

Proposal for the New Age

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Chapter I ; Proposing the World Friendship Economic Bloc

I am very pleased to have this opportunity today to meet and exchange views with you at this International Symposium. Now we are going through a very critical phase in world history, with numerous challenges, confusions, conflicts, and changes to be faced throughout the world.

As I will explain later, these phenomena would be a sign that a major shift is necessary in terms of contemporary world civilization. And in this, I believe that we are entering into a civilization characterized as a “Friendship Society,” or “Friendship Civilization of the New Age,” and that we should now start to build this new civilization.

The necessity of such a shift is clear, given the fact that the conventional materialistic civilization is obviously reaching a deadlock, and that there is no alternative left for us but making this kind of shift. Seen from a broader perspective, the recent civilization within the 2000 years following the birth of Christ replaced the ancient civilization, which had continued, according to some sources, for as long as a million years. Now more recent, so-called modern civilization is approaching its end, and we are entering into a new age of spiritually multidimensional civilization. More specifically, humans

are realizing that their existence is cosmic and that it is vital to harmonize with the universe and the earth, so that the concord among heaven, earth, and humanity is attained. This also means a shift in thinking towards building societies and civilization based on principles emphasizing spirituality. The reason of this proposal is the fact that it is very obvious that if the citizens of the earth seek to satisfy their materialistic desires selfishly and infinitely, using all kinds of highly advanced science and technology, this would not be compatible with capacity of the earth (e.g. natural capital) and the welfare of humanity on earth, with world population expected to reach 80 billion in 2010.

I have carried out research on economics, and many other learnings, ideologies, economic analyses concerning different nations, and study of government policies. I have also given lectures on socialistic economics. Looking at the confusion of the CIS today, I feel the too sudden and too rapid collapse of the U.S.S.R. may have resulted in negative impact on the society. I feel this is what has caused such numerous and long-lasting confusions in CIS republics and in Russia itself.

The U.S.S.R. insisted on a centralized planned economy for too long, succeeded by the situation where political reform eventually proceeded faster than economic reform, causing confusion. The present government is aiming at radical economic reform, which is not progressing smoothly, and as a result, there is a continued confusion both in politics and in economy. According recent conditions worry me, about their future in that they may be trying to convert to market economy and privatization and go too far in the direction of capitalism, while discarding even the good elements of socialism.

As for China, since many years ago you have emphasized on economic reform, and pushed forward the introduction of market economy by applying accounting systems and autonomous business management, and by approving subsidiary businesses. This has led to remarkable development and prosperity of the Chinese economy, and such a policy is proved effective for reducing the inflexibility and inefficiency often seen in a centralized planned economy, and is watched with a keen attention in Japan, also. I have heard that a policy of a "Socialistic Market Economy System" has been announced by the Chinese government, and I think this move is in the right direction.

What requires most attention now in the world is the important fact that Western market economy, which is asserted by general economic theories to offer efficiency and capability of flexible adjustment, and which recently is increasingly advocated as advantageous, is not the only type of exchange and market economy. As demonstrated by economic anthropology (M. Polanyi, Sahlins and others), this type of market economy is in fact very rare in the history of civilization. It tends to give little importance to spirituality, and therefore, it has many defects and is a self-damaging type-of market economy, structurally causing numerous struggles and inequity. Therefore, while we may pay attention to the merits of the market economy, it is important that we make efforts to avoid its misuse and abuse.

In cases where the capitalistic market economy is misused, only selfish plans and materialistic maximization are sought, and the market economy is used solely as a tool for egoistic robbing from each other and satisfaction of materialistic desires, But using a type of market economy which encourages circulating of friendship and valuing services to others and society,

emphasizes on social services and reciprocation. However, the market economy remains a system with major merits (when it is used as a means of social division of labor, and increased efficiency, for example). Strong development of industries is attainable if it is used for good purposes and if its abuse is prevented.

I do not think misuse of market economy and mammonism always produce good results. Today, in the U.S., Europe, Japan, and developing nations, materialistic market economies based on robbing each other, in which spiritual values are forgotten, are bearing evil fruits of malfeasance and harmful effects. Activities of the world capitalistic economy centered around the “misuse” of market economy have driven planet Earth to the verge of complete desertification in a short period of a few hundred years.

In recent years, feeling the necessity to drastically correct the pervertedness of this paradigm of world economy that has continued for over two hundred years, I defined, for the first time in the world, the paradigm of “the system of friendship economy” which can be described as economics of pluralistic harmony of a new age. In conjunction with the result of such efforts, I would like to propose the New “construction of friendship society” among the people of Japan and other countries. It is a theory and philosophy of economy management centered on “gift and reciprocity through return (=sharing),” based on the negation of the conventional materialism, and on the different economics of modern days (and also social sciences). China recently announced introduction of a policy of a “socialistic market economy system.” I think it can be very meaningful for China as well as for developing international economic order by friendship in the new age if that turns out to be what I call a “friendship society (a philosophy realizing the

idea of friendship, which is the original purpose of socialism in which I proposing a reciprocal and mutually servicing market economy, politics, society and culture)” in which “benefiting another means benefiting oneself.” If we convert the economies of nations and international economic relationships to center around philanthropy and mercy, or in other words, the spirit and values of friendship, we will be able to enjoy reciprocal, orderly, and long-lasting peaceful economy management and international exchange among Japan, China, Korea, and other East Asian nations including NIES, and with ASEAN nations, as well as Western and other countries.

For the citizens of the earth, and for the economies of Asian and other nations of the world, it is now indispensable bravely and drastically changing the values and the concept of wealth. Most of the paradigm of modern economic thought and economies (and many social sciences) are based on the modernistic view of the world and a corresponding sense of values. The world view and paradigm of modernism and modern rationalism (the ideology that everything is reduced to atoms, empiricism, materialism, the ideology in which three-dimensional world is regarded as the one and only world), originated in Western culture, was dominant from the 18th to 20th century, but is rapidly growing obsolete in the fields of natural sciences, philosophy, ideology, and religions and so on. On the other hand, not skeptic “post-modernism” but “the civilization of new age” based on the world view of the new age has to be launched.

The modernistic view of the worldly produced modernistic economics has been developed by classical economist led by Adam Smith, neo-classical economics asserted by Samuelson and others, and Keynesian economics. These economists are said to have even demonstrated the rationality of the

capitalistic, in other words, selfish market economy. However, these economists made a major mistake. Their mistake does not lie in their contempt of planned economy and acknowledgement of advantages of the market economy. Their mistake was asserting that the market economy of self-interest (greedy exchange) and self-interest among enterprises (enterprises which seek for only private and materialistic interests), in other words, the economy of robbing each other enhances efficiency, and brings about equality, harmony, wealth, and convenience.

However, it is actually no more than a type of economic system which accompanies endless struggle, robbing from each other, destruction, inequality, and violence, disregarding morality. This is the economy based on a materialistic "economic development for the sake of economic development" type of ideology, and on the principle of seeking to satisfy one's desires infinitely. It desolates morality, human mind and spirit, and makes people into slaves of greed. Nobody can deny the desertification of the earth indicated by K. Boulding and Galbraith. Of course such a situation will cause great economic recession, unemployment, war, imperialism, and neo-imperialism. In the Third World, it will cause unemployment, poverty, and starvation.

Modern economists since Adam Smith have mistakenly made a way of life based on egoism (e.g. exclusionism), whose main objective is to satisfy materialistic desires, into a doctrine stating that private evil bears public interest. This idea formed the ideological mainstay of capitalistic society, but such a way of life itself is evil, in the light of its multi-dimensional ontology of new age and view of the world. This constitutes the basis of the major mistakes, pervertedness and destruction in the modern and contempo-

rary world dominated by modernistic ideology.

As I explained in the book titled “New Utopian Economics : A Signpost for the Friendship Society” (Tama Publishing), private evil can only result in public evil. Then, how can we rebuild the world economy, society, politics and civilization which are accessing to deadlock? In order to break through such a situation, we need to remember service and gift for each other and reciprocity. These used to be the key to human identification (solidarity) with the universe and the earth, and the key to creating human networks. Being a part of human nature, such activities used to be our guiding principle and model in private and social life. The new view of the world and social principles in the new age are almost completely in accordance with Oriental civilization, such as Taoism, Buddhism, Shintoism, and Confucianism. (A. Toynbee also remarked on this point.)

As I pointed out in the book “New Utopian Economics” (Friendship Economics), we can build a harmonious social economy. However, coexistence between the earth (e.g. nature) and the human being is possible only by means of friendship enterprises (such as philanthropies), friendship exchange, and domestic and international economic/diplomatic policies based on friendship and the principle that states “benefiting another means benefiting oneself,” with which acts arising from the spirit of service and reciprocation are encouraged. Equity is not achieved through struggle, repulsion, and continuous destruction and reconstruction, but micro and macro-economic balances are achieved through love, attraction, and harmony. Economic balance enables sound management of economic growth. We can say that modern economic society and economics whose main aim is to satisfy egoism and gain materialistic interests was a mistake. This fact

is a key source of confusion and troubles among the contemporary world inhabitants.

The economic principles which assert “benefiting another means benefiting oneself” will enable the development of domestic and world economy, — a development which is balanced and based on cooperation through international exchange of mutual service and reciprocity among nations. Based on Oriental civilization, it will be possible to construct a world of friendship and mutual help in Asia and in the world. That is the outlook toward the “World Friendship Economic Bloc,” which is the title of this lecture. Let us now build, starting in Asia, the real Utopian World, which Marx and Engels conceived and could never realize.

—This was addressed at an international conference, “Construction of a Base for promoting Co-existence, Mutual respect, and Mutual Happiness and Harmony” (at Beijing, China). But the content needed a little revision.

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Chapter II ; Economy and Trade for the 21st Century

Today we are undergoing a major shift in terms of contemporary world civilization. The existing Europe- and North America-dominated modernistic civilization is crumbling and crashing. What is important now for the human race is to have a clear vision and a clear proposition concerning the new world and new world civilization about to be created in the 21st century and beyond—encompassing economic and political systems, an international economic system concerning world trade and an international political system concerning world order.

Simply put, this entails the following : (1) constructing a market economy or an economic system founded on reciprocity or reciprocatory spiritual values, and (2) constructing a horizontally-structured, reciprocatory economic and political cooperative system which differs from hegemonic international economic and political systems which are run by a particular superpower or the group of a few superpowers. These are, in fact, our challenges in the 21st century. In other words, a paradigm shift in domestic and international economic principles (and may I say international political principles) are being called for. Let us begin by illustrating several characteristics of the new era that will complete the whole picture of the 21st century.

First of all, a link is expected to form between the pivotal ideas of traditional Oriental civilization as represented by the notion of “harmony among heaven, earth and human beings” found in Buddhism, Taoism, Confucianism and Shintoism and also particularly by the Buddhist notion “everything in Nature is Buddha,” and the so-called “new age culture” in

the 21st century, making it a “century of Asia.” The dynamic and rapid growth of Japan, NIES, ASEAN countries, China and Vietnam, some of which are currently in the process of reformation, bolsters this possibility.

Meanwhile, European and North American countries will find themselves declining, as the Roman Empire did in the past, unless their conventional social principles of individualism and materialism are fundamentally revised, except in the possible scenario of succeeding in world domination, which I will discuss later.

Secondly, West-centered modernism or civilization supported by modern rationalism, whose dominance has lasted from the 17th to 20th centuries, will reach a deadlock, and then a post-modern, or more specifically, “new age” civilization will emerge and thrive. The chief impetus and symbol of this shift of world civilization is the Vietnam War, fought right here where we are meeting today.

“Modernism” is characterized by individualism, materialism, excessive attachment to power and wealth and the notion that everything can be expressed by numbers ; it denies the multi-dimensionality of the universe and is tied to the world view, or human-centered theory of existence, in which only the three-dimensional world, i.e. the material world, alone exists.

Also shortcomings of centralized socialism should not be overlooked, We can not forget the fact that capitalistic civilization, in which individuals, corporations, nations and so on being engaged in egoism-fueled pursuit of their own interests, has already reached a deadlock, is verified by the destruction of the global ecosystems, the depletion of natural resources, the current long-term world-wide recession and so forth.

In the 21st century, in the face of these unprecedented crises, the human

race will come to understand the urgency and importance of opting for new social principles, such as mutual service (“benefiting another means benefiting oneself.”), friendship manifest in reciprocal exchange and sharing of resources, and communication for symbiosis. Incidentally, the capitalistic market economy which has been in practice up to the 20th century is, in fact, the worst possible kind of market economy described by Thomas Hobbes, as a struggle by everyone against everyone.

Modern and contemporary economists, such as Adam Smith, Samuelson, Rostow, Hayek and Friedman (present-day new conservatives or new liberals), preach that this kind of capitalism is rational. Nevertheless, as I said at the previous International Conference of Beijing, I believe that it is, in essence, an economic system called a zero-sum game which is played by the rules of ugly struggles and exchanging blows to satisfy egoism and material greed and an ongoing cycle of destruction and reconstruction.

The modernistic contemporary economists such as Smith, Ricardo and their successors, who conceal or overlook what I have just said, commit a grave sin with their theories and views by praising such domestic and international (including international specialization) economic systems of robbing one another as efficient and rational.

As I expounded in my *New Utopian Economics : A Signpost for the Friendship Society* (Tama Publishing), the human race must depart from the conventional narrow-minded materialistic view of the world, and we must fundamentally reform our value system and world (universe) view, and launch on the construction of a new economic system founded on the principle of fraternal values expressed in the idea “benefiting another means benefiting oneself.” With some likeness to what Marx said, I would

like to say that there is no way for the human race to survive the 21st century, except through reforming the economic system, i.d. a chief social infrastructure.

As already symbolized by the rapidly expanding ozone hole, economic and political systems centered on egoism, infinite material greed, and the survival of human beings and the Earth are basically incompatible. I propose to call the post-capitalist new-age economic system (centered on giving, sharing and reciprocity), “system of *philia*” or “Friendship Economy” of “Friendship Society.”

There are various types of market economy (theorized by economic anthropologists such as K. Polanyi and cultural anthropologists such as C. Levi-Strauss, for example). The system of Friendship Economy that I advocate, differs from the capitalistic market economy, which is essentially altruistic and reciprocatory and founded on a spiritual revolution in which the existence of micro-level reforms, spirituality and high-dimensional energy is recognized.

Furthermore, a mixed economy, which is based on such a new market economy concept and having governmental involvement, will also be formed in the 21st century. This type of economy will likely to be compatible with Chinese socialistic market economy and Vietnam’s economic policy “Doi Moi.”

Shifting from modernistic civilization to pluralistic new-age civilization, from capitalistic market economy to post-capitalistic reciprocatory Friendship (*philia*) economy, and from the international economic and political system of intimidation and exploitation dominated by a superpower or the group of a few superpowers (“pax consortis”) up to the 20th century to a

horizontally-structured, reciprocatory international system of Friendship Economy——this is the planet-scale challenge for the human race in the 21st century and onward.

Thirdly, the 21st century will also be characterized by the deepening and expansion of international exchange and globalization at an accelerating rate. In line with such development, world integration and interaction and fusion among different ethnicities, religions and civilizations will progress.

There will be two aspects to such globalization. Simply put, its positive aspect is horizontal regionalization and globalization ; the negative aspect is the progression of vertical world-wide hegemony. The principal driving force behind this negative aspect will be provided by high technology, heavy chemical and high tech-industries, big multinational enterprises and other entities which gain much from a scale merit. The true core of this future development is now evident in the pyramid-structured monopolization of world economy, occurring on a worldwide scale in the form of the accumulation of wealth in “world enterprises.”

At present, multinational giants are fiercely scrambling for profits in commodity and capital markets all over the world (including CIS, East Europe and China), in the name of market economy propagation and internationalization. Stemming from this core, international trade will further diversify and increase in the 21st century. International short-term capital transfer, investment, and mergers and acquisitions will become more active. Economic interdependence will grow, and national boundaries will diminish in this sense. In Asia, increase in intra-regional trade, greater market access to China and Vietnam and so forth will further spread and enrich economic exchange in East Asia, Southeast Asia, South Asia, and the Asia-Pacific

region.

Unrestricted exchange of a variety of world goods, resources, capital, technology and information, which GATT advocates, is perhaps directed toward economic world integration, beyond mere free market access. Today, regional economic integration by EC and NAFTA is in progress ; the first ministerial-level APEC conference was recently held in Seattle at the initiative of US President Bill Clinton. APEC obviously has a hint of hegemony-orientedness. Who could deny the possibility that current regional economic cooperatives will cause the emergence of exclusive economic blocs as in the 1930's, and later hegemonic confrontation——mutual robbing——among superpowers or three major blocs (America, Europe and Asia)?

There is also the possibility that dividing the world into and containing it in three blocs will result in world economic and political integration through inter-bloc competition and transaction. Many people declare that in this situation such integration is the group with a few superpowers (e.g. European countries and the United States), giant international business groups which run these countries behind the scenes, or world power elite groups (C. W. Mills) clustering around such business groups that usually try to hold real power.

At present, horizontal economic exchange (e.g. trade and investment in industrial, primary and high-tech products and technical know-how, technological, academic and cultural transfer and interaction) is becoming active in Asian countries, or in the Asia-Pacific region, partly due to “Japan Chance,” “China Chance,” and the rapid economic growth of NIES and ASEAN nations. It is contributing to the formation of several economic

zones within the region. In connection with such zones, various economic groupings and concepts for economic cooperation, including East Asian Economic Caucus (proposed by Prime Minister Mahathir of Malaysia), and the Pan-Pacific Economic Zone, are drawing attention.

In consideration of such movements, it should be noted that it will be vital in the 21st century to avoid exclusive bloc formation and to ensure that international economic relationships (in terms of trade, investment, etc.) being a horizontal structure, never a vertical or hegemonic structure that will allow a certain superpower to become a "leader nation."

As Immanuel Wallerstein says, as in the case of monopolar (the United States) or bipolar (the US vs. the Soviet Union) international political hegemony, Summit Meetings, and various international groupings such as the United Nations Security Council and the Group of Five (G5), vertical structure often leads to hegemonic integration through superpower alliance.

Economists maintain that world economic integration in advanced stages results in greater economic efficiency, higher growth rates, and enhanced welfare on an international scale. At the same time, however, no one can deny that it will also result in the more fierce exploitation of the weak and the small by the big and the strong, such as giant international businesses, as well as the lopsided accumulation of wealth in superpowers, multi-nationals, and international capital within the framework of international specialization, leaving small countries and businesses, workers, self-employed people, and farmers with little or nothing to gain.

If and when such development really occur, there is the possibility that the fatal destruction of ecosystems and indigenous cultures also ensue. Then, there is danger that countries of the world are severely affected in terms of

sovereignty, democracy and economic self-governance. That is to say, today there are — and also will be in the 21st century — strong economic and political impulses that are driving the world toward “super-imperialism,” of which K. Kautsky spoke in the early 20th century.

It is vital that the 21st-century trade and international economy will undergo paradigm shift and be founded upon non-hegemonic, horizontal and reciprocatory relationships formed in accordance with new international economic principles which advocate mutual service through, among others, assistance (gifts) by developed countries, active expansion of market access, and the protection of small industries and indigenous cultures.

It is time to realize that the Ricardo-style theory of comparative cost, which has been considered as the prime principle of international economic relations until the present time and which gives priority to liberalization and internationalization, is erroneous. In addition, egoistic and hegemonic world market competition which only emphasizes on cost minimization and market share, should not be adopted in the 21st-century trade and international economy as it has been in the 20th century.

To form a reciprocatory and mutually-beneficial international economic system, Asian countries which are expected to constitute the growth center of the 21st century (i.e. Japan, NIES, ASEAN, China, South Asia) must make voluntary efforts to form relationship based on Friendship Economy, which are open, horizontal (free from hegemonic struggle) and congruent with the coexistence of small and large industries, unlike such hegemonic economic unions as the EC and NAFTA.

To the West and the rest of the world, the non-hegemonic, horizontally-structured Asia-Pacific Friendship Economic Zone, founded on the principle

of international Friendship Economy nurtured by Oriental civilization, will be able to present itself as the precursor of a “World Friendship Economic Zone,” to be realized in the new-age world civilization. In this connection, it is quite significant that the 21st century is the “Century of Asia” in terms of the history of civilization.

Let us build a Friendship World through seeking the way without yielding to world hegemony, which was once done in the Vietnam War.

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