide and the very existence of the USSR would disappear within five years.

The revolutionary impact of the Internet on global communications, access to information, the porosity of national borders, global commerce, the rise of global civil society and now global education remained unforeseen and unexpected until after it was already well underway.

These facts must caution us against succumbing to the frustration and cynicism that naturally results from recent experience with the blind refusal, bureaucratic dithering and entrenched opposition to progress on abolition of nuclear weapons or climate change.

### ***3.3. Paradigm changes are driven by deep forces that gather momentum beneath the social surface before emerging into view***

Events that appear suddenly and unexpectedly have hidden origins in the distant past and are driven by forces that grow in intensity unseen until they are strong enough to precipitate radical change. The American Civil Rights movement launched by Martin Luther King in the mid-1950s achieved remarkable progress on racial equality in America within a decade. King drew inspiration from Gandhi's non-violent freedom struggle in India during the previous three decades. The forces that drove it can be traced back to Lincoln's inspired leadership during the American Civil War in the 1860s, which led to adoption of the 13<sup>th</sup> Amendment abolishing slavery. These landmark accomplishments were in turn driven by the growing movement for abolition of slavery that began in Europe during the 18<sup>th</sup> century and spread gradually from home countries to their colonies around the world. Underlying the whole movement was the growing aspiration and demand for freedom that stirred rebellion in the American colonies and revolutionary France. The value of Freedom has been an irresistible driving force that has transformed the world over the past three centuries, politically, socially and economically. It continues to spread and grow globally today in magnitude and intensity. Its impact on the complexion of global society in the future will be equally inevitable.

An understanding of paradigm change requires an appreciation of the deep drivers and longer term trends that build momentum for long periods before expressing themselves on the surface. Therefore an evaluation of the current prospects for significant paradigm change necessitates an inquiry into the deep drivers that are in various stages of preparation and emergence today.

## **4. Deep Drivers**

Are there deep drivers pointing to the possibility of a radical paradigm change today? An examination of emerging social forces by the World Academy leads to the conclusion that a nexus of driving forces of unprecedented scope and intensity are in various stages of development and emergence and that together they have the potential to effect radical social transition of unparalleled rapidity and magnitude. A detailed study of these deep forces is likely to provide a more realistic assessment of both the prospects and nature of potential paradigm change than continued preoccupation with the established barriers and forces that resist change. Here we will only delineate a few of the drivers that appear most salient:

### **4.1. Growing Connectivity**

Increasing interaction between human beings has been one of the primary driving forces for the evolution of humanity. Language has formed the bedrock of global civilization and culture by making communication possible between individuals and groups, locally, regionally and now globally. Money has been the principal driving force for exchange of goods and services that has raised global per capita living standards twelve-fold over the past two centuries. Today the IT and communications revolution is connecting billions of people within a single global Metaweb, which will change social values, ideas, standards and behavior patterns in ways still difficult to imagine.<sup>5</sup>

The speed of technological innovation and dissemination are dramatically compressing the distance and increasing the velocity of social interaction. In the process they are multiplying social productivity and integrating the higher and lower levels of society to an unprecedented degree. It took India more than 50 years to install the first 37 million phones in the country. Since 2001, that number has grown to nearly a billion, placing cellular communication within the reach of almost every citizen. This development has resulted in low-cost, global connectivity, greater access to information, a more level playing field, greater intensity of interaction and exchange, higher levels of social awareness and activism. It is aiding protest movements and political revolutions around the world. It is also providing a platform with the potential to dramatically accelerate the spread of all levels of education globally, abridging decades of tedious and costly educational institution-building into a few years.

The power of this deep driver can be further enhanced by conscious initiatives to offset the digital divide between different countries and levels of society, which continues to widen inequalities between levels of society even as it encourages upward movement of the lower levels of society.

### **4.2. Freedom & Democracy**

As Alexander Likhotal points out, over the next decade, an increasingly integrated global economy functioning as a holistic entity will spur a deep reframing of ideas regarding global governance.<sup>6</sup> At the same time, demands for freedom and human rights will continue to increase. The concept of universal human rights can be traced back to earlier centuries and has been prominently advocated for decades, but never before has it acquired such effective

power to alter social reality. The spread of democracy and education, global access to information, and the rise of global civil society are extending greater freedom and equality to women, children, ethnic and religious minorities around the world.

The recognition of basic human rights is the first step in releasing human energies from bondage and submission to arbitrary authority, inaction, resignation and inertia. The swelling of social and political protests during the Arab Spring followed by more recent events in Thailand and Ukraine are compelling indications of the future, rather than mere isolated outbursts. The same is occurring within societies as women, ethnic and other minorities press forward their clamor for a fairer share in the fruits of modernity. Once these energies have been stirred to awakening, they will grow into movements increasingly organized, powerful and effective, as the movement that ended colonialism subsequently spread around the world to liberate so many people from authoritarianism.

The compelling power of freedom is tempered by the domination of money power and plutocracy in the governance of both democratic and authoritarian regimes, the wide prevalence of political corruption, and the domination of the nation state in international affairs based on an archaic conception of national sovereignty. The recent uprising against corruption in India and the prosecution of political leaders in China, Italy and other countries are isolated signs of an inevitable movement that has yet to gain sufficient momentum.

### ***4.3. Rising Economic Expectations***

Rising political aspirations is in turn a compelling driving force for economic advancement. In the early 1950s former WAAS President Harlan Cleveland coined the phrase “revolution of rising expectations” to characterize the powerful surge of human energies that spurred rapid development of the Western World during the post-war period. Today the aspiration and expectation of a better life stirs the minds and hearts of billions in China, India, Brazil and other emerging economies and the magnetic power of that dream is still spreading. The rise of Middle Class is an irresistible force for change. From 1980 to 2009, the global middle class grew by around 700 million people, to 1.8 billion, from roughly 1.1 billion. Over the next 20 years, it is projected to grow by an additional 3 billion.

Expectations have risen even among the have-nots who feel disenfranchised and left behind by the progress of more fortunate sections of the population. Rising levels of unemployment, especially among youth, have fueled frustration and discontent as reflected in the Arab Spring, the Occupy Wall Street Movement, Islamic fundamentalism, Naxalite extremism in India, and rising levels of violence among the poor in many other countries. Social tension and unrest have been further aggravated by growing inequalities.

Rising levels of frustration and unrest represent another compelling force for change. Ten years ago, India introduced its national rural employment guarantee program – the largest in world history – precisely because it was concerned by the impact of rural unemployment and rising levels of inequality on civil strife and fundamentalism. A number of European states were compelled to reject or curtail austerity measures during the recent financial crisis because of increasing public unwillingness to accept recessionary policies that undermined

social safety nets. The incessant clamor of the world's population for greater opportunity will compel states to adopt more far-reaching policies in the coming decade.

#### **4.4. Environmental Threats**

Growing environment threats are another force for change. Current world GDP is around US\$ 60 trillion. Even at modest per capita growth rates in the emerging economies, it could well reach \$200 trillion before 2050, exerting enormous pressure on the earth's natural resource base and climate. Ecological threats alone have thus far not been sufficient to compel rapid, dramatic change, but it would be an error to underestimate the magnitude of the changes that have taken place as a result of growing public concern. Environmentalism has permeated the thinking and action of every nation. The concerted global approach to depletion of the ozone layer has been followed by an increasingly rapid shift to renewable energy, tightening of pollution standards and major efforts at conservation. The Fukushima tragedy was quickly followed by the decision of Germany and Switzerland to phase out nuclear energy. In the next 10 years, conflict between the aggregate powers of human civilization and the carrying capacity of the Earth's ecological systems will compel us to develop new patterns of production, trade and consumer standards.<sup>7</sup>

#### **4.5. Freedom of Education**

Education is a powerful leveler which awakens the aspiration for freedom and equality, equips youth with the knowledge and skills to rise beyond the achievements of previous generations, dissolves barriers to mobility, and opens doors of opportunity. We are now on the cusp of a new knowledge revolution – a revolution in higher education – that will liberate and empower hundreds of millions of youth in the coming decades. The total capacity of the world's universities will have to double within the next decade in order to accommodate an additional 95 million youth seeking higher education. That would require founding a three or four new universities the size of Harvard every week for the next ten years. Global capacity would have to quadruple in order to accommodate the aspirations of all youth the world over. The tradition-bound, university-based system of higher education is patently incapable of meeting this surging demand through existing delivery systems.

The emerging technology of the internet has now created the potential for delivering affordable, world-class higher education to all humanity. For long the status, inertia and resistance of the established educational system made it difficult even for visionaries to predict when and how this would happen. Two years ago the genie came out of the box with the explosive emergence of the MOOCs – Massive Open Online Courses – starting with Udacity, Coursera, EdX, and Khan Academy. From a mere 100 on-line courses in 2012 there are now more than 1200 and the number is growing at the rate of 2 per day. It is estimated that by 2020 about 50% of all college level courses will be offered on-line in the US and 10% worldwide. Initially English language based, now a third of all courses are available in other languages. Initially confined to North America, now nearly 80 percent of on-line students live on other continents.

And this is still just the beginning. The quantitative extension of access to free quality higher education made possible by the MOOCs is itself only the beginning of something far

more important. The coming revolution will not only make education accessible to all, but it will also upgrade quality and unleash creativity and innovation in the field of education as never before. It will tear down the barriers that separate the ivory tower from the real world. It will eventually make available to students everywhere the world's best courses and instructors in their own language of choice.

#### **4.6. Other Deep Drivers**

Many other factors and forces are spreading globally and growing in intensity, which can contribute significantly to preparing the ground, generating the pressure and creating the opportunities needed for transition to a new paradigm. These include the rise of global civil society with shared values and a shared commitment to building a better world for all humanity; a revolutionary new set of powerful biological, biochemical, genetic, and materials science technologies, synthetic biology and human enhancement; and the progressive shift of power from centers of gravity from West to East, from North to South, and from nation-states to private actors; the widespread disillusionment with prevailing institutions of governance.<sup>8</sup> A careful consideration and analysis of these and other factors will serve as a realistic basis for assessing the likely direction, character and potential impact of paradigm change in the years to come.

### **5. Theoretical Discontent**

It seems ironic that the most powerful driver for change may be the dismal performance of prevailing social theory and policy in recent years, which has led to widespread public disillusionment. It comes at a time of triumphal progress for the physical and biological sciences which has resulted in monumental advances in fields such as computing, telecommunications, biotechnology, medicine and materials science. Never before have the lives of ordinary human beings around the world benefitted so directly and immensely from application of science and technology to promote human welfare.

But the surging technology mania has been accompanied by an increasing frustration and disillusionment with the failure of social science theory to provide intellectual clarity and effective policy guidelines for promoting peace, prosperity and human security. Advances in the natural sciences have so far outpaced concomitant advances in social science that each new technological advance poses new threats to the welfare of human beings it is intended to promote.

There are growing signs of this dilemma in many fields, but most conspicuously in the field of economics. The failure of theory and policy is largely responsible for rising levels of unemployment, widening inequalities, accelerating ecological destruction, dissolution of public trust in the social contract, increasing alienation and rising social unrest. This failure has led to the paradox of a world in which unprecedented productive capacities co-exist with unmet needs and rising levels of economic insecurity. The world today possesses all the capacities required to meet the needs of every human being, yet prevailing theory is grossly inadequate to reconcile human needs with social potential.

Unemployment is a case in point. Visions of future economic progress are blurred and blighted by misconceptions and fallacies regarding the prospects for employment generation due to the widely held belief that population growth, technology adoption and globalization are permanently eliminating the possibility of full employment. But the facts contradict this view. During the last sixty years of unprecedented population growth, technological innovation and globalization, growth of employment globally has outpaced growth of population. It is true that present policies aggravate unemployment, but it is important to recognize that rising unemployment is not at all inevitable. It is a result of current theory and prevailing policy, not intractable laws of economics.

The superabundance of money at a time of rising deficits and budget cuts is another symptom of theory and policy failure. Since 1980 global financial assets have risen from \$12 trillion to \$225 trillion, many times faster than the growth of the global economy. About 80% of these funds are being channeled into financial speculation rather than being invested to create new jobs and higher incomes in the real economy. The negative impact of these free-wheeling funds has led to increasingly volatile financial markets and growing pressure to curtail hidden subsidies to the financial industry, tax havens, tax evasion and corruption. Public resentment is increasing the pressure for game-changing rules leading to more equitable income and wealth distribution. Since 1996 income inequality in Latin America has already declined by more than 10 percent, an indication that change is possible on a continent that long maintained very high levels of inequality.

A third symptom is the utter failure of current theory and policy to reconcile aspirations for economic advancement with the carrying capacity of the environment and the rights of future generations. The rapid depletion of water, minerals, soil and energy resources is the result of current ideas and practices which incentivize rapid automation and unbridled resource consumption while taxing labor. The flawed, pseudo-scientific statistical measures employed to monitor economic activity and justify economic policy aggravate the very problems they are intended to remedy.

Growing disenchantment with prevailing economic theory is a necessary and important step needed to challenge and undermine the authority of outmoded ideas. In order to create the intellectual space needed for the development and discussion of more viable concepts and perspectives, it is essential to recognize the unsubstantial character of the emperor's theoretical garb. The work of the World Academy, Club of Rome, World Future Council and many other organizations can play an important role in aiding that process.

## **6. A New Paradigm in Thought**

*Impatience, frustration and disillusionment with ignorance, inertia and blind resistance to change prompt many informed individuals and institutions to look for a shortcut to the new paradigm by focusing on pragmatic policy changes and avoiding what appears to be a useless, never-ending debate over conflicting theories and concepts. This view does not take into account the deep conceptual roots of the current paradigm and the powerful influence of outmoded ideas on current policies. Throughout history ideas have exhibited enormous*

*power to change the world. A new paradigm must necessarily be founded on a new conceptual framework. There is no shortcut.*

A new paradigm cannot be achieved by trying to either reconcile or settle the on-going intellectual conflict between Keynesian and neoliberal economic concepts and policies or between those supporting the political rights of sovereign states and those advocating the need for democratic institutions of global governance. As in all matters intellectual, there is truth in both perspectives, but both truths are partial. A new paradigm cannot be brought about by insisting on any aspect of truth without reconciling it with contradictory aspects.

The existing paradigm is the product of a reductionist, mechanistic, materialistic mindset that divides reality into countless separate compartments and tries to deal with each individually, unmindful of its impact on all the other aspects with which it is related. A new paradigm requires a more holistic, synthetic, organic mode of thinking that recognizes the interrelationships and interdependence between different fields. It requires development of an integrated science of society based on common principles to replace the fragmented disciplines that prevail today.

Most of all, the new paradigm requires a new center. Prevailing theory is based on a fatalistic belief in the value and power of money, free markets, competition, balance of power, national sovereignty, information, scientific progress, technological innovation, institutional mechanism and other idols of past paradigm changes. The new paradigm needs to be human-centered. Its guiding star and foremost preoccupation must be the right of every human being to peace, security, welfare and well-being.

The world urgently needs fresh thinking to formulate a new intellectual paradigm that fully comprehends the interrelationships and interdependence of all dimensions of global society and social development, has as its goal to optimize human welfare and well-being for all human beings, and is based on the premise that democratic principles and universal human values are the only viable basis on which sustainable progress for humanity is achievable. It should be based on the realization that money, markets and technology are human creations intended to serve, not dominate or enslave, humanity. It should regard human capital as the most precious of all resources, a resource of virtually unlimited creative potential, and give highest priority to the full development and free creative expression of human capacities. Economic value should reflect real contribution to human welfare. Economic systems should be founded on the principle that freedom and regulation go hand in hand, freedom for individual initiative and regulation to ensure the fairness and equity of social systems.

A fundamental change in thought implies also a fundamental change in values. Values are not merely utopian ideals. They represent the quintessence of the knowledge acquired by humanity regarding the essential elements for survival, growth, development and evolution, for peace, prosperity and human fulfillment. A new paradigm cannot be founded by institutionalizing the temporary inequalities that presently divide the welfare of people and countries from one another or by imposing sacrifices on future generations that we are unwilling to impose on ourselves. The most important paradigm changes of the past few centuries affirm the values on which future progress should be based. The most ancient formula for social

wisdom promises to be the last – freedom, equal rights and justice for every individual and responsibility for the welfare of all.

## **7. Principles for a New Paradigm**

The purpose of this paper is to set forth the rationale and justification for a collaborative effort of leading international institutions to identify the basic components of a new paradigm capable of addressing humanity's most pressing challenges and exploiting its unprecedented opportunities. While it is not the intention to suggest the ultimate content, it may be useful to illustrate the approach with a few salient principles that have been discussed in recent conferences and publications.

- 1. Reform of Financial Markets:** The new paradigm needs to regard money as a social organization that capitalizes trust and is capable of multiplying the prosperity of all, rather than as a scarce material resource or power to be hoarded and applied for the benefit of a few. Financial markets originally developed as an adjunct to the real economy designed to pool capital for investments that meet human needs and generate employment. Today financial markets have become divorced from that original purpose and are left free to act in ways that directly undermine the effective functioning of the world economy. Less than 20% of global financial assets support development and activity in the real economy. Current policy regards the right to free speculation by the wealthy as more fundamental than the right of every human being to gainful employment and economic survival. As economy is a subset of society intended to promote social welfare, financial markets must be so regulated to support the real economy. A punitive tax on speculative financial transactions is just one of many feasible policy measures that could redirect tens of trillions of dollars into essential investments to create sufficient jobs for youth and the elderly, rapidly raise global living standards, reduce mortality rates, spread education, replace climate disruptions with renewable energy production, extract drinking water from the oceans, and thereby eliminate the underlying sources of frustration and unrest that threaten social stability.
- 2. Right to Employment:** The new paradigm must challenge the outdated notion that unemployment is either necessary or inevitable. In a market-based economy, access to gainful employment is the economic equivalent of the right to vote in political democracy. It needs to be recognized as a fundamental right. Monetary and fiscal policy are grossly inadequate mechanisms for achieving full employment during periods of rapid social transition. A re-examination of current economic and commercial policies will reveal ample scope for stimulating natural employment generation when full development and utilization of human capabilities is given top priority.
- 3. Investment in Education:** Education is the prime instrument for conscious social evolution. Highest priority is needed to accelerate investment in education at all levels in order to raise levels of education globally to the level of OECD countries. Strategies should include the design of a world-class global system of higher education utilizing emerging technology for delivery of accessible, affordable, high quality,

multi-lingual, multi-cultural, trans-disciplinary education and practical vocational training designed to more effectively prepare the young generation for commercial and social entrepreneurship, self-employment, employment and effective citizenship in democratic societies.

4. **Circular Economy:** The concept of circular economy strongly advocated by Club of Rome can dramatically reduce the consumption of both raw materials and energy, and the emission of CO<sub>2</sub> and other wastes. In a circular economy, sales of products would be largely replaced by leases, combined with exceptional service. Since responsibility for the material used in a product remains with the manufacturing company, strong incentives are created to fully exploit the material for as long as possible to earn maximum return on what already has been produced.<sup>9</sup>
5. **Global Governance & Security:** With regard to governance, international institutions need to be founded on true principles of representative democracy. The principle of sovereignty needs to be redefined to reflect the rights of the human collective to security and a fair sharing of the earth's abundant wealth. A truly cooperative global security system that enhances the security of all nations must replace the existing competitive system in which measures to enhance the security of one nation or group reduce the perceived security of all others. It must be based on the conception that law must be based on a codification of the public conscience, not on the vested interests of entrenched powers. International law must reflect the universal values and enlightened views of humanity rather than the negotiating power of governments. The basic premise of a global security system must be that war is illegal and that possession, use or threat of use of weapons of mass destruction is a crime against humanity.

This list of principles is intended to illustrate that solutions can be found to the entire range of challenges and opportunities presently before us. Some of them may appear unachievable under the present political dispensation, precisely because they touch the root causes of current problems that we have thus far been unwilling to address. The greatest defense of the present paradigm is the premise that there is no better alternative. Impartial study supports the view that comprehensive solutions are indeed possible and that implementation of a new paradigm, no matter how difficult, could quickly usher in a world far more stable, secure, prosperous and just than the world we live in today. At the very least, this realization should dispel the fatalistic sense of helplessness that stifles human initiative and focus attention on the deeper issues that need to be addressed.

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## Notes

1. John F Kennedy, American University Commencement, *Miller Center* June 10, 1963 <http://millercenter.org/scripps/archive/speeches/detail/3374>
2. "Polity IV Annual Time-Series 1800-2012" Systemic Peace <http://www.systemicpeace.org/inscr/inscr.htm>

3. Kishore Mahbubani, *The Great Convergence* (New York: PublicAffairs, 2013), 16.
4. *Ibid*
5. “Environmental Acceptability as the driver of New Paradigm” by Alexander Likhotal, a paper soon to be published in *Cadmus* Volume 2 Issue 2 in May 2014.
6. *Ibid.*
7. *Ibid.*
8. *Ibid.*
9. *Ibid.*