

Economics
of the
Future
Begins
Today



Badi Shams

***Dedicated to all the poor and underprivileged
people of the world who have been ignored by our
economic system. Their suffering is our failure to
make a change.***

Contents

Introduction	6
A Brief History of Economics & Some Economists.....	11
TYPES OF ECONOMIC SYSTEMS	18
STUDY OF ECONOMIC WORKINGS	18
ECONOMIC THEORIES	21
HISTORICAL TIMELINE	22
Study of the Bahá'í Writings on Economics	27
DIVINE ECONOMY	28
BAHÁ'Í ECONOMIC SYSTEM	30
THE STATION OF MAN	30
MATERIAL CIVILIZATION AND SPIRITUAL CIVILIZATION	31
THE NATURE OF THE ECONOMIC PROBLEM	34
THE ECONOMIC COST OF WARFARE	34
CO-OPERATION VS COMPETITION	36
CAPITALISM	37
THE GOLDEN RULE	38
WEALTH	41
MODERATION	42
VOLUNTARY SHARING	43
EQUALITY	44
WOMEN'S EQUAL RIGHTS	45
BENEVOLENCE	46
JUSTICE	47
AGRICULTURE - THE FARMER	48

<i>WORK AND PROFESSION</i>	49
<i>WAGES</i>	50
<i>TAXATION</i>	52
<i>HUQÚQU'LLÁH (RIGHT OF GOD)</i>	53
<i>RATE OF INTEREST</i>	53
<i>ECONOMIC RESOURCES</i>	54
<i>ECONOMIC BARRIERS</i>	55
<i>STRIKES</i>	56
<i>SCIENCE AND TECHNOLOGY</i>	62
<i>THE POOR AND NEEDY</i>	63
<i>WORLD CURRENCY</i>	64
<i>WORLD COMMONWEALTH</i>	65
<i>Practical Economic Suggestions for Everyday Use</i>	69
<i>Definition of Some Economic Terms</i>	90
<i>Compilation of the Writings on Economics</i>	127
<i>APPLICATION OF ECONOMIC TEACHINGS TO MODERN PROBLEMS</i>	128
<i>BAHÁ'Í WORLD COMMONWEALTH</i>	129
<i>BAHÁ'Í ECONOMIC SYSTEM</i>	132
<i>DIVINE ECONOMY</i>	134
<i>ECONOMIC RESOURCES</i>	135
<i>TARIFFS AND OTHER ECONOMIC BARRIERS</i>	136
<i>ECONOMIC ADJUSTMENT</i>	137
<i>WORLD CURRENCY</i>	138
<i>ECONOMIC PROBLEMS</i>	138
<i>ROLE OF GOVERNMENTS IN ECONOMIC AFFAIRS</i>	141
<i>MAN—NOT A MERE FACTOR IN PRODUCTION</i>	143
<i>EQUALITY</i>	144
<i>DIFFERENT DEGREES AND CAPACITIES OF MAN</i>	146
<i>PROFESSIONS AND CRAFTS</i>	148
<i>AGRICULTURE AND THE FARMER</i>	151

<i>CAPITALIST AND CAPITALISM</i>	153
<i>WORKMEN AND INDUSTRY</i>	153
<i>WAGES</i>	154
<i>REPRESENTATIVES OF THE WAGE-EARNING CLASSES</i>	155
<i>TRADE UNIONS</i>	156
<i>RETIREMENT</i>	156
<i>PENSIONS</i>	157
<i>STRIKES</i>	157
<i>SOCIALIZATION</i>	162
<i>UNEMPLOYMENT</i>	162
<i>INDUSTRIAL SLAVERY</i>	163
<i>SCIENCE AND TECHNOLOGY</i>	163
<i>USE OF TECHNICAL KNOWLEDGE</i>	164
<i>WASTAGE ON WARS</i>	165
<i>STOREHOUSES AND TAXATION</i>	168
<i>RATE OF INTEREST</i>	174
<i>WEALTH</i>	175
<i>MODERATION</i>	177
<i>WELFARE</i>	178
<i>THE POOR AND NEEDY</i>	179
<i>CHARITY AND ENDOWMENT</i>	182
<i>TITHES</i>	184
<i>VOLUNTARY SHARING—GREATER THAN EQUALITY</i>	185
<i>DIVINE CIVILIZATION</i>	186
<i>DETACHMENT</i>	187
<i>JUSTICE</i>	189
<i>INHERITANCE</i>	191
<i>HUQÚQU'LLÁH</i>	193
<i>THE GREAT FINANCIAL</i>	197
<i>DEPRESSION</i>	197
<i>COMPETITION</i>	197

<i>THE WORLD'S EQUILIBRIUM</i>	198
<i>WORKSHOP</i>	200
<i>INTRODUCTION</i>	201
<i>PART ONE</i>	204
<i>PART TWO</i>	211
<i>PART THREE</i>	218
<i>CAPITALISM</i>	218
<i>AGRICULTURE—THE FARMER</i>	218
<i>WORK AND PROFESSION</i>	219
<i>WAGES</i>	220
<i>TAXATION</i>	221
<i>RETIREMENT AND PENSION</i>	221
<i>RATE OF INTEREST</i>	222
<i>ECONOMIC RESOURCES</i>	223
<i>ECONOMIC BARRIERS</i>	224
<i>WORLD CURRENCY</i>	225
<i>PART FOUR</i>	226
<i>Brief Summary of the Bahá'í Faith</i>	230

Introduction

The present economic system is sick and is dying. It cannot meet the needs of humanity. The gap between rich and poor is getting wider and wider, which has increased the suffering of the masses. The solutions that can heal it have been ignored. It is time to re-examine the fundamental assumptions that this system was built on and replace them with humane, moral and spiritual ones. We need to build an economic system fit to help mankind to achieve its goal of an ever-advancing civilization, a world where there is no room for economic injustice and people have all the necessities of life so they can live peaceful and fulfilling lives. A shift in thinking is needed. Based on the Baha'i Teachings, this book aims to provide some insight and suggestions for taking steps to lay the foundation for a better economic future. We have the solutions and the technology to build a new system; all we need is the resolve and the will. Everyone has an inherent power to contribute. The time for action is upon us. This is our eleventh hour.

*This manual is intended to be a service and its goal is to equip the reader with a little knowledge about economics and to make the subject understandable. The manual will **a)** briefly study economics and its history, mentioning some of the economists that have contributed to the development of the economic systems, **b)** provide a study of the Bahá'í Writings on the subject of economics and their relevance and importance, **c)** suggest practical actions for everyday*

use which could become the beginning of a foundation for the future economic system, and d) define some economic-related terminology.

Included in this manual is my compilation of the Writings of the central figures of the Faith related to economics. The Writings have been organized by topic to make it an easy reference for the reader. It is called "Economics of the Future". Also a workshop on Baha'i Writings on economics has been added for study purposes.

I have always thought that understanding the Bahá'i Writings on the subject of economics is important and my intention for some time has been to help individuals to access the Bahá'i Writings on this subject and to arm them with a better understanding. It started in the 1980's when I compiled "Economics of the Future" for my economics degree, which provided a collection of the Writings in one book for ready access. Later on in 1996 I was asked to put together material on Bahá'i economics in a workshop style with questions at the end of every section, with the intention of providing a tool for individuals or groups to increase their knowledge and understanding. And more recently, I was asked to give a talk, explaining some of the Bahá'i Writings on economics in simpler language. And that's where the idea for a manual came into being. Abdu'l-Bahá¹ often talked about very complex subjects but He made them simple and easy to understand and my personal belief is that economics doesn't have to be scary or confusing, especially when it comes to action. The manual is intended to be clear and straightforward in order to encourage individuals to

¹ Son of Bahá'u'lláh (see Appendix)

participate in economic actions and to remove fears the reader may have about this challenging subject. It is made for everyone, whether or not he or she is knowledgeable about economics. Hopefully, the reader may find it useful and it will empower him or her to act and realize what an amazing power we have as individuals to transform society in every way, including economic ways.

We do not have a Bahá'í Economic system as yet and that system would not come into being until the process of transforming society through the message of Bahá'u'lláh¹ has been firmly established. As we gain a greater appreciation of the significance of Bahá'u'lláh's Revelation through our study and application of the guidance being given to us from the Universal House of Justice,² it becomes clear that our economic lives are not separate from our spiritual lives. Our spiritual values, when they are reflected in our daily behavior change us personally and, in turn, change our economic activities, which lead to a change in society. Human values such as truthfulness, trustworthiness, and justice are the bedrock for a foundation upon which the future economic system can be established.

"Nevertheless, there are certainly practices a Bahá'í would eschew, such as dishonesty in one's transactions or the economic exploitation of others. Faithful adherence to the divine admonitions demands there be no contradiction between one's economic conduct and one's beliefs as a Bahá'í. By applying in one's life those principles of the

¹ The Manifestation of God for this age and Founder of the Baha'i Faith (see Appendix)

² The supreme administrative body for the Bahá'ís of the world (see Appendix)

Faith that relate to fairness and equity, a single soul can uphold a standard far above the low threshold by which the world measures itself..."

-Ridvan Message 2012

We live in a very confusing time, particularly after the economic market crash of 2008, which almost destroyed the whole economic system and forced governments to take desperate measures to save the system and avoid universal chaos. That was caused by unchecked greed, which led to a destructiveness that only a lack of morality can create. People are now more scared and uncertain about their economic future and wonder what is going to happen, not realizing how much power they have to change attitudes regarding the current economic system. It is true that the economic field can be very confusing; economists themselves are often very confused. Even President Harry Truman is said to have joked that he wanted to hire a one-handed economist because it's customary for economists to say - on the one hand we have this and on the other hand we have that. We cannot judge the economists to be right or wrong; they based their theories on their observations and made logical assumptions based on those observations. Most have done their best to improve the economic condition. Yet confusion increases every day because they did not understand the station and destiny of the most important factor in the economic system, man. They did not understand that material and spiritual civilization go hand in hand and that there needs to be harmony between science and religion. Nor did they grasp the significance of the oneness of humanity. They did not make room for humanity's spiritual goals and aspirations.

My hope is that this manual will enable you to gain a greater understanding of economics and will empower you to act and participate in the economic field with confidence and an underlying belief that together we are learning how to lay the foundation for global prosperity and the establishment of the world commonwealth.

Please note that I have chosen to use the generic term “man” in the handbook to refer to both man and woman, only for the purpose of clarity.

For those readers who do not know about the Bahá’i Faith, there is a summary of Its history and teachings, with emphasis on the significant Individuals Who charted Its course, in the appendix.

***Badi Shams
November, 2015***



A Brief History of Economics
&
Some Economists

The history of economics began in the Stone Age when one hunter, tired of eating the same kill, exchanged his kill for another hunter's and, by doing so, started the barter economy. Soon after came centuries of an agriculture economy in which the means of exchange changed and "money" was introduced. The means of exchange could be anything: coins, pieces of gold or silver, bones, feathers and many other varieties of items were used until the use of paper currency was introduced. Agriculture economies were very simple and there were not many activities. Nothing of significance changed until the invention of the steam engine. This led to the revolution of industries and mass production started which brought the need for imports and exports to feed the ever expanding economy. Roads and railways had to be constructed. At the same time, a banking system was needed to handle all these new economic activities. Thus began our modern economic system.

Since then the situation has changed considerably. Economists devoted their time to keep up with the changes and helped us to make sense of the material side of life. They made an impact and contributed to the improvement of the economic system. We of course cannot study all of them, so I have chosen a few and outlined their ideas. Our material life has a great influence on our spiritual life, so it is imperative that we understand economics and its true purpose. It is not just about making money but rather creating a very useful tool to assist us to pursue our spiritual destiny.

First let us start with the definition of economics. There are so many different definitions, but maybe this one explains it better.

Definition of Economics: *A social science concerned chiefly with description and analysis of the*

production, distribution, and consumption of goods and services.

-Webster dictionary

In a nutshell economics covers almost all our material human activities. It is so surprising to see how it covers so much of our life. It would be a good exercise to pick one of your activities and see if it will turn up to be an economic activity.

Many think that terrorism, conflicts and other forms of violence are due to differences in religion or ideologies. But if we dig deeper we may find that the underlying factor in many cases is a deep sense of resentment from the “have nots” toward the “haves”. Poverty and powerlessness create resentment since every human being feels entitled to a bare minimum means of existence. With their deep resentments terrorist find a cause in religions and ideologies to justify their actions.

Unfortunately money is a yardstick that we use to measure poverty, wealth, failure and success. My wish is that as we spiritually grow and expand our spiritual horizons, we will adopt a spiritual yardstick to measure our lives. Money cannot and should not be the only means of measuring our life's achievements.

The history of economics has been divided into many categories for study purposes. Most economists regarded economics as a branch of science and formulated many mathematical formulas to create a more efficient economic system. Man's role was reduced to being one of the factors of production: labour. Economic systems concerned themselves with providing man with more material goods.

There was no room for the moral and spiritual aspects of his life.

*But there were a few who did see the cracks in their assumptions and they raised the alarm. They have suggested a **Moral Economics**. They believe that economic theory does not address areas such as family, health, love, culture, spirituality, environment and many others that make life meaningful and rich. Economic policy should include not only goods that can be exchanged for money but also values that have no price tag on them.*

Eugen Loeb wrote a book called “Humanomics” in which he said:

“In my view . . . economics is responsible for our deepening crisis. I am convinced that we will not be able to solve our basic problems unless we build a science of economy which enables us to navigate our ‘spaceship earth’ toward humane ends; a ‘humanomics.’”

-Humanomics, p.1

“Conventional economics has become, despite its remarkable degree of sophistication, not only a useless tool, but a dangerous one. Its deceptive application has created a crisis which threatens the very foundations of our civilization.”

-Humanomics, p.1

Alvin Toffler was another visionary who perceived the lack of humanity in our economic system. He looked at economics from a very different angle.

Toffler explained, "Society needs people who take care of the elderly and who know how to be compassionate and honest. Society needs people who work in hospitals. Society needs all kinds of skills that are not just cognitive; they're emotional, they're affectional. You can't run the society on data and computers alone.

- "Life Matters," March 5, 1998.

Toffler described human economic activities and the history of economics in three waves:

- a) The first wave or Agricultural wave*
- b) The second wave or Industrial wave*
- c) The third wave (Toffler wrote a book with the same name)*

- **First Wave** refers to society after the agricultural revolution and after hunter-gatherers. "First Wave societies drew their energy from 'living batteries' – human and animal muscle-power – or from sun, wind, and water. Forests were cut for cooking and heating. Waterwheels, some of them using tidal power, turned millstones. Windmills creaked in the fields. Animals pulled the plow. As late as the French Revolution, it has been estimated, Europe drew energy from an estimated 14 million horses and 24 million oxen. All First Wave societies thus exploited

energy sources that were renewable. Nature could eventually replenish the forests they cut, the wind that filled their sails, the rivers that turned their paddle wheels. Even animals and people were replaceable 'energy slaves'.

-The Third Wave, p. 25

- ***Second Wave*** refers to society in the Industrial Revolution (the late 1600's to the mid 1900's). The main features of Second Wave are the factory-type of education system, the corporation and the nuclear family. Toffler writes: "The Second Wave Society is industrial and based on mass production, mass distribution, mass consumption, mass education, mass media, mass recreation, mass entertainment, and weapons of mass destruction. You combine those things with standardization, centralization, concentration, and synchronization, and you wind up with a style of organization we call bureaucracy."

-Wikipedia article on Alvin Toffler

"All Second Wave societies . . . began to draw their energy from coal, gas, and oil – from irreplaceable fossil fuels. This revolutionary shift, coming after Newcomen invented a workable steam engine in 1712, meant that for the first time a civilization was eating into nature's capital rather than merely living off the interest it provided."

- The Third Wave, p. 25

- ***Third Wave*** refers to post-industrial society. Toffler explained that since the 1950s, nations have been

shifting from Second Wave Society to a Third Wave Society, based on knowledge-based action as the primary resource. His description of a super-industrial society is similar to concepts from other theorists (e.g. Information Age, Global Village, Space Age, Technetronic Age, Electronic Age, or Scientific-Technological Revolution), which to some degree forecasted knowledge-based production, demassification, diversity, and accelerated change. "The Third Wave shows us . . . new potentials. It argues that, in the very midst of destruction and decay, we can now find striking evidences of birth and life. It shows clearly and . . . indisputably, that - with intelligence and a modicum of luck - the emergent civilization can be made more sane, sensible, and sustainable, more decent and more democratic than any we have ever known."

- The Third Wave, p.3

His idea of the third wave, in my opinion, is close to the vision of Baha'u'llah's World Commonwealth. He believed in a very different but yet better future for mankind. In essence he was talking about and preparing us for the coming of a New World Order. He explained the characteristics of the third wave and told us how and why the old industrial principles and theories will not work at this time, the same way agricultural principles did not work during the industrial time. He believed that mankind has entered an era in which we need a brand new system to fit the needs of man, who has entered a new era. So maintaining the old economic system will not solve our ever-increasing problems.

Types of economic systems:

There are many economic systems since every country or community has its own unique situation in terms of cultural, political and economic resources and economic activities are different. But generally we can categorize them into four major systems.

a) Traditional economy:

A family or community-based economic system relying on ritual and custom to make choices, for example, Amazon tribes, Aborigines, or any substance Economy.

b) Market economy:

An individual or consumer-based economic system relying on consumption choices of the consumer, for example, any capitalist country. (A pure market economy without government interference is not in existence.)

c) Command economy:

An economy that is centrally controlled and the government makes all the decisions, for example, Cuba or China (any Communist country or dictatorship).

d) Mixed economy:

An economic system that is market-based but with some governmental involvement, for example, any present modern economy.

Study of economic workings:

Some study economics by their scope. Some study the individual behavior of the consumer and make their conclusions; some study the consumption of the whole country or community. So we can study economics at the small level or Micro or at a larger level or Macro.

a) Microeconomics

Microeconomics deals with: single market, consumer and producer.

- *Supply and demand in single markets*
- *Individual consumer patterns, for example, consumer choice*
- *Individual labour markets, for example, wage determination*
- *External factors arising from consumption and production*

b) Macroeconomics

Macro economics deals with: The whole market, the whole economy, consumers and producers.

- *Fiscal/monetary policy, for example, effect of interest rates on the economy*
- *Reasons for unemployment and inflation*
- *Economic growth*
- *Globalization and international trade*

- *Why there are differences in economic growth and living standards between countries*
- *Government borrowing*

Economic decision making operates in our daily life, whether we realize it or not. We live a world of infinite resources; economists must decide how to use these limited inputs to satisfy our never-ending list of wants and needs.

Economists analyze relationships between the resources – labor and materials - and the consumption, distribution and production of the resulting goods. Economists study how decisions can be made in a business transaction between individuals on a microeconomic level or decisions considering a city, state or country on a macroeconomic level. A microeconomist considers the impact of supply and demand prices in a factory, for example, how taxes have altered that factory's costs over a period of time. On the other hand, a macroeconomist studies the effect of changes on unemployment and national income on the gross national product.

Although both fields operate with different scopes, macroeconomics and microeconomics share similar methodologies. They also have in common an assumption of self-interest which is the basis for modern economic theories. Adam Smith was the first to use this term to explain the idea that individuals act willfully to maximize their satisfaction, given a limited time, resources, information and budgets. But this assumption has to be explained. The self-interest has monetary connotations, which means that there

must be something in it for the individual. But the reality is that this is not always the case. For example, giving to charity or any similar act, gives people no financial benefit. They do this out of the goodness of their hearts without considering financial gains. We cannot build an economic system based on the assumption that man is always selfish and thinks of only himself. This assumption is contrary to what religion, philosophers and great poets have taught us.

Economic theories:

It is hard to classify different theories but they fall mostly under one of these classifications:

Classical theories: *work done by a group of economists in the eighteenth and nineteenth centuries. They developed theories about the way markets and market economies work. The study was primarily concerned with the dynamics of economic growth.*

Neo-Classical theories: *an approach to economics that relates supply and demand to an individual's rationality and his or her ability to maximize utility or profit. Neoclassical economics also increased the use of mathematical equations in the study of various aspects of the economy.*

Keynesian theories: *an economic theory of total spending in the economy and its effects on output and inflation. Keynesian economics was developed by the British*

economist John Maynard Keynes during the 1930s in an attempt to understand the Great Depression.

Monetarist theories: *an economic concept which contends that changes in the money supply are the most significant determinants of the rate of economic growth and the behavior of the business cycle.*

Historical Timeline:

Economic thought has evolved over hundreds of years. The following timeline of important economists and dates explains how the field has developed.

- ***200 BC onwards-*** *Romans based much of their society on the exploitation of slavery. Their economic systems became heavily dependent on the widespread existence of slave labour. Slaves laboured in the mines and in the farms. The state's public works were largely completed and maintained by slaves.*
- ***The Manorial System (850-1000 A.D.)*** *was an economic and social system of medieval Europe under which peasants' land tenure and production were regulated, and local justice and taxation were administered. The system was intimately related to feudalism. The fundamental characteristic of the manorial system was economic—the peasants held land from the lord of*

an estate in return for fixed dues in kind, money, and services. The manorial system prevailed in most of Europe and as far away as India and Japan.

- **Adam Smith (1723-1790)** is considered the father of modern economics. His book, *“Wealth of Nations”*, includes the term ‘invisible hand’ to describe the self-regulation of functioning markets and the idea that self-interest in free-market economies leads to economic prosperity.

- **Thomas Robert Malthus (1766-1843)** who studied populations, was one of the first economists to examine the relationship between inflation and population growth. He is known for his work on the relationship between populations and food supply, as well as economic rent theory. He wrote the book *“An Essay on the Principle of Population”*.

- **Jeremy Bentham (1748-1832)** is associated with the doctrine of utilitarianism. Being a visionary, he was a staunch advocate of universal suffrage and is regarded as the father of welfare economics. He wrote an entertaining *“Handbook of Political Fallacies”*.

- **David Ricardo (1772 -1823)** being inspired by Adam Smith’s *“Wealth of Nations”*, proposed the labour theory of value, which states that labour is the sole factor determining the price of a commodity. This idea is opposite that of

demand, the foundation of capitalism. He wrote an Essay on the "Influence of a Low Price of Corn on the Profits of Stock".

- **John Stuart Mill (1806-1873)** wrote the book *"Principles of Political Economy"*, based on the ideas of Smith and Ricardo and it became the main economic text at that time. He is given credit for the notion of a free market economy, and advocated strongly for a democratic economy.

- **Karl Marx (1818-1883)** is famous for advocating communism and socialism. He is considered by many as the father of communism. He strongly denounced capitalism. He is a highly influential economist in economic history. He believed that in the evolution of society communism would be inevitable. His major work is *"Das Kapital"* (*"Capital"*).

- **Alfred Marshall (1842-1924)** mainly studied microeconomics and he wrote *"Principles of Economics"*, one of the most well-known economics textbooks ever written. Marshall believed that economics was a science requiring less philosophy and more mathematics.

- **Thorstein Veblen (1857-1929)** was unconventional in his personal life as in his academic career and is known for his

book, *“The Theory of the Leisure Class”* and his approach of ‘institutional economics’ which explored the effects of poverty, religion, and political affiliation — on productivity.

- **Joseph Schumpeter (1883-1950)** is known for his idea of ‘creative destruction’, implying that the economy is a cycle of productivity and collapse. He also laid the foundation for the concept of entrepreneurship. He is best known for his contributions to economic analysis – the theory of business cycles and development.

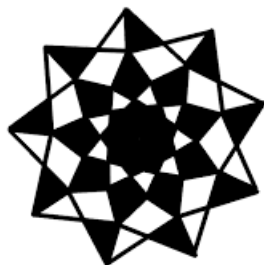
- **John Maynard Keynes (1883-1946)** was the most revolutionary economist of his time. He was against free market principles and felt that aggregate demand - not worker flexibility - played the most important role in employment. He believed in fiscal measures to correct recessions and depressions; a good example of this is the bailouts issued during the 2008 recession. He wrote *“The Economic Consequences of the Peace”*.

- **Milton Friedman (1912-2006)** advocated free markets, and his philosophies were the basis of the fiscal conservative movement. He advised President Richard Nixon and he served as president of the American Economic Association in 1967. He won the Nobel Memorial Prize in Economic Sciences.

- **John Kenneth Galbraith (1908-2006)** studied the part of corporations in the United States economy and in his book, *“American Capitalism: The Concept of Countervailing Power”*, criticized the influence of corporations replacing

smaller firms. He is known for his three books, “*American Capitalism*”, “*The Affluent Society*”, and “*The New Industrial State*”.

- **Robert Heilbroner (1919- 2005)** was a socialist and the author of “*The Worldly Philosophers*”. He criticized the study of economics and wanted a renewal of the field. The author of some twenty books, but mainly known for his book “*The Worldly Philosophers: The Lives, Times and Ideas of the Great Economic Thinkers*”.



*Study of the Bahá'í Writings on
Economics*

At the outset it has to be mentioned that, for the sake of simplicity, we are studying these Bahá'í Writings on economics briefly without going too deeply into their importance and implications. Volumes can be written on each of these Writings and each could be the subject of immense research. As time goes by we will realize their importance and how they can and will bring us towards a totally different economic system. Future economists will write books on how these Sacred Writings changed our spiritual, social and economic lives. So please bear in mind that the simplicity of the language and my feeble attempts to share my understanding of them does not do them justice. There are many Writings that could be mentioned here but I chose these on purpose because they cover many areas related to economics.

DIVINE ECONOMY

What makes the “divine economy” different from all the economic systems of the world is its approach to the source of the economic problems and their solutions. In this way it differentiates itself from all the past and present economic theories and thoughts.

“The secrets of the whole economic question are Divine in nature, and are concerned with the world of the heart and spirit. In the Baha’i Teachings this is most completely explained, and without the consideration of the Baha’i Teachings, it is impossible to bring about a better state.”

“... By the statement ‘the economic solution is Divine in nature’ is meant that religion alone can, in the last resort, bring in man’s nature such a fundamental change as to enable him to adjust the economic relationships of society. It is only in this way that man can control the economic forces that threaten to disrupt the foundations of his existence, and thus assert his mastery over the forces of nature.”

- From a letter written on behalf of Shoghi Effendi to an individual believer, December 26, 1935, Lights of Guidance, p.551

These Writings clearly explain the difference between the present economic system and the divine economy which will characterize the future for mankind. The assumption that the economists made in the past and are still making is that man must maximize his satisfaction. That is, he wants the best for himself and does not care for the interest or welfare of others. Basically man is depicted as a selfish person and the economic systems catered to this assumption. It is no surprise that it has led us to so many crises. But the Baha’i Writings explain that the whole question of economics is divine or spiritual in nature and that is a better foundation than selfishness or greediness. With this approach, man has a divine destiny and is not ruled just by man-made laws and regulations. It is fundamentally different because the Baha’i economic system is based on man’s heart; it is founded solidly on the human spirit.

BAHÁ'Í ECONOMIC SYSTEM

"There are practically no technical teachings on economics in the Cause, such as banking, the price system, and others. The Cause is not an economic system, nor can its Founders be considered as having been technical economists. The contribution of the Faith to this subject is essentially indirect, as it consists in the application of spiritual principles to our present-day economic system. Bahá'u'lláh has given us a few basic principles which should guide future Bahá'í economists in establishing such institutions which will adjust the economic relationships of the world."

-From a letter written on behalf of Shoghi Effendi to an individual believer, January 25, 1936, Lights of Guidance, p. 551

We do not have a Baha'í economic system at this time because we do not have the spiritual requirements for such a system, a system which would be divine in nature. We do not have the spiritual maturity to imagine such a system. But there will be a world commonwealth and we know that future economists in consultation with the Universal House of Justice will bring this into being. We can only prepare for this system by developing our spiritual capacity and contributing by our actions towards laying a foundation for that system.

THE STATION OF MAN

“Lofty is the station of man, were he to hold fast to righteousness and truth and to remain firm and steadfast in the Cause... His is the loftiest station, and his influence educateth the world of being.”

- Bahá'u'lláh, Tablets of Baha'u'llah, p.220

“If, on the contrary, the spiritual nature of the soul has been so strengthened that it holds the material side in subjection, then does man approach the Divine; his humanity becomes so glorified that the virtues of the Celestial Assembly are manifested in him; he radiates the Mercy of God, he stimulates the spiritual progress of mankind, for he becomes a lamp to show light on their path.”

- Abdu'l-Bahá, Paris Talks, p.65-66

God has told us that He created man in His image. Man's station is very high and he has a great spiritual destiny. But in the world of economics this is not recognized. Man is a labourer, a manager, or a consumer, and his contribution is limited to that. The system does not recognize that his spiritual aspirations need to be the goal for an economic system, a system that enables him and provides him with tools so that he can work towards his spiritual destiny and spiritual goals, to become a spiritual being who has a human experience, rather than a human being who has a spiritual experience.

MATERIAL CIVILIZATION AND SPIRITUAL CIVILIZATION

“Material civilization has reached an advanced plane but now there is need of spiritual civilization. Material civilization alone will not satisfy; it cannot meet the conditions and requirements of the present age; its benefits are limited to the world of matter. There is no limitation to the spirit of man, for spirit in itself is progressive, and if the divine civilization be established, the spirit of man will advance.”

- Abdu 'l-Bahá, The Promulgation of Universal Peace, p. 101

“As heretofore material civilization has been extended, the divine civilization must now be promulgated. Until the two agree, real happiness among mankind will be unknown. By mere intellectual development and power of reason, man cannot attain to his fullest degree - that is to say, by means of intellect alone he cannot accomplish the progress effected by religion.”

- Ibid, p. 170

The history of mankind has demonstrated that man hasn't realized that he has two natures – one is his material nature and the other is his spiritual nature. History has demonstrated man's development in terms of inventions, scientific knowledge, a higher standard of living and generally material progress. Man is satisfied that he has made great improvements and he can calculate yearly his gains. But the sad point is that his spiritual progress has not kept up with his material progress. Man's ignorance about his nature, his spiritual nature, has made him basically one-sided – all his energies are spent on material gain. He does not know that he has a spiritual side and that his material progress depends on his spiritual progress, because all

decisions made, if not made on a spiritual basis, will not be beneficial for his soul and his being. The perfect harmony is that in which material civilization and spiritual civilization go hand in hand. At present there is a great imbalance between the two civilizations.

THE NATURE OF THE ECONOMIC PROBLEM

“Although the body politic is one family yet because of lack of harmonious relations some members are comfortable and some in direst misery, some members are satisfied and some are hungry, some members are clothed in most costly garments and some families are in need of food and shelter. Why? Because this family lacks the necessary reciprocity and symmetry. This household is not well arranged. This household is not living under a perfect law. All the laws which are legislated do not ensure happiness. They do not provide comfort.

- Abdu'l-Bahá, Foundation of World Unity, p.38

“Economic plans of reconstruction have been carefully devised, and meticulously executed. And yet crisis has succeeded crisis, and the rapidity with which a perilously unstable world is declining has been correspondingly accelerated. A yawning gulf threatens to involve in one common disaster both the satisfied and dissatisfied nations, democracies and dictatorships, capitalists and wage-earners, Europeans and Asiatic, Jew and Gentile, white

and coloured.”

- Shoghi Effendi, The World Order of Bahá'u'lláh, p.190

Man's inability to see that we as members of the human race are family, his dependence on his intellect, and his disregard for the moral/spiritual laws that must govern life, has led us to this state of crisis. Man has failed to understand that the welfare of the whole depends on his welfare and his welfare depends on the welfare of the whole. This selfish tendency of every man for himself has created the problems that we have at the moment. It does not matter how many laws we make, as long as man's lower nature is not controlled, there will be chaos. What man needs is to understand that other human beings are part of him. Humanity can be compared to the human body. Just as the human body is connected and what happens to one part of the body affects the rest, so, too, we cannot ignore one part of humanity because it affects the whole. There was a time that people did not think beyond their own backyard. But with the development of technology and the arrival of the age of information, our backyard has been extended to the whole world and all of human kind. We cannot be indifferent and ignore what is going on in other parts of the world because directly or indirectly our lives are affected. An example would be stock markets in different parts of the world. If the stock market in China changes, the stock market in New York also changes. So we have to recognize that we are all in it together and we need to help each other in order to have a better spiritual and material life.

THE ECONOMIC COST OF WARFARE

“Peace is the pretext, and night and day they are all straining every nerve to pile up more weapons of war, and to pay for this their wretched people must sacrifice most of whatever they are able to earn by their sweat and toil. How many thousands have given up their work in useful industries and are labouring day and night to produce new and deadlier weapons which would spill out the blood of the race more copiously than before.

Each day they invent a new bomb or explosive and then the governments must abandon their obsolete arms and begin producing the new, since the old weapons cannot hold their own against the new...”

- Abdu'l-Bahá, The Secret of Divine Civilization, p. 61

“Observe that if such a happy situation be forthcoming, no government would need continually to pile up the weapons of war, nor feel itself obliged to produce ever new military weapons with which to conquer the human race. A small force for the purposes of internal security, the correction of criminal and disorderly elements and the prevention of local disturbances, would be required - no more. In this way the entire population would, first of all, be relieved of the crushing burden of expenditure currently imposed for military purposes, and secondly, great numbers of people would cease to devote their time to the continual devising of new weapons of destruction.”

- Ibid, p. 65-66

We can readily calculate the allocation of a national budget for military forces and weapons and, at the same time, calculate the cost of eradicating malaria, providing clean drinking water or educating one child. When you compare

how much the money used for warfare could benefit the sick and needy, it is not difficult to understand how much we have wasted and continue to waste and how harmful it is. But the statistics do not tell the picture of the human lives that have been lost unnecessarily and the human suffering experienced. This suffering could have been avoided and could still be avoided. Imagine a world in which there is only one military for the whole world and one police force to ensure its security, so that costs are reduced and monies channeled into humanitarian pursuits.

CO-OPERATION vs. COMPETITION

“In the world of nature we behold the living organisms in a ceaseless struggle for existence. Everywhere we are confronted by the evidences of the physical survival of the fittest. This is the very source of error and misapprehension in the opinions and the theories of man who fail to realize that the world of nature is inherently defective in cause and outcome and that the defects therein must be removed by education.”

- Abdu'l-Bahá, The Promulgation of Universal Peace, p.400

“In nature there is the law of the survival of the fittest. Even if man be not educated, then according to the natural institutes this natural law will demand of man supremacy. The purpose and object of schools, colleges and universities is to educate man and thereby rescue and

redeem him from the exigencies and defects of nature and to awaken within him the capability of controlling and appropriating nature's bounties."

- Abdu'l-Bahá, The Promulgation of Universal Peace, p.353

Man began his existence during the Stone Age and survival of the fittest was the rule of the land. He had to compete with the elements and hunt for food for his survival. But unfortunately as man's intellect developed and his economic circumstances improved, he still continued to behave in the same manner. Now the scenario has changed. Instead of hunting and fighting for territory, the firms fight and compete. The big fish eats the small fish and this is considered success. But it is time for the fish to live together. We have to educate ourselves to get rid of this remnant of Stone Age behavior which has no place in a modern society. If we want to compete, it should be in the spiritual realm; we should strive to be the most generous person, to be the most kind. That is real competition.

CAPITALISM

There is a strong belief in the world that capitalism is a solution to all economic problems. But we know that no system is perfect, whether it be capitalism or communism, if the foundation is not built on divine principles.

"There is nothing in the teachings against some kind of capitalism; its present form, though, would require

adjustments to be made.”

- Shoghi Effendi, Directives from the Guardian, p. 19

There is a perception that capitalism is based on freedom and ideally is a perfect system. But the reality is, as the Baha'i Writings tell us, it is not divine and it is not founded on divine principles. In its present form corruption, greed, and selfishness are manifest and it has led to many economic disasters. Many who dislike a communist system believe that capitalism is the solution. But this is not true because no system is perfect if it is not built on divine principles. So capitalism has many merits but in the present form it is not going to be the future economic system of the world.

THE GOLDEN RULE

“... 'All economic problems may be solved by the application of the Science of the Love of God'. That is to say: If the Rule called golden ... were actually applied to the world's economic problems, which if not solved bid fair to destroy us, and the love of God, the sort of love which makes a home life happy, were used as a scientific measurement to regulate our international and national affairs; to settle all relations between labour and capital, between rich and poor, to regulate all coinage and commerce, can there be any doubt that the results would be far more conducive to human welfare than our present policies have produced?

The cause of most of the problems in the world is a lack of empathy in that people are unable to put themselves in the place of others and can't imagine, for example, how it feels to be poor or how it feels to be jobless. When we don't have empathy, we become numb to the sufferings of others and don't understand the implications of our actions and words and their consequences.

If the owner of a factory would understand the struggles of the working class, what they experience and how they juggle to manage their incomes and pay their bills, he would ensure that they receive fair wages and the workers would know that their employer understands their situation. In the same way, if the workers or employees have empathy, they would understand what a difficult job it is to run a factory. Both the employer and employee would be aware of each other's struggles and realize that decisions made are for the benefit of both. Then we wouldn't experience so many disruptions in economic activities such as strikes and "work to rule".

Below are some Writings from different religions on this subject. After reading them, you may realize that different religions are in agreement and derive their inspiration from the same Source.

"We are as much alive as we keep the Earth alive."

-Chief Dan George

"One should treat all creatures in the world as one would

like to be treated.”

- Mahavira, Sutrakritanga (Jainism)

***“I am a stranger to no one; and no one is a stranger to me.
Indeed, I am a friend to all.” –***

Guru Granth Sahib, p. 1299 (Sikhism)

***“Regard your neighbor’s gain as your own gain and your
neighbor’s loss as your own loss.”***

– T’ai Shang Kan Ying P’ien, 213-218 (Taoism)

***“Not one of you truly believes until you wish for others
what you wish for yourself.”***

- Muhammad, Hadith (Islam)

***“Lay not on any soul a load which ye would not wish to be
laid upon you, and desire not for anyone the things ye
would not desire for yourself.”***

– Baha’u’llah, Gleanings from the Writings of Baha’u’llah, p.128 (Baha’i Faith)

“Do not do unto others whatever is injurious to yourself.”

- Shayast-na-Shayast 13.29 (Zoroastrianism)

***“Treat not others in ways that you yourself would find
hurtful.”***

– The Buddha, Udana-Varga 5.18 (Buddhism)

***“This is the sum of duty: do not do to others what would
cause pain if done to you . . .***

– Mahabharata 5:1517 (Hinduism)

“In everything, do to others as you would have them do to

you.”

— Jesus, Matthew 7:12 (Christianity)

“One word which sums up the basis of all good conduct . . . loving kindness. Do not do to others what you do not want done to yourself.”

— Confucius, Analects 15.23

“What is hateful to you, do not do to your neighbor. This is the whole Torah; all the rest is commentary.”

- Hillel, Talmud, Shabbath 31a (Judaism)

WEALTH

“O SON OF BEING!

Busy not thyself with this world, for with fire We test the gold, and with gold We test Our servants.”

- Bah'au'lláh, Hidden Words, Arabic, #55

“... Wealth is most commendable, provided the entire population is wealthy. If, however, a few have inordinate riches while the rest are impoverished, and no fruit or benefit accrues from that wealth, then it is only a liability to its possessor.”

- Abdu'l-Bahá, The Secret of Divine Civilization, #.24

“O SON OF MAN!

Thou dost wish for gold and I desire thy freedom from it. Thou thinkest thyself rich in its possession, and I recognize thy wealth in thy sanctity therefrom. By My life! This is my knowledge, and that is thy fancy; how can My way

accord with thine?"

- Baha'u'llah, The Hidden Words, Persian, #5

People tend to believe that wealth is good and always a relief. The Baha'i Teachings do not agree. There is nothing against getting rich as long as we are aware of the dangers that it can bring. There is no doubt that material possessions and wealth can be wonderful tools but they can be extremely harmful too. Studies have shown that quality of life does not necessarily increase with an increase in wealth. In many cases, it has been the reverse. Winning a lottery is not necessarily a blessing if we don't have the capacity to handle material wealth. Also, often people who have won a lottery or gained a fortune find themselves very isolated and lonely because they cannot trust other people to befriend them just for themselves; instead people want to be close to them in order to gain some of their wealth. Many who gain wealth have more problems than they did before and it often changes their character. Money is a test and some pass, using it for charity and good causes but some do not pass, spending it on harmful and excessive behavior. Money does not guarantee happiness. We have to possess the spiritual capacity to handle the test.

MODERATION

"... In all matters moderation is desirable. If a thing is carried to excess, it will prove a source of evil..."

- Bahá'u'lláh, Tablets of Baha'u'llah, p.69

"Fear ye God, and take heed not to outstrip the bounds of

moderation, and be numbered among the extravagant.”

- Bahá'u'lláh, Gleanings from the Writings of Baha'u'llah, p.251

We live in an age of excess and everything seems to be out of proportion. People don't seem to understand the concept of moderation in this materialistic society. The popular belief is that more is better and bigger is better. Excess causes a lifestyle of consumerism in which people spend money for things that they really don't need while their fellow human beings are dying of starvation. If people spent some of their money on the poor instead of engaging in excessive spending, it would help to lessen the gap between the rich and poor. Materialism feeds our egos and has therefore caused so much harm to our souls. Moderation is in itself a blessing if one can practice it.

VOLUNTARY SHARING

“Man reacheth perfection through good deeds, voluntarily performed, not through good deeds the doing of which was forced upon him. And sharing is a personally chosen righteous act: that is, the rich should extend assistance to the poor, they should expend their substance for the poor, but of their own free will, and not because the poor have gained this end by force. For the harvest of force is turmoil and the ruin of the social order. On the other hand voluntary sharing, the freely-chosen expending of one's substance, leadeth to society's comfort and peace.”

- Abdu'l-Bahá, Selections from the Writings of Abdu'l-Bahá, p. 115

The concept of sharing is quite foreign in modern-day societies because there is a sense of entitlement – “I’ve earned this. I’ve got it and it’s mine. Why should I share it?” Many systems have been introduced, notably communism, which promoted equality and sharing. But it was a sharing by force, rather than voluntarily and it didn’t work. But when man reaches a higher level of spirituality, he will realize the pleasure of sharing voluntarily. We are only beginning to see glimpses of this in our society. I believe in the future this will become common as people discover the pleasure and satisfaction in sharing and being generous, rather than hoarding something for only their use.

EQUALITY

“Social inequality is the inevitable outcome of the natural inequality of man. Human beings are different in ability and should, therefore, be different in their social and economic standing. Extremes of wealth and poverty should, however, be abolished.”

- Shoghi Effendi, Directives from the Guardian, p.20

“For the community needs financier, farmer, merchant and labourer just as an army must be composed of commander, officers and privates. All cannot be commanders; all cannot be officers or privates. Each in his station in the social fabric must be competent - each in

his function according to ability but with justness of opportunity for all.”

- Abdu'l-Bahá, *The Promulgation of Universal Peace*, p. 216

Equality does not mean that everybody is paid the same amount or that everyone does the same thing (as in communism) because by creation we are not equal. Every person is unique with his own talents. But extremes of wealth need to be limited so that everyone is given the opportunity to live a comfortable life. In society all can not be engineers, all can not be farmers, all can not be army personnel, all cannot be teachers. There are different roles for everyone and everyone is equal in terms of opportunities, not necessarily salaries.

WOMEN'S EQUAL RIGHTS

“... there must be an equality of rights between men and women. Women shall receive an equal privilege of education. This will enable them to qualify and progress in all degrees of occupation and accomplishment. For the world of humanity possesses two wings: man and woman. If one wing remains incapable and defective, it will restrict the power of the other, and full flight will be impossible. Therefore, the completeness and perfection of the human world is dependent upon the equal development of these two wings.”

- *Ibid*, p. 318

It is sad to observe that still mankind is flying with one wing and great talents and human qualities have deprived the

world. In many societies in the world women are not even allowed to work so that a section of society is not contributing to the economy, the welfare, the happiness, and quality of life. A whole society loses out in this scenario. Imagine when man and woman are equal in rights and are able to work together to create prosperity and happiness in the world.

BENEVOLENCE

“... In the Teachings of Baha’u’llah benevolence (is enjoined) and this is greater than equality. Equality is attained through force, but benevolence is a voluntary act (or is a matter of choice). Man’s perfection is achieved through good deeds done voluntarily, not by good deeds done through compulsion, and benevolence is a good deed performed voluntarily. That means that the rich should be benevolent towards the poor - that is, give to the poor, but by their own free will and desire - not that the poor should compel the rich to do so. For compulsion breeds discord, and disrupts the order in human affairs. For benevolence, which is voluntary benefaction, engenders peacefulness in the world of humanity, and it brings illumination to the realm of man.”

- Abdu'l-Bahá, World Order Magazine, January 1949

In recent years some multi-billionaires have begun donating most of their money to charitable organizations. This is benevolence. This is the sign of the new race of men, defined by man reaching such a spiritual understanding that he finds pleasure and happiness in giving away his earnings rather

than hoarding them for himself. This is the stage that mankind has to reach, wherein everyone realizes that money is a tool, not the goal of his life, and that he can use this tool to make a difference and to make life easier for others. That realization is a sign of spiritual maturity. Benevolence is not just for the rich; it is a sense of giving that anyone can practice regardless of their material status.

JUSTICE

“We ask God to endow human souls with justice so that they may be fair, and may strive to provide for the comfort of all, that each member of humanity may pass his life in the utmost comfort and welfare. Then this material world will become the very paradise of the Kingdom, this elemental earth will be in a heavenly state and all the servants of God will live in the utmost joy, happiness and gladness.”

— Abdu'l-Bahá, Foundation of World Unity, p.43

“Among the results of the manifestation of spiritual forces will be that the human world will adapt itself to a new social form, the Justice of God will become manifest throughout human affairs, and human equality will be universally established.

The essence of the matter is divine justice will become manifest in human conditions and affairs, and all mankind will find comfort and enjoyment in life.”

— Abdu'l-Bahá, The Promulgation of Universal Peace, p.132

The kingdom of God on earth will be realized when injustice has been eradicated. Everyone is at the moment fighting for some kind of justice, either racial, political, economic or sexual, and this is the beginning. It will be a long journey for mankind to reach the point of understanding that justice is essential for all aspects of life.

AGRICULTURE - THE FARMER

“... we must begin with the farmer, there will we lay a foundation for system and order because the peasant class and the agriculture class exceed other classes in the importance of their service.”

- Abdu'l-Bahá, Foundations of World Unity, p.39

“The question of economics must commence with the farmer and then be extended to the other classes, inasmuch as the number of farmers is greater than all other classes, many many times greater. Therefore it is fitting that the economic problem be first solved with the farmer, for the farmer is the first active agent in the body politic. In brief, from among the wise men in every village a board should be organized and the affairs of that village should be under the control of that board.”

- Abdu'l-Bahá, Extract from a Tablet to an individual believer, October 4, 1912, translation corrected in the World Centre, December 1985; cited in Lights of Guidance, p. 547

The basis of the economic system of the future will be on a local level and will start with the farmer. The role of the farmer is extremely important because the actions of the food industry at the present time are affecting the health and survival of mankind. People are questioning the quality of

the food we put in our bodies. The methods of production of vegetables, meat, grains etc, are questionable to say the least. The greed in this industry and the short cuts taken in production have been linked to a higher incidence of life-threatening diseases. New research is pointing to the importance of organic food and herbs as a cure for many sicknesses. If the future of medicine is in the prevention of disease through nutrition, then farmers are vital not only for providing us with food but also giving us health.

WORK AND PROFESSION

“... Every individual, no matter how handicapped and limited he may be, is under the obligation of engaging in some work or profession, for work, specially when performed in the spirit of service, is according to Baha’u’llah a form of worship. It has not only a utilitarian purpose, but has a value in itself, because it draws us nearer to God, and enables us to better grasp His purpose for us in this world. It is obvious, therefore, that the inheritance of wealth cannot make anyone immune from daily work.”

- From a letter written on behalf of Shoghi Effendi to the National Spiritual Assembly of the Baha’is of the United States and Canada, March 22, 1937; cited in *Lights of Guidance*, p. 624

“... Whatever the progress of the machinery may be, man will have always to toil in order to earn his living. Effort is an inseparable part of man’s life. It may take different forms with the changing conditions of the world, but it will be always present as a necessary element in our earthly existence. Life is after all a struggle. Progress is attained

through struggle, and without such a struggle life ceases to have a meaning; it becomes even extinct. The progress of machinery has not made effort unnecessary. It has given it a new form, a new outlet.”

- Shoghi Effendi, Letter written to an individual believer, dated December 26, 1935, Lights of Guidance, p.551

“... Share your time with God. Spend half of the day in search of livelihood, guaranteeing your material life and dignified appearance, and dedicate the other half in the acquisition of moral virtues and service at the threshold of God...”

- Abdu'l-Bahá, *Áhang-i-Badí'*, volume 31, number 339, p.83. (pilgrim's note)

Everyone can make a contribution to society through their work. It doesn't have to be physical work but there is no room for idleness. There's a satisfaction in working, especially if you are doing work with a sense of service and then it becomes our daily worship. And by engaging in work or a profession, we are contributing to the progress of society and an ever-advancing civilization. Acquiring virtues is the goal and earning a livelihood is the means.

WAGES

“... The Master has definitely stated that wages should be unequal, simply because that men are unequal in their ability, and hence should receive wages that would correspond to their varying capacities and resources. This view seems to contradict the opinion of some modern economists. But the friends should have full confidence in the words of the Master, and should give preference to His

statements over those voiced by our so-called modern thinkers.”

-Shoghi Effendi, Lights of Guidance, p.551

“The workers could either be granted a wage that adequately meets their daily needs, as well as a right to a share in the revenues of the factory when they are injured, incapacitated, or unable to work, or else a wage could be set that allows the workers to both satisfy their daily needs and save a little for times of weakness and incapacity.”

- Abdu'l-Bahá, Some Answered Questions, revised edition (2014), p.317

“Now I want to tell you about the law of God. According to the Divine law, employees should not be paid merely by wages. Nay, rather they should be partners in every work.”

- Abdu'l-Bahá, Baha'u'llah and New Era, p.160

As we have discussed previously, absolute equality of wages is impossible because every man has different capacities and talents. But everyone has to be paid enough to live a comfortable life, one that is acceptable from all points of view so that a workman feels that he has been appreciated for his work. His wages should be enough to cover his expenses, provide for the education of his children, and to enable him to accumulate some savings. That is fair wages. Also, if workers are paid a portion of the profit of a factory or firm, they will have a sense of ownership and they will work harder because they understand the benefits. The owners will need to supervise less because they know that the workers are partners in the business and they can relax and have peace of mind.

TAXATION

“We see you adding every year unto your expenditures and laying the burden thereof on the people whom ye rule; this verily is naught but grievous injustice. Fear the sighs and tears of this Wronged One, and burden not your peoples beyond that which they can endure.”

- Bahá'u'lláh, The World Order of Baha'u'llah, p.40

“Each person in the community whose need is equal to his individual producing capacity shall be exempt from taxation. But if his income is greater than his needs, he must pay a tax until an adjustment is effected. That is to say, man’s capacity for production and his needs will be equalized and reconciled through taxation. If his production exceeds, he will pay a tax; if his necessities exceed his production he shall receive an amount sufficient to equalize or adjust. Therefore taxation will be proportionate to capacity and production, and there will be no poor in the community.”

- Abdu'l-Bahá, The Promulgation of Universal Peace, p.217

Taxation is one of the fundamental principles of any economic system. Abdu'l-Baha has proposed graduated taxes which means that the more one makes, the more taxes he pays. Taxes have to be fair and they are levied only after someone has paid all of his expenses and has money left over. This method doesn't compromise with the quality of life of the individual and monies collected from the taxes are spent on the poor and underprivileged, reducing the number of those who are in need in the community.

HUQÚQU'LLÁH (Right of God)

“The minimum amount subject to Huqúqu'lláh is reached when one's possessions are worth the number of Vahid (19); that is, whenever one owneth 19 mithqals of gold, or acquireth possessions attaining this value, after having deducted therefrom the yearly expenses, the Huqúq becometh applicable and its payment is obligatory.”

- Bahá'u'lláh, *The Compilation of Compilations*, Vol. 1, p.493; *Huququ'llah-The Right of God*, #6

In addition to taxation, Baha'u'llah has devised another means to narrow the gap between the rich and the poor. It is the Right of God which is given voluntarily when an individual earns more than all his needs. At that point he gives a voluntary set percentage of his assets. It is important to note that taxes collected, added to money given to charity, as well as giving to the Baha'i fund with money given as the Right of God can really bridge the gap between the two extremes.

RATE OF INTEREST

“Therefore as a token of favor towards men We have prescribed that interest on money should be treated like other business transactions that are current amongst men. Thus, now that this lucid commandment hath descended from the heaven of the Will of God, it is lawful and proper

to charge interest on money, that the people of the world may, in a spirit of amity and fellowship and with joy and gladness, devotedly engage themselves in magnifying the Name of Him Who is the Well-Beloved of all mankind. Verily, He ordaineth according to His Own choosing. He hath now made interest on money lawful, even as He had made it unlawful in the past.”

- Bahá'u'lláh, Tablets of Bahá'u'lláh, pp.133-134

In this quotation “the past” refers to Islam in which interest was forbidden. It is very difficult to run a banking system without interest. But in many societies, the rate of interest is extremely high, on credit cards and student loans, for example. A high interest on a student loan is unfair because students charged with this interest do not have jobs to pay the loan or the interest and need to keep paying it for many years once they enter the workforce. That puts a heavy burden on the economic life of the individual which, in turn, diminishes his quality of life. Baha'u'llah emphasized the concept of a good loan, meaning that the rate of interest had to be such that it did not burden the borrower and that it benefited everyone. The person or firm lending the money gets an adequate amount of interest and the person borrowing is happy because he can afford to pay it. A good loan is basically a rate of interest that is fair and reasonable, using the principle of moderation.

ECONOMIC RESOURCES

“... The economic resources of the world will be organised, its sources of raw materials will be tapped and fully utilized, its markets will be coordinated and developed, and the distribution of its products will be equitably regulated.

“... The enormous energy dissipated and wasted on war, whether economic or political, will be consecrated to such ends as will extend the range of human inventions and technical development, to the increase of the productivity of mankind, to the extermination of disease, to the extension of scientific research, to the raising of the standard of physical health, to the sharpening and refinement of the human brain, to the exploitation of the unused and unsuspected resources of the planet, to the prolongation of human life, and to the furtherance of any other agency that can stimulate the intellectual, the moral, and spiritual life of the entire human race...”

- Shoghi Effendi, The World Order of Baha'u'llah, p. 204

The economic resources of the world belong to every human being on this planet. It does not matter where the oil fields or the uranium mines are located. Every human being is entitled to them. Once humanity has reached this spiritual understanding, there will be a better utilization of resources. They will be distributed in a fair and just way for the betterment of mankind and the advancement of science and technology, rather than making them the means of destruction such as the atom bomb and nuclear weapons.

ECONOMIC BARRIERS

“That a narrow and brutal nationalism, which the postwar theory of self-determination has served to reinforce, has been chiefly responsible for the policy of high and prohibitive tariffs, so injurious to the healthy flow of international trade and to the mechanism of international finance, is a fact which few would venture to dispute.”

- Shoghi Effendi, The World Order of Baha'u'llah, p. 35

“A world community in which all economic barriers will have been ... demolished ...”

- Shoghi Effendi, The World Order of Baha'u'llah, p.41

Every economic barrier created by narrow-minded nationalism is a hindrance toward achieving the oneness of mankind. When economic barriers such as tariffs, and import-export taxes are removed, and the employment of different currencies and weights and measures around the world unified, we will move closer to a world commonwealth, a system for all nations.

STRIKES

“You have asked about strikes. Great difficulties have arisen and will continue to arise from this issue. The origin of these difficulties is twofold: One is the excessive greed and rapacity of the factory owners, and the other is the gratuitous demands, the greed, and the intransigence of the workers. One must therefore seek to address both.

Now, the root cause of these difficulties lies in the law of nature that governs present-day civilization, for it results in

a handful of people accumulating vast fortunes that far exceed their needs, while the greater number remain naked, destitute, and helpless. This is at once contrary to justice, to humanity, and to fairness; it is the very height of inequity and runs counter to the good-pleasure of the All-Merciful.

This disparity is confined to the human race: Among other creatures, that is, among the animals, a certain kind of justice and equality prevails. Thus there is equality within a shepherd's flock, or within a herd of deer in the wilderness, or among the songbirds that dwell in the mountains, plains, and orchards. The animals of every species enjoy a measure of equality and do not differ greatly from one another in their means of existence, and thus they live in perfect peace and joy.

It is quite otherwise with the human race, where the greatest oppression and injustice are to be found. Thus you can observe, on the one hand, a single person who has amassed a fortune, made an entire country his personal dominion, acquired immense wealth, and secured an unceasing flow of gains and profits, and, on the other, a hundred thousand helpless souls—weak, powerless, and wanting even a mouthful of bread. There is neither equality here nor benevolence. Observe how, as a result, general peace and happiness have become so wanting, and the welfare of humanity so undermined, that the lives of a vast multitude have been rendered fruitless! For all the wealth, power, commerce, and industry are concentrated in the hands of a few individuals, while all others toil under the burden of endless hardships and difficulties, are bereft of advantages and benefits, and remain deprived of

comfort and peace. One must therefore enact such laws and regulations as will moderate the excessive fortunes of the few and meet the basic needs of the myriad millions of the poor, that a degree of moderation may be achieved.

However, absolute equality is just as untenable, for complete equality in wealth, power, commerce, agriculture, and industry would result in chaos and disorder, disrupt livelihoods, provoke universal discontent, and undermine the orderly conduct of the affairs of the community. For unjustified equality is also fraught with peril. It is preferable, then, that some measure of moderation be achieved, and by moderation is meant the enactment of such laws and regulations as would prevent the unwarranted concentration of wealth in the hands of the few and satisfy the essential needs of the many. For instance, the factory owners reap a fortune every day, but the wage the poor workers are paid cannot even meet their daily needs: This is most unfair, and assuredly no just man can accept it. Therefore, laws and regulations should be enacted which would grant the workers both a daily wage and a share in a fourth or fifth of the profits of the factory in accordance with its means, or which would have the workers equitably share in some other way in the profits with the owners. For the capital and the management come from the latter and the toil and labour from the former. The workers could either be granted a wage that adequately meets their daily needs, as well as a right to a share in the revenues of the factory when they are injured, incapacitated, or unable to work, or else a wage could be set that allows the workers to both satisfy their daily needs and save a little for times of weakness and incapacity.

If matters were so arranged, neither would the factory owners amass each day a fortune which is absolutely of no use to them—for should one's fortune increase beyond measure, one would come under a most heavy burden, become subject to exceeding hardships and troubles, and find the administration of such an excessive fortune to be most difficult and to exhaust one's natural powers—nor would the workers endure such toil and hardship as to become incapacitated and to fall victim, at the end of their lives, to the direst need.

It is therefore clearly established that the appropriation of excessive wealth by a few individuals, notwithstanding the needs of the masses, is unfair and unjust, and that, conversely, absolute equality would also disrupt the existence, welfare, comfort, peace, and orderly life of the human race. Such being the case, the best course is therefore to seek moderation, which is for the wealthy to recognize the advantages of moderation in the acquisition of profits and to show regard for the welfare of the poor and the needy, that is, to fix a daily wage for the workers and also to allot them a share of the total profits of the factory.

In brief, insofar as the mutual rights of the factory owners and the workers are concerned, laws must be enacted that would enable the former to make reasonable profits and the latter to be provided with their present necessities and their future needs, so that if they become incapacitated, grow old, or die and leave behind small children, they or their children will not be overcome by dire poverty but will receive a modest pension from the revenues of the factory itself.

For their part, the workers should not make excessive demands, be recalcitrant, ask for more than they deserve, or go on strike. They should obey and comply and make no demands for exorbitant wages. Rather, the mutual and equitable rights of both parties should be officially fixed and established according to the laws of justice and compassion, and any party that violates them should be condemned after a fair hearing and be subject to a definitive verdict enforced by the executive branch, so that all affairs may be appropriately ordered and all problems adequately resolved.

The intervention of the government and the courts in the problems arising between owners and workers is fully warranted, since these are not such particular matters as are ordinary transactions between two individuals, which do not concern the public and in which the government should have no right to interfere. For problems between owners and workers, though they may appear to be a private matter, are detrimental to the common good, since the commercial, industrial, and agricultural affairs, and even the general business of the nation, are all intimately linked together: An impairment to one is a loss to all. And since the problems between owners and workers are detrimental to the common good, the government and the courts have therefore the right to intervene.

Even in the case of differences that arise between two individuals with regard to particular rights, a third party, namely the government, is needed to resolve the dispute. How, then, can the problem of strikes, which entirely disrupt the country—whether they arise from the

inordinate demands of the workers or the excessive greed of the factory owners—remain neglected?

Gracious God! How can one see one's fellow men hungry, destitute, and deprived, and yet live in peace and comfort in one's splendid mansion? How can one see others in the greatest need and yet take delight in one's fortune? That is why it has been decreed in the divine religions that the wealthy should offer up each year a portion of their wealth for the sustenance of the poor and the assistance of the needy. This is one of the foundations of the religion of God and is an injunction binding upon all. And since in this regard one is not outwardly compelled or obliged by the government, but rather aids the poor at the prompting of one's own heart and in a spirit of joy and radiance, such a deed is most commendable, approved, and pleasing.

This is the meaning of the righteous deeds mentioned in the heavenly Books and Scriptures."

-Abdu'l-Baha, Some Answered Questions, p.315-320

"Today the method of demand is the strike and resort to force, which is manifestly wrong and destructive of human foundations. Rightful privilege and demand must be set forth in laws and regulations."

-Abdu'l-Bahá, The Promulgation of Universal Peace, p. 238

This topic is explained in such detail by Abdu'l-Baha that any commentary is unnecessary. Beside the economic loss due to strikes, there is a spiritual price that it causes. So much disunity it creates, so much hatred, so much mistrust. Those bad feelings do far more damage in a society than the

economic ones.

SCIENCE AND TECHNOLOGY

“Science cannot create amity and fellowship in human hearts.”

-Abdu'l-Bahá, The Promulgation of Universal Peace, p. 171

“The development and progress of a nation is according to the measure and degree of that nation's scientific attainments. Through this means its greatness is continually increased, and day by day the welfare and prosperity of its people are assured.”

-Abdu'l-Bahá, The Promulgation of Universal Peace, p. 49

“A scientific man is a true index and representative of humanity, for through processes of inductive reasoning and research he is informed of all that appertains to humanity, its status, conditions and happenings. He studies the human body politic, understands social problems and weaves the web and texture of civilization. In fact, science may be likened to a mirror wherein the infinite forms and images of existing things are revealed and reflected. It is the very foundation of all individual and national development. Without this basis of investigation, development is impossible.”

-Abdu'l-Bahá, The Promulgation of Universal Peace, p.50

One of the fundamental principles of the Baha’i Faith is the harmony between science and religion. Science is a very important tool for creating unity. How can mankind achieve unity in the world without communication devices such as

internet and the telephone? They have an important role but they are also not the masters of the situation. They are tools that, used properly, will contribute to the achievement of world unity. But we also need religion. Science cannot prove the existence of religion as yet but it doesn't mean that it is contrary to religion. As science and technology develop, they can prove the benefits of religion rather than overlooking its worth.

THE POOR AND NEEDY

“Know ye that the poor are the trust of God in your midst. Watch that ye betray not His trust, that ye deal not unjustly with them and that ye walk not in the ways of the treacherous. Ye will most certainly be called upon to answer for His trust on the day when the Balance of Justice shall be set, the day when unto every one shall be rendered his due, when the doings of all men, be they rich or poor, shall be weighed.”

-Bahá'u'lláh, Gleanings from the Writings of Bahá'u'lláh, p. 251

“O SON OF MAN!

Bestow My wealth upon My poor, that in heaven thou mayest draw from stores of unfading splendor and treasures of imperishable glory. But by My life! To offer up thy soul is a more glorious thing couldst thou but see with Mine eye.”

- Bahá'u'lláh The Arabic Hidden Words, #57

“O CHILDREN OF DUST!

Tell the rich of the midnight sighing of the poor, lest heedlessness lead them into the path of destruction, and

deprive them of the Tree of Wealth. To give and to be generous are attributes of Mine; well is it with him that adorneth himself with My virtues.”

- Bahá'u'lláh, *The Persian Hidden Words*, #49

“O people of wealth and riches! If you see a poor man suffering from any calamity, do not run away from him but sit with him and ask him about the things heaped upon him from the seas of determination and predestination.”

-Abdu'l-Bahá, *The Baha'i World*, Vol. IV, p. 453

As we become more spiritually aware, we realize that we have a very important responsibility and duty to look after the poor and needy, to make sure that they are cared for and live happily. This is a God-given duty. They have been entrusted to us and by caring for them we take a step towards the unity of mankind and a society in which there are no poor.

WORLD CURRENCY

“... a uniform and universal system of currency, of weights and measures, will simplify and facilitate intercourse and understanding among the nations and races of mankind ...”

- Shoghi Effendi, *The World Order of Bahá'u'lláh*, p.203

In order to achieve the oneness of mankind, a uniform and universal currency and means of weights and measures is necessary. Those who have travelled understand the difficulty of going from one country to another and having to exchange currencies and figure out different weights and

measures. Once this uniformity is achieved, travelling to different countries will be like travelling from one city to another in one's own country. So much time and energy will be saved in a world with one currency and one method of weights and measures. In Europe some of the countries adopted one currency (Euro) and although it has had its problems, it definitely is a step in the right direction.

WORLD COMMONWEALTH

“From every standpoint the world of humanity is undergoing a reformation ... scientific ideas and theories are developing and advancing to meet a new range of phenomena; invention and discovery are penetrating hitherto unknown fields, revealing new wonders and hidden secrets of the material universe; industries have vastly wider scope and production; everywhere the world of mankind is in the throes of evolutionary activity indicating the passing of the old conditions and advent of the new age of reformation.”

- Abdu'l-Bahá, The Promulgation of Universal Peace, p.439

“The world's equilibrium hath been upset through the vibrating influence of this most great, this new World Order. Mankind's ordered life hath been revolutionized through the agency of this unique, this wondrous System - the like of which mortal eyes have never witnessed.”

- Bahá'u'lláh, The Kitáb-i-Aqdas, p. 85

“It is the superstructure of that self-same Order, attaining its full stature through the emergence of the Baha'i World Commonwealth - the Kingdom of God on earth - which the

Golden Age of that same Dispensation must, in the fullness of time, ultimately witness.”

- Shoghi Effendi, *God Passes By*, p. 26

“ ... the precautionary and defensive measures to be devised, coordinated, and carried out to counteract the full force of the inescapable attacks which the organized efforts of ecclesiastical organizations of various denominations will progressively launch and relentlessly pursue; and, last but not least, the multitudinous issues that must be faced, the obstacles that must be overcome, and the responsibilities that must be assumed, to enable a sore-tried Faith to pass through the successive stages of unmitigated obscurity, of active repression, and of complete emancipation, leading in turn to its being acknowledged as an independent Faith, enjoying the status of full equality with its sister religions, to be followed by its establishment and recognition as a State religion, which in turn must give way to its assumption of the rights and prerogatives associated with the Baha’i state, functioning in the plenitude of its powers, a stage which must ultimately culminate in the emergence of the world-wide Baha’i Commonwealth, animated wholly by the spirit, and operating solely in direct conformity with the laws and principles of Baha’u’llah.”

- Shoghi Effendi, *The Advent of Divine Justice*, p. 14-15

“This commonwealth must, as far as we can visualize it, consist of a world legislature, whose members will, as the trustees of the whole of mankind, ultimately control the entire resources of all the component nations, and will enact such laws as shall be required to regulate the life, satisfy the needs and adjust the relationships of all races and peoples. A world executive, backed by an international Force, will carry out the decisions arrived at,

and apply the laws enacted by, this world legislature, and will safeguard the organic unity of the whole commonwealth. A world tribunal will adjudicate and deliver its compulsory and final verdict in all and any disputes that may arise between the various elements constituting this universal system. A mechanism of world inter-communication will be devised, embracing the whole planet, freed from national hindrances and restrictions, and functioning with marvellous swiftness and perfect regularity. A world metropolis will act as the nerve center of a world civilization, the focus towards which the unifying forces of life will converge and from which its energizing influences will radiate.”

- Shoghi Effendi, The World Order of Bahá'u'lláh, p. 203

World unity is the highest aspiration of mankind and a world commonwealth is a goal for humanity. Once it is established, for the first time in human history, the whole world will be one country. We cannot comprehend it but perhaps the future world can be compared to one country and the provinces or states of that country will be like the present countries of the world. Every country will keep its own language and culture, and, at the same time, be part of the world commonwealth. The world commonwealth will be a government for the whole world and there will be a universal language for the whole world, one currency, one political system, one education system and one economic system.



*Practical Economic Suggestions
For Everyday Use*

Adam Smith who is considered to be the father of economics made some assumptions and, based on his observations, built his economic system. One of the assumptions he made was that man always acts in his own interests and wants to maximize his satisfaction, so he believed that self-interest in free-market economies leads to economic prosperity.

The other assumptions which he mentioned in his famous book, “Wealth of Nations”, included the use of the term “invisible hand” a metaphor to describe the self-regulation of the market. He also advocated “laissez-faire”. This meant that government should not interfere and markets should be left alone to take care of any problems. He expounded upon how rational self-interest and competition can lead to economic prosperity.

These two fundamental principles of the economic system introduced by him were adopted by other economists. The principle of maximizing satisfaction created a sense of individualism which was praised and was the source of inspiration for many. But this trend of thought created a breeding ground for greed and exploitation. This resulted in society ignoring the plight of the poor and needy. The spirit of giving and sharing became obsolete. And gradually the gap between the rich and poor grew greater. To this day when people give their wealth to charity, many question why. Accumulating wealth was and still is considered the highest achievement in a person’s life. Becoming rich became the goal of every man and the cost of achieving this goal was not questioned. Since the true purpose of economics was not considered, it is no surprise that it has led to so many crises.

In order to offer suggestions to remedy for the problems, it is important to remember that the Bahá’í Economic System

will occur when the transformation of man and society has been accomplished and with it man's awareness of his spiritual station and his destiny. He will have subordinated his animal nature and will therefore behave less selfishly. At this time it is almost impossible to imagine a society which has spiritually grown to that extent. But by introducing more of the spiritual qualities in our lives we are laying the foundation for such a society and such an economic system. Some of our goals may seem idealistic but that is exactly what we are, idealists. We are dreaming of a better world and are ready to make sure that Bahá'u'lláh's World Commonwealth is going to be established. No great change can take place without a goal or a dream. Without dreams and dreamers our civilization would have not progressed from the Stone Age to where we are now.

Abdu'l-Baha explains the nature of economics, and the remedy for its problems:

“The secrets of the whole economic question are Divine in nature, and are concerned with the world of the heart and spirit. In the Bahá'í Teachings this is most completely explained, and without the consideration of the Bahá'í Teachings, it is impossible to bring about a better state.”

- 'Abdu'l-

Bahá, The Bahá'í World, Volume IV, p.448

Shoghi Effendi shed more light on this:

“...By the statement ‘the economic solution is Divine in nature’ is meant that religion alone can, in the last resort, bring in man's nature such a fundamental change as to enable him to adjust the economic relationships of society.

It is only in this way that man can control the economic forces that threaten to disrupt the foundations of his existence, and thus assert his mastery over the forces of nature.”
-Shoghi Effendi, Lights of Guidance, 551

Since we do not have the Bahá'í economic system in place as yet, we may think that we cannot do anything to bring it about and we must wait for its arrival. But that is not really true. There is so much we can do as individuals in our communities that is economic in nature and we can do it with the realization that we are participating in a new form of economic activity. Our participation will set the example for the role of spirituality in solving the economic problems of the world and at the same time prepare the ground for the time when the World Commonwealth will come into being.

The Universal House of Justice reminds us that the time has come to pay greater attention to the economic side of our lives and take steps to improve the economic prosperity of the world:

“Although Baha'u'llah does not set out in His Revelation a detailed economic system, a constant theme throughout the entire corpus of His teachings is the reorganization of human society. Consideration of this theme inevitably gives rise to questions of economics. Of course, the future order conceived by Baha'u'llah is far beyond anything that can be imagined by the present generation. Nevertheless, its eventual emergence will depend on strenuous effort by His followers to put His teachings into effect today. With this in mind, we hope that the comments below will stimulate thoughtful, ongoing reflection by the friends. The aim is to learn about how to participate in the material affairs of society in a way that is consistent with the divine precepts

and how, in practical terms, collective prosperity can be advanced through justice and generosity, collaboration and mutual assistance.”

-The Universal

House of Justice, 1 March, 2017

To complete this task it is helpful to imagine yourself in the future using the power of your imagination. When you are able to do that, to grasp the beauty of peace, love and harmony and to see how the sufferings and misery have been removed and man no longer has to fight to survive in his economic life, then you will bring yourself back to the present and hopefully you will start making small changes in your economic activities that will lead to the fundamental changes in society and that will lay the foundation for a new and wonderful economic behavior based on spirituality and not greed.

Abdu'l-Bahá often talked about very complex subjects but He made them simple and easy to understand and my personal belief is that economics doesn't have to be daunting or confusing, especially when it comes to action. The following suggestions are intended to be clear and straightforward in order to encourage you to participate in economic actions with increased awareness. They are meant for everyone, whether or not you are knowledgeable about economics. Hopefully, these suggestions, based on the Baha'i Writings, will empower you to act and make a fundamental change in your character and your everyday economic actions. You may then realize what an amazing

power we have as individuals to transform society in every way, including economic ways:

- ***Focus on the important questions of life.*** After answering the questions “**Who am I**” and “**What is the purpose of my life**”, the equally important question of “**How much is enough?**” should be answered. One of the biggest problems everyone faces is that we do not get a chance to understand who we are and what constitutes the purpose of our lives. Also we are so busy that we do not ask how much money is enough. How much do we need to live a fruitful life? Practice contentment. Life distracts us from asking ourselves these fundamental questions. Answering these questions can guide us to meet the tests and difficulties in life.
- ***Live a simple life, a life like Abdu’l-Bahá.*** Living a simple life brings peace of mind and removes some of the distractions of our life journey. There are many studies that indicate that simplicity reduces stress in life and creates a sense of freedom from the burden of material possessions. It is a decision made by many who have become tired of our consumer world.
- ***Change your mind set.*** You need to believe that you are essentially a spiritual being and that you have a spiritual purpose in your life. You need to realize your spiritual destiny and act accordingly. This mind set will help you to have a healthy approach to

your material life. Every change begins first in your mind.

- ***Pay a fair price.*** *If you feel that the price is too low, pay more than the asking price. The Báb practiced this when He worked as a merchant. One of the nicest things related to economic activities is the commitment of fair-minded people to disregard existing prices and pay more because they believe their estimate of the price to be fair.*
- ***Share the profits with employees.*** *Abdu'l-Bahá taught us how important it is for the workers to have a share of the profits. Besides profit-sharing, there are many ways to help. Get medical coverage for employees. Support the emotional and physical wellbeing of employees. Taking care of workers is a privilege and an opportunity to be of service to people. Looking for such opportunities is a rewarding act.*
- ***Pay fair wages, not based on what society dictates.*** *The Baha'i Writings provide guidance in terms of fairness of wages rather than following the minimum wage guidelines. We can pay more if we think that is fair.*

- ***Be honest in your dealings.*** Present an item for sale with all the facts. In our society, we tend to misrepresent a product or share only enough information to present it in the best possible light. Truthfulness is the foundation of all the virtues. When selling your car, house or other possessions, clearly describe the real condition, mentioning the negative points as well as the positive points.
- ***Provide the best quality of service or the best product possible and do so in a spirit of service.*** We are privileged to have the assurance that by doing our job well we have actually demonstrated an act of worship. Make customer satisfaction a goal. There is more to our jobs than just earning money. How satisfying it is to know that the customer is happy and we have played a part in it. Being proud of our work is a blessing millions do not have. They make money but are not happy and satisfied inside.
- ***Look for opportunities to extend*** to co-workers and co-operate in the workplace. Most workplaces are very isolating and individuals work by themselves. To reach out and extend help and to treat each other fairly creates a wonderful spirit and working environment. Extend help to others, even your competitors. Be a cause of unity by seeing them as you would see your own employees or colleagues and doing as much as you can to help them.

- ***Be content with a reasonable margin of profit.***
There is no end to greed in our society so being satisfied with earning a certain profit will create a sense of contentment and provide an example to others. This is an extension of how much is enough. There is nothing wrong with being satisfied and content with a set amount of profit.
- ***Update yourself with the latest information*** to provide a better service and to be a leader in your field and be punctual. Being on time at work increases the efficiency of the system and demonstrates respect for others. If time is money, then one should not waste it.
- Remember that ***your actions are the best manifestation of your beliefs*** and be conscious of them. The cliché is true that actions speak louder than words. We should be an example for others since we are the ones to lead society towards an ever-advancing civilization.
- If you are lending money, ask for a ***reasonable interest rate*** and not the maximum rate. Baha'u'llah has advised us that the rate of interest needs to be

fair and reasonable. Banks should not be the only ones setting interest rates.

- ***Resist the consumer mentality*** which exists in our society. Fighting this tendency is very important for our economic life and our spiritual development. Consumerism has become a disease that is spreading fast and its forces are paralyzing the progress of our souls.
- ***Be knowledgeable about advertising.*** Advertisements conceal the information we need to buy a product and they make false claims, using psychological methods, in order to make a sale. Advertising is present in all areas of our economic life. Selling has become very sophisticated and one has to be very savvy to navigate through all the false claims of advertising and read between the lines.
- ***Spiritually justify every expense.*** With so much poverty in the world today, we have to answer to our conscience for any unnecessary spending. We have been advised to be frugal in our spending. It is very useful to have that “policeman” inside us to check our spending.

- ***Avoid wastage in the workplace and suggest ways to cut down on waste. This also counteracts the depletion of our resources.***
- ***Protect the environment in your business and personal life. We owe it to future generations to protect the environment. What a sad situation it would be if mankind grows spiritually in the future but the damage is done and our environment is destroyed.***
- ***Increase your economic and business knowledge. The more we know about how economics works, the better we will be able to forecast the future.***
- ***Volunteer in your community whenever possible with the spirit of service, following Abdu'l-Bahá's example. He served mankind all of His life.***
- ***Give to the Bahá'í Fund and also support worthy charitable organizations. Every act of giving is a small step toward reducing the gap between rich and poor.***

- ***Have or adopt a financial goal in life.*** As we have teaching plans in the Faith and other goals and plans in our life, it is important to have an individual financial plan. Goals encourage discipline. This is very important. It is almost impossible to have a comfortable financial life without planning.
- ***Avoid debt*** as much as possible since too many financial burdens damage the quality of our spiritual and human life. ***Investigate the rate of interest*** on mortgages, loans and credit to reduce cost. Volumes can be written about this subject. Debts are one of the most destructive factors to quality of life that should be avoided.
- ***Create a habit of saving.*** Life is full of uncertainty and change and having some money for a rainy day creates peace of mind. Saving should be part of our financial goals. It is a wonderful habit to have. It is not easy to save with the pressure of our consumer mentality today but nevertheless it is very important.
- ***Spread the word about honest and fair businesses and professionals.*** It is like giving them free advertising. They need all the help they can get. It is

very empowering for them and for us when we can help them.

- ***Don't buy the latest models*** if the old ones are in working order and provide the same service. *Having the latest of everything creates an unnecessary economic burden for an individual which in turn decreases the quality of life. Be practical about material possessions and avoid buying the new and improved version even though everyone is doing it.*
- ***Avoid keeping up with the Joneses.*** *That is the worst kind of spending. It is also a sign of spiritual and emotional immaturity. And we see it happen every day. It is really sad that people want the approval of others, while their spiritual destiny is in jeopardy.*
- ***Support the concept of one world currency.*** *If we have fewer currencies to exchange, life becomes much easier and this is a good step in the right direction towards world unity.*
- ***Don't follow society's shortcuts with regards to taxation.*** *There are claims made which can perhaps be legally justified but are morally wrong.*

- ***Make honest insurance claims.*** *We have all faced the dilemma of what to claim when an accident happens, what is legal and what is moral. Not every legal claim is necessarily moral.*
- ***Make fair expense claims at work.*** *It has become a common practice to claim the maximum amount even if it is not used but we have the duty to be honest about them.*
- ***Do not abuse sick leave.*** *It is not necessary to use the maximum number of days of sick leave allotted to you if you are not sick.*
- ***Return to the store when you realize you have been undercharged*** *or receive too much change for your purchase. This is practicing the virtue of honesty. Watch the face of the cashier when you do this. He or she is probably wondering, “Who are these people?” The answer is that we are the people from the future, where honesty is the norm.*
- ***Resist society’s corrupt practices of bribery and cheating.*** *In some places in the world, giving bribes*

is a way of life and that is a test and an opportunity to avoid this illegal and immoral practice.

- ***Regard service first and profit second.*** *This seems idealistic in society but for Bahá'is it is considered a way of life. And in the long run, it is the best advertisement one can buy for free.*
- ***Participate in social and economic projects.*** *We can help to change the world for the better by getting involved in these projects. And they are a valuable way of learning and contributing. With more experience in social activities we will be able to make a greater contribution in the future.*
- ***Do not support the idea of the end justifying the means*** *when it comes to promotion at work or getting a contract or applying for a job. Our goal is to grow spiritually and these practices do not help us to grow. That is the worst kind of numbing our conscience.*
- ***Be honest in a job interview.*** *Society has adopted the practice of magnifying the positive and minimizing or omitting the negative but in reality it is a form of lying. It will feel strange to us and to*

the interviewer but we have to start being totally honest.

- ***Be truthful in filling out forms or tenders.***
Exaggerating the numbers has become a way of life but it is not the Bahá'í way of life. It is a very hard thing to do when competing but we can have the satisfaction that Baha'u'llah is happy with us.
- ***Do not sacrifice your values in order to get a promotion*** *or contract even though there is nothing wrong with being ambitious and wanting to progress through the ranks. Some would do anything to get a promotion but we cannot follow that practice. We have to think about promoting our soul to a higher level of spirituality.*
- ***Use good quality material in production.*** *Do not use harmful ingredients. Educate yourself about the ingredients so no harm comes as a result.*
- ***Protect the poor and underprivileged*** *section of our society in any way you can. It is our spiritual duty and privilege. They have been entrusted to our care by Baha'u'llah.*

- ***Give your Huqúqu'lláh (the Right of God),***
understanding fully that this gift is a privilege and is not a tax. Give with a sense of sharing rather than a sense of loss. This is your opportunity to practice generosity. Giving is the best practical step for bridging the gap between the rich and poor.
- ***Create a consciousness that your welfare,***
wellbeing and happiness depend on the welfare, wellbeing and happiness of every poor, needy and underprivileged person in the world; that the real meaning of the oneness of mankind will come into being when we see others as members of our family:

“Ye are the fruits of one tree, and the leaves of one branch. Deal ye one with another with the utmost love and harmony, with friendliness and fellowship.”

-Bahá'u'lláh, Gleanings from the Writings of Bahá'u'lláh, 288

- ***Remind yourself that money is a tool and not the goal of your life.*** *The biggest mistake that most people make is that they forget that we have not been created to make money. That should not be our life's goal. Money should be seen as an effective*

tool to serve mankind and to improve the spiritual and economic life of ourselves and others. This is the key that can make a person happy or sad at the end of our physical lives. Since we cannot take it with us, why not spend it for the good of mankind.

- ***Spend an equal amount of energy in becoming detached from material possessions*** as you spend getting them, recognizing that they are a test and remembering what Baha'u'llah said:

“Thou dost wish for gold and I desire thy freedom from it. Thou thinkest thyself rich in its possession, and I recognize thy wealth in thy sanctity therefrom. By My life! This is My Knowledge, and that that is thy fancy; how can My way accord with thine?”

Baha'u'llah, The Hidden Words, Arabic no.56

It is like a spiritual detoxification. But there is nothing inherently wrong with being rich as long as we are fully aware of its benefits and dangers. Baha'u'llah has allowed us to have all the luxuries we desire, as long as we are detached from them.

- ***Remind yourself of your spiritual destination while pursuing financial goals***, since materialism can slowly erode your spiritual life. Without constant reminders of our spiritual destiny, materialism can destroy our spiritual well-being. We need to have the “big picture” in our view all times so that we are not lost.

- ***Live the Bahá'í Life.*** In a sense it is a simple statement to live the Bahá'í life but it requires an understanding of ourselves and our purpose in life. It is easier said than done. But that is the goal of our life and the most important part of our human existence.
- ***Be considerate to those who rent from you.*** Be sensitive to their situation. If they are in trouble, be flexible with their rent payments. Let them miss a payment or part of a payment. Besides the spiritual satisfaction that you feel, you also gain a tenant who cares for you and your property and will use it as if it's theirs. It even makes economic sense since you will probably reduce the cost of maintenance.
- ***Develop virtues*** that are common to all religions and are the foundation for any system's success. At the present time, acquiring the virtues seems idealistic but we have to remember that as we move closer to an ever-advancing civilization, acquiring these virtues will be commonplace and a fundamental part of the goals we want to achieve. They may not seem to be related to economics but they do, as they assist us to gain spiritual and human qualities and, in turn, create a better society. Here is the list of virtues identified by The Virtues Project:

Assertiveness, caring, cleanliness, compassion, confidence, consideration, courage, courtesy, creativity, detachment, determination, enthusiasm, excellence, faithfulness, flexibility, forgiveness, friendliness, generosity, gentleness, helpfulness, honesty, honor, humility, idealism, joyfulness, justice, kindness, love, loyalty, mercy, moderation, modesty, obedience, orderliness, patience, peacefulness, prayerfulness, purposefulness, reliability, respect, responsibility, reverence, self-discipline, service, steadfastness, tact, thankfulness, tolerance, trust, trustworthiness, truthfulness, unity

- *Deal with your insistent self or ego, otherwise it can undo any success or progress if it is not recognized as a serious threat to your good efforts. History is full of examples of how the ego created destruction throughout the ages. As a human being, our life in this world and our progress in the next world depend on the decisions we make. We make our own heaven and hell here on earth as a result of the choices we make. It is sad if we do not make the right decision and give our higher nature the upper hand. Because we are bombarded by advertisements and consumerism, nurturing our higher nature is very difficult and that is why we need to tune ourselves spiritually in order to make the right choice so that we get the rewards and benefits of that choice. We know that reading the Writings has been encouraged in our Faith and when we read the Holy Writings and meditate on them, our souls are uplifted and that affects our*

decision making. Bringing ourselves to account each day is also important. It is like a spiritual balance sheet so that we can perceive the good and the bad and make changes. This is such an important factor in our lives and we need to take spiritual nourishment every day so that our higher nature dominates our lower nature.

- ***Recognize and nurture the four aspects of your being:***

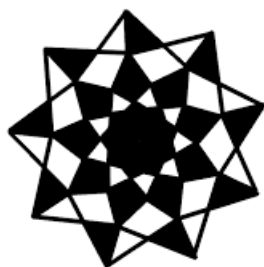
- a) Spiritual***
- b) Physical***
- c) Emotional***
- d) Intellectual***

Most people ignore one aspect for the sake of others but we need all aspects to have balance in our lives. This sounds like a self-help mantra but awareness of all aspects of our being is essential to a realistic self-knowledge, the first step toward knowing God.

- ***Be more vocal in a loving way*** about the changes that are needed for the improvement of the economic life of individuals and the society in which we live; in short, without being militant or aggressive, express your ideas and vision. We have a say in all matters and we can be the catalysts of positive change. We do not want to be political or militant, but we cannot forget that our job is

providing vision and direction to a wayward humanity. It is like having the healing medicine and not giving it to the sick.

The history of economics has shown us that a system without spiritual guidance can lose its effectiveness and eventually becomes the problem. The Baha'i Writings are the guidance the world needs to remedy the injustice done to the poor and underprivileged part of society. It is a long road and progress will be slow but definitely it is the right direction to follow. The suggestions presented here may seem overwhelming and you may not be able to practice all those that apply to your situation. But it is not about the results; it is about sincere efforts. It is the pure intention that counts. These actions will become the basis of a foundation upon which Baha'u'llah's World Commonwealth will be established for the new race of man. We have been given the privilege of starting the spiritual process. The Universal House of Justice in their letters has asked us to initiate steps in preparation for this important task.



*Definition of Some
Economic
Terms*

Economics like other sciences and arts has its own language. Without knowledge of this language it is very difficult to understand economics. This has stopped many from following economic developments at the local, national and international levels. Often when I mention that economics is my field of interest, it creates a sense of uneasiness, since, unlike politics and sport where almost everyone has an opinion, no one has much to say and the conversation quickly changes to other things. This to me is unfortunate because economics is everywhere and is one of the most important factors in our lives. It touches almost every activity we undertake. Even in detective movies they say “follow the money” when trying to find the murderer. But also it is very difficult to have an economics dictionary handy, so I decided to dedicate this chapter to explaining in a simple way about 200 of the common economic terminologies. For some, it may be overly simplified and, if that is the case, they can always refer to the Oxford Dictionary of Economics.

***Aggregate demand:** the total demand for final goods and services in an economy at a given time.*

***Aggregate expenditure:** the total amount of expenditure on goods and services.*

***Aggregate supply:** the total amount of domestic goods and services supplied by businesses and government, including both consumer products and capital goods.*

***Arbitration:** a procedure for settling disputes, in which a neutral third party or arbitrator, after hearing presentations from all sides in dispute, issues an award binding upon each side.*

***Asset:** an item or property owned by a person or a business which has a money value. Assets are of three main types: a) physical, b) financial and c) intangible.*

***Average cost:** equal to total cost divided by the number of goods produced*

***Average propensity to consume (APC):** the percentage of income that is spent on goods and services rather than on savings.*

***Average propensity to save:** the proportion of income that is saved rather than spent on goods and services.*

***Average rate of taxation:** the total tax paid by an individual divided by the total income upon which the tax was based.*

***Average revenue:** the total revenue received (price and number of units sold) divided by the number of units.*

***Bad debt:** an accounting term for money owed which is unlikely to be paid.*

***Balanced budget:** refers to a budget in which revenues are equal to expenditures.*

***Balance of trade:** the difference between the value of exports and value of imports.*

***Balance sheet:** a statement of the assets, liabilities, and capital of a business or other organization at a particular point in time, detailing the balance of income and expenditure over the preceding period.*

***Balance of payments:** a statement of a country's trade and financial transactions with the rest of the world over a period of time, usually one year.*

***Bankruptcy or insolvency:** a condition under which a person or firm's liabilities to creditors exceed assets. The individual or firm is therefore unable to pay all liabilities from its assets.*

***Barter:** exchange (goods or services) for other goods or services without using money.*

***Base rate:** the interest rate which is used by commercial banks to calculate rate of interest to be charged on loans and overdraft to their customers.*

***Bear:** a market condition in which the prices of securities are falling, and widespread pessimism causes the negative sentiment to be self-sustaining. As investors anticipate losses in a bear market and selling continues, pessimism only grows.*

***Bearer bonds:** a debt security issued by a business entity, such as a corporation, or by a government. It differs from the more common types of investment securities in that it is unregistered – no records are kept of the owner, or the transactions involving ownership.*

***Bill of exchange:** a financial security representing an amount of credit extended by one business to another for a short period of time.*

***Black market:** or underground economy is a market in which goods or services are traded illegally.*

***Blue chip:** a nationally recognized, well-established and financially sound company. Blue chips generally sell high-quality, widely accepted products and services. Blue chip companies are known to weather downturns and operate*

profitably in the face of adverse economic conditions, which help to contribute to their long record of stable and reliable growth.

Bond: *a financial security issued by businesses and by the government as a means of borrowing long-term funds. Bonds are typically issued for period of several years; they are repayable on maturity and bear a fixed interest rate.*

Bonus shares: *shares issued to existing shareholders without further payment on their part.*

Boom: *a phase of the business cycle characterized by full employment levels of output and some upward move on the general price level.*

Brokerage: *a financial institution that facilitates the buying and selling of financial securities between a buyer and a seller.*

Business cycle: *the fluctuations in economic activity that an economy experiences over a period of time. A business cycle is basically defined in terms of periods of expansion or recession.*

Capital: *Adam Smith defines capital as "That part of a man's stock which he expects to afford him revenue."*

Capital gains: a profit that results from a disposition of a capital asset, such as stock, bond or real estate, where the amount realized on the disposition exceeds the purchase price.

Capital market: financial markets for the buying and selling of long-term debt or equity-backed securities. These markets channel the wealth of savers to those who can put it to long-term productive use, such as companies or governments making long-term investments.

Carbon tax: a tax levied on the carbon content of fuels. It is a form of carbon pricing. Carbon is present in every hydrocarbon fuel (coal, petroleum, and natural gas) and is released as carbon dioxide when they are burnt.

Cartel: an agreement between competing firms to control prices or exclude entry of a new competitor in a market. It is a formal organization of sellers or buyers that agree to fix selling prices, purchase prices, or reduce production using a variety of tactics.

Cash flow: the movement of money into or out of a business, project, or financial product. It is usually measured during a specified, limited period of time.

***Cash ratio:** the ratio of a company's total cash and cash equivalents to its current liabilities.*

***Central bank,** also a reserve bank, or monetary authority: an institution that manages a state's currency, money supply, and interest rates. Central banks also oversee the commercial banking system of their respective countries.*

***Classical economics:** assert that markets function best without government interference. It was developed in the late 18th and early 19th century by Adam Smith, Jean-Baptiste Say, David Ricardo, Thomas Malthus, and John Stuart Mill.*

***Closed economy:** an economy in which no activity is conducted with outside economies. A closed economy is self-sufficient, meaning that no imports are brought in and no exports are sent out. The goal is to provide consumers with everything that they need from within the economy's borders.*

***Commercial banks:** a type of bank that provides services such as accepting deposits, making business loans, and offering basic investment products.*

***Commodity:** a marketable item produced to satisfy wants or needs. Economic commodities comprise goods and services.*

***Commodity exchange:** an exchange where various commodities and derivatives products are traded. Most commodity markets across the world trade in agricultural products and other raw materials (like wheat, barley, sugar, maize, cotton, cocoa, coffee, milk products, pork bellies, oil, metals, etc.) and contracts based on them.*

***Consumer good:** any commodity which is produced and subsequently consumed by the consumer, to satisfy its current wants or needs.*

***Consumer price index:** a consumer price index (CPI) measures changes in the price level of a basket of consumer goods and services purchased by households.*

***Convertibility:** the quality that allows money or other financial instruments to be converted into other liquid stores of value. Convertibility is an important factor in international trade, where instruments valued in different currencies must be exchanged.*

***Cost control:** refers to the efforts business restrictions managers make to monitor, evaluate, and trim expenditures.*

***Credit:** the trust which allows one party to provide money or resources to another party where that second party does*

not reimburse the first party immediately (thereby generating a debt), but instead arranges either to repay or return those resources at a later date.

***Credit union:** a member-owned financial cooperative, democratically controlled by its members, and operated for the purpose of promoting thrift, providing credit at competitive rates, and providing other financial services to its members.*

***Currency:** refers to money in any form when in actual use or circulation as a medium of exchange, especially circulating banknotes and coins.*

***Currency depreciation:** the loss of value of a country's currency with respect to one or more foreign reference currencies, typically in a floating exchange rate system.*

***Debt:** refers to money, owed by one party, the borrower or debtor, to a second party, the lender or creditor. Debt is generally subject to contractual terms regarding the amount and timing of repayments of principal and interest.*

***Deficit:** an excess of expenditures over revenue in a given time period.*

***Deflation:** a decrease in the general price level of goods and services.*

***Demand:** a buyer's willingness and ability to pay a price for a specific quantity of a good or service. Demand refers to how much (quantity) of a product or service is desired by buyers at various prices.*

***Depreciation:** a method of allocating the cost of a tangible asset over its useful life.*

***Depression:** a sustained, long-term downturn in economic activity in one or more economies.*

***Devaluation:** a reduction in the value of a currency with respect to those goods, services or other monetary units with which that currency can be exchanged.*

***Direct costs:** refer to materials, labor and expenses related to the production of a product (such as a particular project, facility, function or product). Indirect costs may be either fixed or variable. Indirect costs include administration, personnel and security costs. These are those costs which are not directly related to production. Some indirect costs may be overhead.*

***Disequilibrium:** the opposite of equilibrium which is the condition of a system in which all competing influences are balanced.*

***Diversification:** means reducing risk by investing in a variety of assets.*

***Dividend:** a payment made by a corporation to its shareholders, usually as a distribution of profits.*

***Division of labour:** the specialization of cooperating individuals who perform specific tasks and roles.*

***Dow-Jones industrial average:** a stock market index, and one of several indices created by *Wall Street Journal* editor and Dow Jones & Company co-founder Charles Dow.*

***Dumping:** the act of charging a lower price for the like goods in a foreign market than one charges for the same goods in a domestic market for consumption in the home market of the exporter.*

***Durable goods:** goods that do not quickly wear out, or more specifically, ones that yields utility over time rather than being completely consumed in one use. Items like bricks*

could be considered perfectly durable goods, because they should theoretically never wear out.

***Earned income:** any income that a person or company receives for work they have done.*

***Economic efficiency:** an economic state in which every resource is optimally allocated to serve each person in the best way while minimizing waste and inefficiency.*

***Economic good:** an economic good is a good or service that has a benefit (utility) to society.*

***Economic sanction:** domestic penalties applied unilaterally by one country (or multilaterally, by a group of countries) on another country (or group of countries). Economic sanctions may include various forms of trade barriers and restrictions on financial transactions.*

***Economics:** the social science that seeks to describe the factors which determine the production, distribution and consumption of goods and services.*

***Entrepreneur:** in charge of the process of starting a business, a startup company or other organization. The entrepreneur develops a business plan, acquires the human and other required resources, and is fully responsible for its success or failure.*

Equity: the difference between the value of the assets/interest and the cost of the liabilities of something owned. For example, if someone owns a car worth \$25,000 but owes \$10,000 on that car, the car represents \$15,000 equity. Equity can be negative if liability exceeds assets.

European Economic Community (EEC): an economic union created by the Treaty of Rome of 1957. Upon the formation of the European Union (EU) in 1993, the EEC was incorporated and renamed as the European Community (EC). In 2009 the EC's institutions were absorbed into the EU's wider framework and the community ceased to exist.

European Currency Unit (ECU): a basket of the currencies of the European Community member states, used as the unit of account of the European Community before being replaced by the euro on 1 January 1999, at parity.

Exchange rate (also known as a foreign-exchange rate): the rate at which one currency will be exchanged for another.

Exports: selling goods and services produced in the home country to other markets. Export of commercial quantities of goods normally requires involvement of the

customs authorities in both the country of export and the country of import.

***Face value:** the value printed or depicted on a coin, banknote, postage stamp, ticket, etc., especially when less than the actual or intrinsic value.*

***Factors of production:** describes the inputs that are used in the production of goods or services in the attempt to make an economic profit. The factors of production include land, labor, capital and entrepreneurship.*

***Finance:** a field that deals with the allocation of assets and liabilities over time under conditions of certainty and uncertainty.*

***Fiscal policy:** the means by which a government adjusts its spending levels and tax rates to monitor and influence a nation's economy. It is the sister strategy to monetary policy through which a central bank influences a nation's money supply.*

***Foreign-exchange market:** a global market for the trading of currencies. In terms of volume of trading, it is by far the largest market in the world.*

***Free market:** a market economy based on supply and demand with little or no government control. A completely free market is an idealized form of a market economy where buyers and sellers are allowed to transact freely.*

***Free trade:** a policy in international markets in which governments do not restrict imports or exports. Free trade is exemplified by the European Union / European Economic Area and the North American Free Trade Agreement.*

***Futures:** a financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price. Futures contracts detail the quality and quantity of the underlying asset; they are standardized to facilitate trading on a futures exchange.*

***Gross national product (GNP):** the market value of all the products and services produced in one year by labour and property supplied by the citizens of a country.*

***Government securities:** issued by a government authority, with a promise of repayment upon maturity that is backed by said government. A government security may be issued by the government itself or by one of the government agencies. These securities are considered low-risk, since they are backed by the taxing power of the government.*

***Hard currency:** a currency, usually from a highly industrialized country, that is widely accepted around the world as a form of payment for goods and services.*

***Hedge:** making an investment to reduce the risk of adverse price movements in an asset.*

***Holding company:** a company that owns other companies' outstanding stock. The term usually refers to a company that does not produce goods or services itself; rather, its purpose is to own shares of other companies to form a corporate group.*

***Hyperinflation:** occurs when a country experiences very high and usually accelerating rates of inflation, rapidly eroding the real value of the local currency, and causing the population to minimize their holdings of the local money.*

***Hypothesis:** a supposition or proposed explanation made on the basis of limited evidence as a starting point for further investigation.*

***International Labour Organization (ILO):** a United Nations agency dealing with labour issues, particularly international labour standards, social protection, and work opportunities for all.*

International Monetary Fund (IMF): an international organization created for the purpose of:

- 1. Promoting global monetary and exchange stability.*
- 2. Facilitating the expansion and balanced growth of international trade.*
- 3. Assisting in the establishment of a multilateral system of payments for current transactions.*

Import duties: a tax collected on imports by the customs authorities of a country. This tax is used to raise state revenue.

Import quota: a limit on the quantity of a good that can be produced abroad and sold domestically.

Import restrictions: a limit on the quantity of a good that can be produced abroad and sold domestically. It is a type of protectionist trade restriction that sets a physical limit on the quantity of a good that can be imported into a country in a given period of time.

Income: money received, especially on a regular basis, for work or through investments.

***Income tax:** a government levy (tax) imposed on individuals or entities (taxpayers) that varies with the income or profits (taxable income) of the taxpayer.*

***Inflation:** a sustained increase in the general price level of goods and services in an economy over a period of time.*

***Infrastructure:** the basic physical and organizational structures and facilities (e.g., buildings, roads, and power supplies) needed for the operation of a society or enterprise.*

***Insurance:** a practice or arrangement by which a company or government agency provides a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a premium.*

***Interest:** the charge for the privilege of borrowing money, typically expressed as an annual percentage rate.*

***Inventories:** a complete list of items such as property, goods in stock, or the contents of a building.*

***Investment:** the purchase of an asset or item with the hope that it will generate income or appreciate in the future and be sold at the higher price.*

‘Invisible Hand’: a metaphor used by Adam Smith to describe unintended social benefits resulting from individual actions. The phrase is employed by Smith with respect to income distribution and production.

International Trade Commission (ITC): an independent, bipartisan, quasi-judicial, federal agency of the United States that provides trade expertise to both the legislative and executive branches.

Labour: work, especially physical work.

Labour intensive: needing a large workforce or a large amount of work in relation to output.

‘Laissez-faire’: an economic system in which transactions between private parties are free from government interference such as regulations, privileges, tariffs, and subsidies. The phrase *laissez-faire* is part of a larger French phrase and literally translates to "let (it/them) do", but in this context usually means "let it be", or "let it go".

Land: considered a factor of production, along with labor and capital. Selling land results in a capital gain or loss.

***Lease:** a contractual arrangement calling for the lessee (user) to pay the lessor (owner) for use of an asset. Broadly put, a lease agreement is a contract between two parties, the lessor and the lessee.*

***Linear programming:** a method to achieve the best outcome (such as maximum profit or lowest cost) in a mathematical model whose requirements are represented by linear relationships.*

***Liquid:** how quickly you can get your hands on your cash. In simpler terms, liquidity is to get your money whenever you need it.*

***Liquidation:** the process by which a company (or part of a company) is brought to an end, and the assets and property of the company are redistributed.*

***Lump-sum tax:** a fixed amount, no matter the change in circumstance of the taxed entity.*

***Macroeconomics:** a branch of economics dealing with the performance, structure, behavior, and decision-making of an economy as a whole, rather than individual markets. This includes national, regional, and global economies.*

***Market:** one of the many varieties of systems, institutions, procedures, social relations and infrastructures whereby parties engage in exchange.*

***Market share:** the percentage of an industry or market's total sales that is earned by a particular company over a specified time period. Market share is calculated by taking the company's sales over the period and dividing it by the total sales of the industry over the same period.*

***Maturity:** the date on which the principal amount of a note, draft, acceptance bond or other debt instrument becomes due and is repaid to the investor and interest payments stop. It is also the termination or due date on which an installment loan must be paid in full.*

***Microeconomics:** a branch of economics that studies the behavior of individuals and small impacting organizations in making decisions on the allocation of limited resources.*

***Mixed economy:** an economic system that features characteristics of both capitalism and socialism. A mixed economic system allows a level of private economic freedom in the use of capital, but also allows for governments to interfere in economic activities in order to achieve social aims.*

***Monetary policy:** authority of a country controlling the supply of money, often targeting an inflation rate or interest rate to ensure price stability and general trust in the currency.*

***Money market:** as money became a commodity, the money market became a component of the financial markets for assets involved in short-term borrowing, lending, buying and selling with original maturities of one year or less. Trading in money markets is done over the counter and is wholesale.*

***Money supply:** the total amount of monetary assets available in an economy at a specific time.*

***Monopoly:** a market structure in which there is only one producer/seller for a product. In other words, the single business is the industry.*

***Mortgage:** used by individuals and businesses to make large real estate purchases without paying the entire value of the purchase up front.*

***Mutual funds:** a type of professionally managed investment fund that pools money from many investors to purchase securities.*

National debt: the total amount of money that a country's government has borrowed, by various means.

National income: the total amount of money earned within a country.

Net domestic product: equals the gross domestic product (GDP) minus depreciation on a country's capital goods.

Net income: calculated by taking revenues and adjusting for the cost of doing business, depreciation, interest, taxes and other expenses.

New classical economics: a school of economic thought that originated in the early 1970s in the work of economists centered at the Universities of Chicago and Minnesota—particularly, Robert Lucas (recipient of the Nobel Prize in 1995), Thomas Sargent, Neil Wallace, and Edward Prescott (co-recipient of the Nobel Prize in 2004).

New York Stock Exchange (NYSE): sometimes known as the "Big Board", is an American stock exchange located at 11 Wall Street, New York in the United States. It is the world's largest stock exchange by market capitalization of its listed companies.

Net national product (NNP): the total market value of all final goods and services produced by the factors of production of a country during a given time period, minus depreciation.

Non-tariff barriers: a form of restrictive trade where barriers to trade are set up and take a form other than a tariff. Nontariff barriers include quotas, levies, embargoes, sanctions and other restrictions, and are frequently used by large and developed economies.

Open economy: an economy in which there are economic activities between the domestic community and outside.

Ordinary share: a form of corporate equity ownership, a type of security. The terms "voting share" or "ordinary share" are also used frequently in other parts of the world; "common stock" being primarily used in the United States.

Organization of Petroleum Exporting Countries (OPEC): a permanent, international organization headquartered in Vienna, Austria, was established in 1960. Its mandate is to coordinate and unify the petroleum policies of its members and to ensure the stabilization of oil markets in order to secure an efficient,

economic and regular supply of petroleum to consumers, a steady income to producers, and a fair return on capital for those investing in the petroleum industry.

***Paper profit:** unrealized capital gain in an investment. It is calculated by comparing the market price of a security to the original purchase price. Gains only become realized when the security is sold.*

***Peak pricing:** a form of congestion pricing where customers pay an additional fee during periods of high demand. Peak pricing is most frequently implemented by utility companies, who charge higher rates during times of the year when demand is the highest.*

***Pension funds:** a fund from which pensions are paid, accumulated from contributions from employers, employees, or both.*

***Perfect competition:** the opposite of a monopoly, in which only a single firm supplies a particular good or service, and that firm can charge whatever price it wants. Here many firms compete with each other and that lead to lower prices for consumers.*

***Planned economy:** the economic system in which decisions regarding production and investment are made by*

a central authority, usually by a government agency. Thus it may be termed a "command economy".

***Price system:** a component of any economic system that uses prices expressed in any form of money for the valuation and distribution of goods and services and the factors of production.*

***Prime rate:** the lowest rate of interest at which money may be borrowed commercially.*

***Private sector:** that part of the economy, sometimes referred to as the citizen sector, which is run by private individuals or groups, usually as a means of enterprise for profit, and is not controlled by the state (areas of the economy controlled by the state being referred to as the public sector).*

***Profit-sharing:** a system in which the people who work for a company receive a direct share of the profits.*

***Progressive tax:** a tax in which the tax rate increases as the taxable amount increases. The term "progressive" refers to the way the tax rate progresses from low to high.*

Promissory note: a signed document containing a written promise to pay a stated sum to a specified person or the bearer at a specified date or on demand.

Public company: a company with securities (equity and debt) owned and traded by the general public through the public capital markets. Shares of a public company are openly traded and widely distributed.

Public expenditure: spending made by the government of a country on collective needs and wants such as pension, provision, infrastructure, etc. Until the 19th century, public expenditure was limited as laissez faire philosophies believed that money left in private hands could bring better returns.

Public finance: the study of the role of the government in the economy. It is the branch of economics which assesses the government revenue and government expenditure of the public authorities and the adjustment of one or the other to achieve desirable effects and avoid undesirable ones.

Public sector: the public sector is the part of the economy concerned with providing various government services.

***Public utility:** an organization that maintains the infrastructure for a public service (often also providing a service using that infrastructure). Public utilities are subject to forms of public control and regulation ranging from local community-based groups to statewide government monopolies.*

***Purchase tax:** a sales tax on nonessential and luxury goods.*

***Quotas:** a legal quantity restriction placed on an imported good that is imposed by the domestic government.*

***Rate of return:** a profit on an investment over a period of time, expressed as a proportion of the original investment. The time period is typically a year, in which case the rate of return is referred to as annual return.*

***Redeemable securities:** a security which can be redeemed at its face value at a specific date in the future.*

***Resource allocation:** the assignment of available resources to various uses. In the context of an entire economy, resources can be allocated by markets, by central planning, or by some combination of the two.*

***Resources:** a source or supply from which benefit is produced. Typically resources are materials, energy, services, staff, knowledge, or other assets that are transformed to produce benefit and in the process may be consumed or made unavailable.*

***Sales tax:** a tax paid to for the sales of certain goods and services. Usually laws allow (or require) the seller to collect funds for the tax from the consumer at the point of purchase.*

***Scarcity:** the fundamental economic problem of having seemingly unlimited human wants in a world of limited resources. It states that society has insufficient productive resources to fulfill all human wants and needs.*

***Securities:** a financial instrument that represents: an ownership position in a publicly-traded corporation (stock), a creditor relationship with governmental body or a corporation (bond), or rights to ownership as represented by an option.*

***Services:** a service is an intangible commodity such as accounting, banking, cleaning, consultancy, education, insurance, expertise, medical treatment.*

***Share:** the capital of a company is divided into shares. Each share forms a unit of ownership of a company and is*

*offered for sale so as to raise capital for the company.
Shares can be broadly divided into two categories - equity
and preference shares.*

***Social security:** any government system that provides
monetary assistance to people with an inadequate or no
income.*

***Social welfare:** the provision of a minimal level of
well-being and social support for all citizens, sometimes
referred to as public aid.*

***Socialism:** is a social and economic system
characterised by social ownership of the means of
production and co-operative management of the economy,
as well as a political theory and movement that aims at the
establishment of such a system.*

***Soft currency:** a currency which is expected to
fluctuate erratically or depreciate against other currencies.
Such softness is typically the result of political or fiscal
instability within the associated country.*

***Soft loan:** a loan, typically one to a developing country,
made on terms very favorable to the borrower.*

***Stabilization policy:** a package or set of measures introduced to stabilize a financial system or economy. The term can refer to policies in two distinct sets of circumstances: business cycle stabilization and crisis stabilization. In either case, it is a form of discretionary policy.*

***Stagflation:** persistent high inflation combined with high unemployment and stagnant demand in a country's economy.*

***Stamp duty:** a tax that is levied on documents. Historically, this included the majority of legal documents such as cheques, receipts, military commissions, marriage licences and land transactions.*

***Standard deviation:** the standard deviation (SD) (represented by the Greek letter sigma, σ) is a measure that is used to quantify the amount of variation or dispersion of a set of data values.*

***Stock:** the capital raised by a business or corporation through the issue and subscription of shares.*

***Subsidiaries:** a company whose voting stock is more than 50% controlled by another company, usually referred to as the parent company or holding company. A subsidiary*

is a company that is partly or completely owned by another company that holds a controlling interest in the subsidiary company.

***Subsidy:** a form of financial aid or support extended to an economic sector (or institution, business, or individual) generally with the aim of promoting economic and social policy.*

***Supply:** the amount of something that firms, consumers, laborers, providers of financial assets, or other economic agents are willing to provide to the marketplace.*

***Take-over:** the purchase of one company (the target) by another (the acquirer, or bidder).*

***Tariffs:** a tax imposed on imported goods and services. Tariffs are used to restrict trade, as they increase the price of imported goods and services, making them more expensive to consumers.*

***Taxation:** the act of a taxing authority actually levying tax. Taxation as a term applies to all types of taxes, from income to gift to estate taxes.*

***Tenders:** an offer to carry out work, supply goods, or buy land, shares, or another asset at a stated fixed price.*

***Term loan:** term loans can be given on an individual basis but are often used for small business loans. The ability to repay over a long period of time is attractive for new or expanding enterprises, as the assumption is that they will increase their profit over time.*

***Transfer costs:** total opportunity cost of moving an item from one place to another, including transport costs, loading and unloading costs, and administrative costs.*

***Transfer payments:** a transfer payment (or government transfer or simply transfer) is a redistribution of income in the market system.*

***Treasury:** the funds or revenue of a government, corporation, or institution.*

***Turnover:** in accounting, the number of times an asset is replaced during a financial period or the number of shares traded for a period as a percentage of the total shares in a portfolio or of an exchange.*

***Underwriting:** the practice by which investment bankers represent corporate and government entities in the initial public offering of their securities. The investment bankers cover the risk of selling the securities to the public.*

Utilitarianism: a theory suggesting that the moral action is the one that maximizes utility. Utility is defined in various ways, including pleasure, economic well-being and the lack of suffering. The goal of utilitarian ethics is to promote the greatest happiness for the greatest number.

Utility: a measure of preferences over some set of goods and services. The concept is an important underpinning of rational choice theory. Utility is an important concept in economics, because it represents satisfaction experienced by the consumer of a good.

Value-added tax (VAT): a type of consumption tax that is placed on a product whenever value is added at a stage of production and at final sale.

Variable costs: those costs that vary depending on a company's production volume; they rise as production increases and fall as production decreases. Variable costs differ from fixed costs such as rent, advertising, insurance and office supplies, which tend to remain the same regardless of production output.

Voting shares: shares that give the stockholder the right to vote on matters of corporate policy making as well as who will compose the members of the board of directors.

***Warrants:** a security that entitles the holder to buy the underlying stock of the issuing company at a fixed price called exercise price until the expiry date.*

***Welfare economics:** a branch of economics that uses microeconomic techniques to evaluate well-being (welfare) at the aggregate (economy-wide) level. A typical methodology begins with the derivation (or assumption) of a social welfare function, which can then be used to rank economically feasible allocations of resources in terms of the social welfare they entail.*

***Window dressing:** a strategy used by mutual fund and portfolio managers near the year or quarter end to improve the appearance of the portfolio/fund performance before presenting it to clients or shareholders. To window dress, the fund manager will sell stocks with large losses and purchase high flying stocks near the end of the quarter. These securities are then reported as part of the fund's holdings.*

***Withholding tax:** the amount of an employee's pay withheld by the employer and sent directly to the government as partial payment of income tax.*

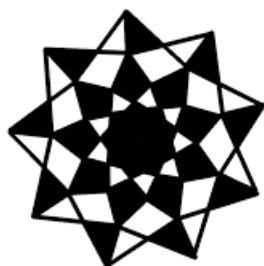
***Working capital:** a financial metric which represents operating liquidity available to a business, organization or other entity, including governmental entity. Along with fixed*

assets such as plant and equipment, working capital is considered a part of operating capital.

World Trade Organization (WTO): an intergovernmental organization which regulates international trade.

X-efficiency: the difference between efficient behavior of businesses assumed or implied by economic theory and their observed behavior in practice. It occurs when technical efficiency is not being achieved due to a lack of competitive pressure.

Yield: the income return on an investment. This refers to the interest or dividends received from a security and is usually expressed annually as a percentage based on the investment's cost, its current market value or its face value.



Compilation of the Writings on Economics

“Economics of the Future”

Application of Economic Teachings to Modern Problems

First we have to study the economic teachings in the light of modern problems more thoroughly so that we may advocate what the Founders of the Faith say and not what we conjecture from Their Writings. There is great difference between sounding a great general principle and finding its application to actual prevailing conditions.

-Shoghi Effendi: Directives of the Guardian, p. 21.)

For legal standards, political and economic theories are solely designed to safeguard the interests of humanity as a whole, and not humanity to be crucified for the preservation of the integrity of any particular law or doctrine.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 42.)

... the Teachings of Bahá'u'lláh and 'Abdu'l-Bahá do not provide specific and detailed solutions to all such economic questions which mostly pertain to the domain of technical economics, and as such do not concern directly the Cause. True, there are certain guiding principles in Bahá'í Sacred Writings on the subject of economics, but these do by no means cover the whole field of theoretical and applied economics, and are mostly intended to guide further Bahá'í economic writers and technicians to evolve an economic system which would function in full conformity with the spirit and the exact provisions of the Cause on this and similar subjects. The International House of Justice will have, in consultation with economic experts, to assist in the formulation and evolution of the Bahá'í economic system of the future. One thing, however, is certain that the Cause neither accepts the theories of the Capitalistic economics in full, nor can it agree with the

Marxists and Communists in their repudiation of the principle of private ownership and of the vital sacred rights of the individual. - Shoghi Effendi: Lights of Guidance, pp. 549–550. (From a letter written on behalf of Shoghi Effendi to an individual believer, 10 June 1930.)

... the Writings are not so rich on this subject and many issues at present baffling the minds of the world are not even mentioned. The primary consideration is the spirit that has to permeate our economic life and this will gradually crystallize itself into definite institutions and principles that will help to bring about the ideal conditions foretold by Bahá'u'lláh.

-Shoghi Effendi: Directives of the Guardian, p. 20; and Lights of Guidance, p. 550. (From a letter written on behalf of Shoghi Effendi to the National Spiritual Assembly of the United States and Canada, 20 December 1931: Bahá'í News, No. 90, March 1935, p. 2.)

Bahá'í World Commonwealth

... inscrutable wisdom designed ultimately to weld the mutually antagonistic elements of human society into a single, organically-united, unshatterable world commonwealth.

-Shoghi Effendi: Messages to America, p. 81.

... which [state religion] in turn must give way to its assumption of the rights and prerogatives associated with the Bahá'í state, functioning in the plenitude of its powers, a stage which must ultimately culminate in the emergence of the world-wide Bahá'í Commonwealth,

-Shoghi Effendi: The Advent of Divine Justice, p. 12

... the precautionary and defensive measures to be devised, co-ordinated, and carried out to counteract the full force of the inescapable attacks which the organized efforts of ecclesiastical organizations of various denominations will progressively launch and relentlessly pursue; and, last but not least, the multitudinous issues that must be faced, the obstacles that must be overcome, and

the responsibilities that must be assumed, to enable a sore-tried Faith to pass through the successive stages of unmitigated obscurity, of active repression, and of complete emancipation, leading in turn to its being acknowledged as an independent Faith, enjoying the status of full equality with its sister religions, to be followed by its establishment and recognition as a State religion, which in turn must give way to its assumption of the rights and prerogatives associated with the Bahá'í state, functioning in the plenitude of its powers, a stage which must ultimately culminate in the emergence of the world-wide Bahá'í Commonwealth, animated wholly by the spirit, and operating solely in direct conformity with the laws and principles of Bahá'u'lláh.

-Shoghi Effendi: The Advent of Divine Justice, pp. 14–15.

It is the structure of His New World Order, now stirring in the womb of the administrative institutions He Himself has created, that will serve both as a pattern and a nucleus of that world commonwealth which is the sure, the inevitable destiny of the peoples and nations of the earth.

-Shoghi Effendi: The Promised Day is Come, p. 118.

It is the superstructure of that self-same Order, attaining its full stature through the emergence of the Bahá'í World Commonwealth—the Kingdom of God on earth—which the Golden Age of that same Dispensation must, in the fullness of time, ultimately witness.

-Shoghi Effendi: God Passes By, p. 26.

For as the authority with which Bahá'u'lláh has invested the future Bahá'í Commonwealth becomes more and more apparent, the fiercer shall be the challenge which from every quarter will be thrown at the verities it enshrines.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 18.

And as the Bahá'í Faith permeates the masses of the peoples of East and West, and its truth is embraced by the majority of the

peoples of a number of the Sovereign States of the world, will the Universal House of Justice attain the plenitude of its power, and exercise, as the supreme organ of the Bahá'í Commonwealth, all the rights, the duties, and responsibilities incumbent upon the world's future super-state.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 7

It [the Monument Gardens—the resting place of the Greatest Holy Leaf on Mount Carmel] marks, too, a further milestone in the road leading eventually to the establishment of that permanent world Administrative Centre of the future Bahá'í Commonwealth, destined never to be separated from, and to function in the proximity of, the Spiritual Centre of that Faith,

-Shoghi Effendi: God Passes By, p. 348.

To us, the “generation of the half-light,” living at a time which may be designated as the period of the incubation of the World Commonwealth envisaged by Bahá'u'lláh, has been assigned a task whose high privilege we can never sufficiently appreciate, and the arduousness of which we can as yet but dimly recognize.

-Shoghi Effendi: The World Order of Bahá'u'lláh, pp. 168–69.

... the Faith of Bahá'u'lláh is now visibly succeeding in demonstrating its claim and title to be regarded as a World Religion, destined to attain, in the fullness of time, the status of a world-embracing Commonwealth, which would be at once the instrument and the guardian of the Most Great Peace announced by its Author.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 196.

The process of disintegration must inexorably continue, and its corrosive influence must penetrate deeper and deeper into the very core of a crumbling age. Much suffering will still be required ere the contending nations, creeds, classes and races of mankind are fused in the crucible of universal affliction, and are forged by the fires of a fierce ordeal into one organic commonwealth, one vast,

unified, and harmoniously functioning system. Adversities unimaginably appalling, undreamed of crises and upheavals, war, famine, and pestilence, might well combine to engrave in the soul of an unheeding generation those truths and principles which it has disdained to recognize and follow.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 193.

... it [The Declaration of Trust and By-Laws of the National Spiritual Assembly of the United States] stands in its final form as a worthy and faithful exposition of the constitutional basis of Bahá'í communities in every land, foreshadowing the final emergence of the world Bahá'í Commonwealth of the future.

-Shoghi Effendi: Bahá'í Administration, p. 135.

This final and crowning stage [World Bahá'í Commonwealth] in the evolution of the plan wrought by God Himself for humanity will, in turn, prove to be the signal for the birth of a world civilization, incomparable in its range, its character and potency, in the history of mankind

-Shoghi Effendi: Messages to the Bahá'í World, p. 155.

Bahá'í Economic system

There are practically no technical teachings on economics in the Cause, such as banking, the price system, and others. The Cause is not an economic system, nor its Founders be considered as having been technical economists. The contribution of the Faith to this subject is essentially indirect, as it consists of the application of spiritual principles to our present-day economic system.

Bahá'u'lláh has given us a few basic principles which should guide future Bahá'í economists in establishing such institutions which will adjust the economic relationships of the world.

-Shoghi Effendi: Directives of the Guardian, p. 20; and Lights of Guidance, p. 551. (From a letter written on behalf of Shoghi Effendi to an individual believer, 25 January 1936: Bahá'í News, No. 103, October 1936, p. 2)

With regard to your wish for reorganizing your business along Bahá'í lines, Shoghi Effendi deeply appreciates the spirit that has permitted you to make such a suggestion. But he feels nevertheless that the time has not yet come for any believer to bring about such a fundamental change in the economic structure of our society, however restricted may be the field for such an experiment. The economic teachings of the Cause, though well known in their main outline, have not as yet been sufficiently elaborated and systematized to allow anyone to make an exact and thorough application of them even on a restricted scale.

-Shoghi Effendi: Directives of the Guardian, pp. 19–20.

The International House of Justice will have, in consultation with economic experts, to assist in the formulation and evolution of the Bahá'í economic system of the future.

-Shoghi Effendi: Lights of Guidance, p. 550. (From a letter written on behalf of Shoghi Effendi to an individual believer, 10 June 1930: Extracts from the Baha'í Writings on the Subject of Agriculture and Related Subjects, A Compilation of the Universal House of Justice)

... the Writings are not so rich on this subject and many issues at present baffling the minds of the world are not even mentioned. The primary consideration is the spirit that has to permeate our economic life, and this will gradually crystallize itself into definite institutions and principles that will help to bring about the ideal condition foretold by Bahá'u'lláh.

-Shoghi Effendi: Directives of the Guardian, p. 20; and Lights of Guidance, p. 550. (From a letter written on behalf of Shoghi Effendi to the National Spiritual Assembly of the United States and Canada, 20 December 1931: Bahá'í News, No. 90, March 1935, p. 2.)

... Bahá'u'lláh did not bring a complete system of economics to the world. Profit sharing is recommended as a solution to one form of economic problems.

-Shoghi Effendi: Directives of the Guardian, p. 20; and Lights of Guidance, p. 551. (From a letter written on behalf of the Guardian to an individual believer, 19 November 1945: Bahá'í News, No. 210, August 1948, p. 3.)

As regards the activities of the economic committee of the National Assembly; Shoghi Effendi fully sympathizes with the desire of some of the members to see the Committee find ways and means to put into practice the economic teachings of the Cause, as explained in some of the recorded Writings and Sayings of Bahá'u'lláh and the Master. But he believes that the time is not yet ripe for such activities.

-Shoghi Effendi: Directives of the Guardian, p. 21.

Divine Economy

Does not the very operation of the world-unifying forces that are at work in this age necessitate that He Who is the Bearer of the Message of God in this day should not only reaffirm that self-same exalted standard of individual conduct inculcated by the Prophets gone before Him, but embody in His appeal, to all governments and peoples, the essentials of that social code, that Divine Economy, which must guide humanity's concerted efforts in establishing that all-embracing federation which is to signalize the advent of the Kingdom of God on this earth?

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 61.

In like manner are the Bahá'í economic principles the embodiment of the highest aspirations of all wage-earning classes and of economists of various schools.

-'Abdu'l-Bahá: Tablet to August Forel, p. 26. Haifa, 21 September 1921.

... By the statement 'the economic solution is divine in nature' is meant that religion alone can, in the last resort, bring in man's nature such a fundamental change as to enable him to adjust the economic relationships of society. It is only in this way that man can control the economic forces that threaten to disrupt the

foundations of his existence, and thus assert his mastery over the forces of nature.

-Shoghi Effendi, *Lights of Guidance*, p. 551. (From a letter written on behalf of Shoghi Effendi to an individual believer, 26 December 1935.)

Economic Resources

The economic resources of the world will be organized, its sources of raw materials will be tapped and fully utilized, its markets will be coordinated and developed, and the distribution of its products will be equitably regulated.

... The enormous energy dissipated and wasted on war, whether economic or political, will be consecrated to such ends as will extend the range of human inventions and technical development, to the increase of the productivity of mankind, to the extermination of disease, to the extension of scientific research, to the raising of the standard of physical health, to the sharpening and refinement of the human brain, to the exploitation of the unused and unsuspected resources of the planet, to the prolongation of human life, and to the furtherance of any other agency that can stimulate the intellectual, the moral, and spiritual life of the entire human race.

A world federal system, ruling the whole earth and exercising unchallengeable authority over its unimaginably vast resources, blending and embodying the ideals of both the East and the West, liberated from the curse of war and its miseries, and bent on the exploitation of all the available sources of energy on the surface of the planet, a system in which Force is made the servant of Justice, whose life is sustained by its universal recognition of one God and by its allegiance to one common Revelation—such is the goal

towards which humanity, impelled by the unifying forces of life, is moving.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 204.

Praise be to God! A wonderful thing is perceived: the lightning and similar forces are subdued by a conductor, and act by His Command. Exalted is the mighty One who hath made manifest that which He desired, through His absolute, invincible command!

O people of Bahá! Each one of the revealed commands is a strong fortress for the protection of the world. Verily this oppressed One only wishes your security and elevation.

-Bahá'u'lláh: Bahá'í World Faith, p. 183.

From every standpoint the world of humanity is undergoing a reformation. The laws of former governments and civilizations are in process of revision; scientific ideas and theories are developing and advancing to meet a new range of phenomena; invention and discovery are penetrating hitherto unknown fields, revealing new wonders and hidden secrets of the material universe; industries have vastly wider scope and production; everywhere the world of mankind is in the throes of evolutionary activity indicating the passing of the old conditions and advent of the new age of reformation.

-'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 439. New York, 17 November 1912.

Tariffs and Other Economic Barriers

That a narrow and brutal nationalism, which the post-war theory of self-determination has served to reinforce, has been chiefly responsible for the policy of high and prohibitive tariffs, so

injurious to the healthy flow of international trade and to the mechanism of international finance, is a fact which few would venture to dispute.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 35.

A world community in which all economic barriers will have been permanently demolished and the interdependence of Capital and Labour definitely recognized;

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 41.

Economic Adjustment

The fourth principle or teaching of Bahá'u'lláh is the readjustment and equalization of the economic standards of mankind. This deals with the question of human livelihood. It is evident that under present systems and conditions of government the poor are subject to the greatest need and distress while others more fortunate live in luxury and plenty far beyond their actual necessities.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 107. Pittsburgh, Pennsylvania, 7 May 1912.

Through the manifestation of God's great equity the poor of the world will be rewarded and assisted fully, and there will be a readjustment in the economic conditions of mankind so that in the future there will not be the abnormally rich nor the abject poor.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 132. Jersey City, New Jersey, 19 May 1912.

The readjustment of the economic laws for the livelihood of man must be effected in order that all humanity may live in the greatest happiness according to their respective degrees.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 170. New York, 2 June 1912.

This readjustment of the social economy is of the greatest importance inasmuch as it ensures the stability of the world of

humanity; and until it is effected, happiness and prosperity are impossible.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, pp. 181–182. Philadelphia, Pennsylvania, 9 June 1912.

World Currency

... uniform and universal system of currency, of weights and measures, will simplify and facilitate intercourse and understanding among the nations and races of mankind.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 203.

Economics Problems

a) The Nature and Causes of Economic Problems

It seems as though all creatures can exist singly and alone. For example, a tree can exist solitary and alone on a given prairie or in a valley or on the mountainside. An animal upon a mountain or a bird soaring in the air might live a solitary life. They are not in need of cooperation or solidarity. Such animated beings enjoy the greatest comfort and happiness in their respective solitary lives.

On the contrary, man cannot live singly and alone. He is in need of continuous cooperation and mutual help. For example, a man living alone in the wilderness will eventually starve. He can never, singly and alone, provide himself with all the necessities of existence. Therefore, he is in need of co-operation and reciprocity.

- 'Abdu'l-Bahá: Foundations of World Unity, p. 38.

Although the body politic is one family yet because of lack of harmonious relations some members are comfortable and some in direst misery, some members are satisfied and some are hungry, some members are clothed in most costly garments and some families are in need of food and shelter. Why? Because this family lacks the necessary reciprocity and symmetry. This household is not well arranged. This household is not living under a perfect law. All the laws which are legislated do not ensure happiness. They do not provide comfort. Therefore a law must be given to this family by means of which all the members of this family will enjoy equal well-being and happiness.

Is it possible for one member of a family to be subjected to the utmost misery and to abject poverty and for the rest of the family to be comfortable? It is impossible unless those members of the family be senseless, atrophied, inhospitable, unkind. Then they would say, "Though these members do belong to our family—let them alone.

Such utter indifference in the human family is due to lack of control, to lack of a working law, to lack of kindness in its midst. If kindness had been shown to the members of this family surely all the members thereof would have enjoyed comfort and happiness.

- 'Abdu'l-Bahá: Foundations of World Unity, pp. 38.

Now the root cause of these difficulties lies in the law of nature that governs present-day civilization, for it results in a handful of people accumulating vast fortunes that far exceed their needs, while the greater number remain naked, destitute, and helpless.

- 'Abdu'l-Bahá: Some Answered Questions, p. 315.

The body of the human world is sick. Its remedy and healing will be the oneness of the kingdom of humanity. Its life is the Most Great Peace. Its illumination and quickening is love.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 19. New York, 16 April 1912.

Economic plans of reconstruction have been carefully devised, and meticulously executed. And yet crisis has succeeded crisis, and the rapidity with which a perilously unstable world is declining has been correspondingly accelerated. A yawning gulf threatens to involve in one common disaster both the satisfied and dissatisfied nations, democracies and dictatorships, capitalists and wage-earners, Europeans and Asiatics, Jew and Gentile, white and coloured.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 190.

b) The Solution to Economic Problems

The fundamentals of the whole economic condition are divine in nature and are associated with the world of the heart and spirit. This is fully explained in the Bahá'í teaching, and without knowledge of its principles no improvement in the economic state can be realized.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 238. Boston, Massachusetts, 23 July 1912.

The Bahá'í Cause covers all economic and social questions under the heading and ruling of its laws. The essence of the Bahá'í spirit is that, in order to establish a better social order and economic condition, there must be allegiance to the laws and principles of government.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 238. Boston, Massachusetts, 23 July 1912.

'Abdu'l-Bahá ... has said: "All economic problems may be solved by the application of the Science of the Love of God." That is to say: if the Rule called golden and treated as if it were leaden (Worse: for lead has its uses but so far as one may determine, the Golden Rule has been laid on a shelf whose dust is seldom disturbed.)—if that Rule were actually applied to the world's

economic problems, which if not solved bid fair to destroy us, and the love of God, the sort of love which makes a home life happy, were used as a scientific measurement to regulate our international and national affairs; to settle all relations between labour and capital, between rich and poor: to regulate all coinage and commerce, can there be any doubt that the results would be far more conducive to human welfare than our present policies have produced?

-Howard Colby Ives: Portals to Freedom, p. 156.

Role of Governments in Economic Affairs

Subject to their approval a place should be fixed where they would meet. There they should hold fast to the cord of consultation and adopt and enforce that which is conducive to the security, prosperity, wealth and tranquillity of the people.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, pp. 92–93.

It is incumbent upon the Trustees of the House of Justice to take counsel together regarding those things which have not outwardly been revealed in the Book, and to enforce that which is agreeable to them.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 68; and quoted by Shoghi Effendi in The World Order of Bahá'u'lláh, p. 23.

All the governments of the world must be united and organize an assembly the members of which should be elected from the parliaments and the nobles of the nations. These must plan with utmost wisdom and power so that neither the capitalist suffer from enormous losses nor the labourers become needy. In the utmost moderation they should make the law; then announce to the public that the rights of the working people are to be strongly preserved. Also the rights of the capitalists are to be protected. When such a

general plan is adopted by the will of both sides, should a strike occur, all the governments of the world collectively should resist it. Otherwise, the labour problem will lead to much destruction,

- 'Abdu'l-Bahá: Foundations of World Unity, p. 43.

The intervention of the government and the courts in the problems arising between owners and workers is fully warranted, since these are not such particular matters as are ordinary transactions between two individuals, which do not concern the public and in which the government should have no right to interfere. For problems between owners and workers, though they may appear to be a private matter, are detrimental to the common good, since the commercial, industrial, and agricultural affairs, and even the general business of the nation, are all intimately linked together. An impairment to one is a loss to all. And since the problems between owners and workers are detrimental to the common good, the government and the courts have therefore the right to intervene.

- 'Abdu'l-Bahá: Some Answered Questions, pp. 318-319

A world federal system, ruling the whole earth and exercising unchallengeable authority over its unimaginably vast resources, blending and embodying the ideals of both the East and the West, liberated from the curse of war and its miseries, and bent on the exploitation of all the available sources of energy on the surface of the planet, a system in which Force is made the servant of Justice, whose life is sustained by its universal recognition of one God and by its allegiance to one common Revelation—such is the goal towards which humanity, impelled by the unifying forces of life, is moving.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 204.

This commonwealth must, as far as we can visualize it, consist of a world legislature, whose members will, as the trustees of the whole of mankind, ultimately control the entire resources of all the component nations, and will enact such laws as shall be required to

regulate the life, satisfy the needs and adjust the relationships of all races and peoples. A world executive, backed by an international Force, will carry out the decisions arrived at, and apply the laws enacted by, this world legislature, and will safeguard the organic unity of the whole commonwealth. A world tribunal will adjudicate and deliver its compulsory and final verdict in all and any disputes that may arise between the various elements constituting this universal system. A mechanism of world inter-communication will be devised, embracing the whole planet, freed from national hindrances and restrictions, and functioning with marvellous swiftness and perfect regularity. A world metropolis will act as the nerve centre of a world civilization, the focus towards which the unifying forces of life will converge and from which its energizing influences will radiate.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 203.

Man—Not a Mere Factor in Production

Lofty is the station of man, were he to hold fast to righteousness and truth and to remain firm and steadfast in the Cause. In the eyes of the All-Merciful a true man appeareth even as a firmament; its sun and moon are his sight and hearing, and his shining and resplendent character its stars. His is the loftiest station, and his influence educateth the world of being.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 220.

Man possesses conscious intelligence and reflection; nature does not. This is an established fundamental among philosophers. Man is endowed with volition and memory; nature has neither. Man can seek out the mysteries latent in nature, whereas nature is not conscious of her own hidden phenomena. Man is progressive;

nature is stationary, without the power of progression or retrogression. Man is endowed with ideal virtues—for example, intellection, volition, faith, confession and acknowledgement of God—while nature is devoid of all these. The ideal faculties of man, including the capacity for scientific acquisition, are beyond nature's ken. These are powers whereby man is differentiated and distinguished from all other forms of life.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 51. Washington, D.C., 23 April 1912.

Equality

O children of men!

Know ye not why We created you all from the same dust? That no one should exalt himself over the other. Ponder at all times in your hearts how ye were created. Since We have created you all from one same substance it is incumbent on you to be even as one soul, to walk with the same feet, eat with the same mouth and dwell in the same land, that from your inmost being, by your deeds and actions, the signs of oneness and the essence of detachment may be made manifest. Such is My counsel to you, O concourse of light! Heed ye this counsel that ye may obtain the fruit of holiness from the tree of wondrous glory.

-Bahá'u'lláh: The Hidden Words, Arabic No. 68.

Likewise with regard to the party of 'equality' which seeks the solution of the economic problems: until now all proposed solutions have proved impracticable except the economic proposals in the teachings of Bahá'u'lláh which are practicable and cause no distress to society.

- 'Abdu'l-Bahá: Selections from the Writings of 'Abdu'l-Bahá, p. 305.

But in the divine teachings equality is brought about through a ready willingness to share. It is commanded as regards wealth that the rich among the people, and the aristocrats should, by their own free will and for the sake of their own happiness, concern themselves with and care for the poor. This equality is the result of the lofty characteristics and noble attributes of mankind.

- 'Abdu'l-Bahá: Foundations of World Unity, p. 44.

Now the remedy [inequality of wealth] must be carefully undertaken. It cannot be done by bringing to pass absolute equality between men.

Equality is a chimera! It is entirely impracticable! Even if equality could be achieved it could not continue—and if its existence were possible, the whole order of the world would be destroyed. The law of order must always obtain in the world of humanity. Heaven has so decreed in the creation of man.

- 'Abdu'l-Bahá: Paris Talks, pp. 151–152.

One must therefore enact such laws and regulations as will moderate the excessive fortunes of the few and meet the basic needs of the myriad millions of the poor, that a degree of moderation may be achieved. However, absolute equality is just as untenable, for complete equality in wealth, power, commerce, agriculture, and industry would result in chaos and disorder, disrupt livelihoods, provoke universal discontent, and undermine the orderly conduct of the affairs of the community. For unjustified equality is also fraught with peril. It is preferable, then, that some measure of moderation be achieved, and by moderation is meant the enactment of such laws and regulations as would prevent the unwarranted concentration of wealth in the hands of the few and satisfy the essential needs of the many. For instance, the factory owners reap a fortune every day, but the wage the poor workers are paid cannot even meet their daily needs. This is most unfair, and assuredly no just man can accept it.

Different Degrees and Capacities of Man

Nevertheless, there will be preservation of degree because in the world of humanity there must needs be degrees. The body politic may well be likened to an army. In this army there must be a general, there must be a sergeant, there must be a marshal, there must be the infantry; but all must enjoy the greatest comfort and welfare.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 41.

The arrangements of the circumstances of the people must be such that poverty shall disappear, that everyone, as far as possible, according to his rank and position, shall share in comfort and well-being.

We see amongst us men who are overburdened with riches on the one hand, and on the other those unfortunate ones who starve with nothing; those who possess several stately palaces, and those who have not where to lay their head. Some we find with numerous courses of costly and dainty food; whilst others can scarce find sufficient crusts to keep them alive. Whilst some are clothed in velvets, furs and fine linen, others have insufficient, poor and thin garments with which to protect them from the cold.

- 'Abdu'l-Bahá: *Paris Talks*, p. 151.

Some are full of intelligence, others have an ordinary amount of it, and others again are devoid of intellect. In these three classes of

men there is order but not equality. How could it be possible that wisdom and stupidity should be equal? Humanity, like a great army, requires a general, captains, under-officers in their degree, and soldiers, each with their own appointed duties. Degrees are absolutely necessary to ensure an orderly organization. An army could not be composed of generals alone, or of captains only, or of nothing but soldiers without one in authority. The certain result of such a plan would be that disorder and demoralization would overtake the whole army.

- 'Abdu'l-Bahá: Paris Talks, p. 152.

The essence of the matter is that divine justice will become manifest in human conditions and affairs, and all mankind will find comfort and enjoyment in life. It is not meant that all will be equal, for inequality in degree and capacity is a property of nature. Necessarily there will be rich people and also those who will be in want of their livelihood, but in the aggregate community there will be equalization and readjustment of values and interests.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 132. Jersey City, New Jersey, 19 May 1912.

For the community needs financier, farmer, merchant and labourer just as an army must be composed of commander, officers and privates. All cannot be commanders; all cannot be officers or privates. Each in his station in the social fabric must be competent—each in his function according to ability but with justness of opportunity for all.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 216. New York, 1 July 1912.

When the laws He has instituted are carried out, there will be no millionaires possible in the community and likewise no extremely poor. This will be effected and regulated by adjusting the different degrees of human capacity.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 217. New York, 1 July 1912.

Social inequality is the inevitable outcome of the natural inequality of man. Human beings are different in ability and should,

*therefore, be different in their social and economic standing.
Extremes of wealth and poverty should, however, be abolished*

-Shoghi Effendi: Directives of the Guardian, p. 20

Professions and Crafts

a) Work and Professions

... Whatever the progress of the machinery may be, man will have always to toil in order to earn his living. Effort is an inseparable part of man's life. It may take different forms with the changing conditions of the world, but it will be always present as a necessary element in our earthly existence. Life is after all a struggle. Progress is attained through struggle, and without such a struggle life ceases to have a meaning; it becomes even extinct. The progress of machinery has not made effort unnecessary. It has given it a new form, a new outlet.

-Shoghi Effendi: Lights of Guidance, p. 551. (From a letter written on behalf of Shoghi Effendi to an individual believer, December 26, 1935.)

It is enjoined upon every one of you to engage in some form of occupation, such as crafts, trades and the like. We have graciously exalted your engagement in such work to the rank of worship unto God, the True One. Ponder ye in your hearts the grace and the blessings of God and render thanks unto Him at eventide and at dawn. Waste not your time in idleness and sloth. Occupy yourselves with that which profiteth yourselves and others. Thus hath it been decreed in this Tablet from whose horizon the day-star of wisdom and utterance shineth resplendent.

The most despised of men in the sight of God are those who sit idly and beg. Hold ye fast unto the cord of material means, placing your whole trust in God, the Provider of all means. When anyone occupieth himself in a craft or trade, such occupation itself is regarded in the estimation of God as an act of worship; and this is naught but a token of His infinite and all-pervasive bounty.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 26.

*With reference to Bahá'u'lláh's command concerning the engagement of the believers in some sort of profession; the teachings are most emphatic on this matter, particularly the statement in the *Aqdas* to this effect which makes it quite clear that idle people who lack the desire to work can have no place in the new World Order. As a corollary of this principle, Bahá'u'lláh further states that mendicity should not only be discouraged but entirely wiped out from the face of society. It is the duty of those who are in charge of the organization of society to give every individual the opportunity of acquiring the necessary talent in some kind of profession, and also the means of utilizing such a talent, both for its own sake and for the sake of earning the means of his livelihood. Every individual, no matter how handicapped and limited he may be, is under the obligation of engaging in some work or profession, for work, especially when performed in the spirit of service, is according to Bahá'u'lláh, a form of worship. It has not only a utilitarian purpose, but has a value in itself, because it draws us nearer to God, and enables us to better grasp His purpose for us in this world. It is obvious, therefore, that the inheritance of wealth cannot make anyone immune from daily work.*

-Shoghi Effendi: Directives of the Guardian, pp. 82-83

O MY SERVANTS!

Ye are the trees of My garden; ye must give forth goodly and wondrous fruits, that ye yourselves and others may profit therefrom. Thus it is incumbent on every one to engage in crafts and professions, for therein lies the secret of wealth, O men of understanding! For results depend upon means, and the grace of God shall be all-sufficient unto you. Trees that yield no fruit have been and will ever be for the fire.

O MY SERVANTS!

The basest of men are they that yield no fruit on earth. Such men are verily counted as among the dead, nay better are the dead in the sight of God than those idle and worthless souls.

O MY SERVANT!

The best of men are they that earn a livelihood by their calling and spend upon themselves and upon their kindred for the love of God, the Lord of all worlds.

-Bahá'u'lláh: *The Hidden Words*, Persian Nos. 80–82.

Having attained the stage of fulfilment and reached his maturity, man standeth in need of wealth, and such wealth as he acquireth through crafts or professions is commendable and praiseworthy in the estimation of men of wisdom, and especially in the eyes of servants who dedicate themselves to the education of the world and to the edification of its peoples.

-Bahá'u'lláh: *Tablets of Bahá'u'lláh*, p. 35.

b) Arts and Crafts

The people of Bahá should not deny any soul the reward due to him, should treat craftsmen with deference, and, unlike the people aforetime, should not defile their tongues with abuse.

In this Day the sun of craftsmanship shineth above the horizon of the occident and the river of arts is flowing out of the sea of that region. One must speak with fairness and appreciate such bounty.

-Bahá'u'lláh: *Tablets of Bahá'u'lláh*, pp. 38–39.

The third Tajalli [effulgence] is concerning arts, crafts and sciences. Knowledge is as wings to man's life, and a ladder for his ascent. Its acquisition is incumbent upon everyone. The knowledge of such sciences, however, should be acquired as can profit the peoples of the earth, and not those which begin with words and end with words. Great indeed is the claim of scientists and craftsmen on the peoples of the world.

-Bahá'u'lláh: *Tablets of Bahá'u'lláh*, pp. 51–52.

Agriculture and the Farmer

To solve this problem [economics] we must begin with the farmer; there will we lay a foundation for system and order because the peasant class and the agricultural class exceed other classes in the importance of their service.

-'Abdu'l-Bahá: *Foundations of World Unity*, p. 39.

The question of economics must commence with the farmer and then be extended to the other classes inasmuch as the number of farmers is greater than all other classes, many many times greater. Therefore, it is fitting that the economic problem be first solved

with the farmer, for the farmer is the first active agent in the body politic. In brief, from among the wise men in every village a board should be organized and the affairs of that village should be under the control of that board.

- 'Abdu'l-Bahá: *Lights of Guidance*, p. 548. (Extract from a Tablet to an individual believer, 4 October 1912, translation corrected in the World Centre, December 1985.)

Special regard must be paid to agriculture. Although it hath been mentioned in the fifth place, unquestionably it precedeth the others.

-Bahá'u'lláh: *Tablets of Bahá'u'lláh*, p. 90.

Of course conditions in the East differ where the Countries are rarely industrial and mostly agricultural we should have to apply different laws from the West and that is why the principles of the Movement strike at the root which is common to them both.

'Abdu'l-Bahá has developed in various of His talks, which you will find in different compilations, the principles upon which the Bahá'í economic system would be based. A system that prevents among others the gradual control of wealth in the hands of a few and the resulting state of both extremes, wealth and poverty.

-Shoghi Effendi: *Lights of Guidance*, p. 549. (From a letter written on behalf of Shoghi Effendi to an individual believer, 28 October 1927: Extracts from the Bahá'í Writings on the Subject of Agriculture and Related Subjects, A Compilation of the Universal House of Justice.)

As to your fourth question, Shoghi Effendi believes that it is preferable not to confuse the methods explained by the Master with present systems. They may have many resemblances but also many points of difference. Moreover these general statements we have in the teachings have to be explained and applied by the House of Justice before we can really appreciate their significance.

-Shoghi Effendi: *Lights of Guidance*, p. 549. (From a letter written on behalf of Shoghi Effendi to an individual believer, 21 October 1932: Extracts from the Bahá'í Writings on the Subject of Agriculture and Related Subjects, A Compilation of the Universal House of Justice.)

Capitalist and Capitalism

If it be right for a capitalist to possess a large fortune, it is equally just that his workman should have a sufficient means of existence.

- 'Abdu'l-Bahá: *Paris Talks*, p. 153.

... the best course is to seek moderation, which is for the wealthy to recognize the advantages of moderation in the acquisition of profits and to show regard for the welfare of the poor and the needy, that is, to fix a daily wage for the workers and also to allot them a share of the total profits of the factory - 'Abdu'l-Bahá: *Some Answered Questions*, p. 318.

There is nothing in the teachings against some kind of capitalism; its present form, though, would require adjustments to be made.

-Shoghi Effendi: *Directives of the Guardian*, p. 20; and *Lights of Guidance*, p. 551. (From a letter written on behalf of the Guardian to an individual believer, 19 November 1945: *Bahá'í News*, No. 210, August 1948, p. 3.)

Workmen and Industry

a) Factory—Labourers and Workmen

Laws must be made because it is impossible for the labourers to be satisfied with the present system. They will strike every month and every year. Finally, the capitalists will lose.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 44.

... insofar as the mutual rights of the factory owners and the workers are concerned, laws must be enacted that would enable the former to make reasonable profits and the latter to be provided with their present necessities and their future needs,

- 'Abdu'l-Bahá: *Some Answered Questions*, p. 318.

For their part, the workers should not make excessive demands, be recalcitrant, ask for more than they deserve, or go on strike. They should obey and comply and make no demands for exorbitant wages. Rather, the mutual and equitable rights of both parties should be officially fixed and established

- 'Abdu'l-Bahá: *Some Answered Questions*, p. 318.

b) Factory—Shares and Profits

... to fix a daily wage for the workers and also to allot them a share of the total profits of the factory.

- 'Abdu'l-Bahá: *Some Answered Questions*, p. 318.

Also, every factory that has ten thousand shares will give two thousand shares of these ten thousand to its employees and will write the shares in their names, so that they may have them, and the rest will belong to the capitalists. Then at the end of the month or year whatever they may earn after the expenses and wages are paid, according to the number of shares, should be divided among both.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 43.

Wages

In brief, insofar as the mutual rights of the factory owners and the workers are concerned, laws must be enacted that would enable the former to make reasonable profits and the latter to be provided with their present necessities and their future needs, so that if they become incapacitated, grow old, or die and leave

behind small children, they or their children will not be overcome by dire poverty but will receive a modest pension from the revenues of the factory itself.

- 'Abdu'l-Bahá: *Some Answered Questions*, p. 318.

For instance, the owners of properties, mines and factories should share their incomes with their employees and give a fairly certain percentage of their products to their workingmen in order that the employees may receive, beside their wages, some of the general income of the factory so that the employee may strive with his soul in the work.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 43.

The Master has definitely stated that wages should be unequal, simply because that men are unequal in their ability and hence should receive wages that would correspond to their varying capacities and resources.

-Shoghi Effendi: *Directives of the Guardian*, p. 20; and *Lights of Guidance*, p. 551. (From a letter written on behalf of Shoghi Effendi to an individual believer, 26 December 1935.)

This view [refer to previous paragraph] seems to contradict the opinion of some modern economists. But the friends should have full confidence in the words of the Master, and should give preference to His statements over those voiced by our so-called modern thinkers.

-Shoghi Effendi: *Lights of Guidance*, p. 551. (From a letter written on behalf of Shoghi Effendi to an individual believer, 26 December 1935.)

Representatives of the Wage-earning Classes

... in the industrial world, where the representatives of the wage-earning classes, either through violence or persuasion, are capturing the seats of authority and wielding the sceptre of power: in the field of religion, where we have lately witnessed widespread

and organized attempts to broaden and simplify the basis of man's faith, to achieve unity in Christendom and restore the regenerating vigour of Islám; in the heart of society itself, where the ominous signs of increasing extravagance and profligacy are but lending fresh impetus to the forces of revolt and reaction that are growing more distinct every day—in these as in many others we have much cause for alarm, but much to be hopeful and thankful for also.

-Shoghi Effendi: Bahá'í Administration, p. 146.

Trade Unions

Regarding your question about trade unions: The Guardian considers that this is a matter for each National Spiritual Assembly to advise the believers on. As long as the trade unions are not members of any particular political party, there does not seem to be any objection to the Bahá'ís belonging to them.

-Shoghi Effendi: Lights of Guidance, p. 628. (From the Guardian's secretary in a letter written on his behalf dated 2 February 1951.)

Retirement

As to the question of retirement from work for individuals who have reached a certain age, this is a matter on which the International House of Justice will have to legislate as there are no provisions in the Aqdas concerning it.

-Shoghi Effendi: Directives of the Guardian, p. 83; and Lights of Guidance, p. 626. (From a letter written on behalf of the Guardian to the National Spiritual Assembly of the United States and Canada, 22 March 1937: Principles of Bahá'í Administration, p. 12.)

Even though you are 79 years old, that does not seem in your case to be any handicap; and in this Cause, as the Guardian has told us

there is work for everyone of some sort, of whatever age he or she may be.

-Shoghi Effendi: *Lights of Guidance*, p. 626. (From a letter written on behalf of the Guardian to an individual believer, 23 August 1954: cited by the Universal House of Justice, 14 December 1970.)

Pensions

Therefore, laws and regulations should be enacted which would grant the workers both a daily wage and a share in a fourth or fifth of the profits of the factory in accordance with its means, or which would have the workers equitably share in some other way in the profits with the owners. For the capital and the management come from the latter and the toil and labour from the former. The workers could either be granted a wage that adequately meets their daily needs, as well as a right to a share in the revenues of the factory when they are injured, incapacitated, or unable to work, or else a wage could be set that allows the workers to both satisfy their daily needs and save a little for times of weakness and incapacity.

- 'Abdu'l-Bahá: *Some Answered Questions*, p. 317

Strikes

You have asked about strikes. Great difficulties have arisen and will continue to arise from this issue. The origin of these difficulties is twofold: One is the excessive greed and rapacity of the factory owners, and the other is the gratuitous demands, the greed, and the intransigence of the workers. One must therefore seek to address both.

Now, the root cause of these difficulties lies in the law of nature that governs present-day civilization, for it results in a handful of people accumulating vast fortunes that far exceed their needs, while the greater number remain naked, destitute, and helpless. This is at once contrary to justice, to humanity, and to fairness; it is the very height of inequity and runs counter to the good-pleasure of the All-Merciful.

This disparity is confined to the human race: Among other creatures, that is, among the animals, a certain kind of justice and equality prevails. Thus there is equality within a shepherd's flock, or within a herd of deer in the wilderness, or among the songbirds that dwell in the mountains, plains, and orchards. The animals of every species enjoy a measure of equality and do not differ greatly from one another in their means of existence, and thus they live in perfect peace and joy.

It is quite otherwise with the human race, where the greatest oppression and injustice are to be found. Thus you can observe, on the one hand, a single person who has amassed a fortune, made an entire country his personal dominion, acquired immense wealth, and secured an unceasing flow of gains and profits, and, on the other, a hundred thousand helpless souls—weak, powerless, and wanting even a mouthful of bread. There is neither equality here nor benevolence. Observe how, as a result, general peace and happiness have become so wanting, and the welfare of humanity so undermined, that the lives of a vast multitude have been rendered fruitless! For all the wealth, power, commerce, and industry are concentrated in the hands of a few individuals, while all others toil under the burden of endless hardships and difficulties, are bereft of advantages and benefits, and remain deprived of comfort and peace. One must therefore enact such laws and regulations as will

moderate the excessive fortunes of the few and meet the basic needs of the myriad millions of the poor, that a degree of moderation may be achieved.

However, absolute equality is just as untenable, for complete equality in wealth, power, commerce, agriculture, and industry would result in chaos and disorder, disrupt livelihoods, provoke universal discontent, and undermine the orderly conduct of the affairs of the community. For unjustified equality is also fraught with peril. It is preferable, then, that some measure of moderation be achieved, and by moderation is meant the enactment of such laws and regulations as would prevent the unwarranted concentration of wealth in the hands of the few and satisfy the essential needs of the many. For instance, the factory owners reap a fortune every day, but the wage the poor workers are paid cannot even meet their daily needs: This is most unfair, and assuredly no just man can accept it. Therefore, laws and regulations should be enacted which would grant the workers both a daily wage and a share in a fourth or fifth of the profits of the factory in accordance with its means, or which would have the workers equitably share in some other way in the profits with the owners. For the capital and the management come from the latter and the toil and labour from the former. The workers could either be granted a wage that adequately meets their daily needs, as well as a right to a share in the revenues of the factory when they are injured, incapacitated, or unable to work, or else a wage could be set that allows the workers to both satisfy their daily needs and save a little for times of weakness and incapacity.

If matters were so arranged, neither would the factory owners amass each day a fortune which is absolutely of no use to them—for should one's fortune increase beyond measure, one would come

under a most heavy burden, become subject to exceeding hardships and troubles, and find the administration of such an excessive fortune to be most difficult and to exhaust one's natural powers—nor would the workers endure such toil and hardship as to become incapacitated and to fall victim, at the end of their lives, to the direst need.

It is therefore clearly established that the appropriation of excessive wealth by a few individuals, notwithstanding the needs of the masses, is unfair and unjust, and that, conversely, absolute equality would also disrupt the existence, welfare, comfort, peace, and orderly life of the human race. Such being the case, the best course is therefore to seek moderation, which is for the wealthy to recognize the advantages of moderation in the acquisition of profits and to show regard for the welfare of the poor and the needy, that is, to fix a daily wage for the workers and also to allot them a share of the total profits of the factory.

In brief, insofar as the mutual rights of the factory owners and the workers are concerned, laws must be enacted that would enable the former to make reasonable profits and the latter to be provided with their present necessities and their future needs, so that if they become incapacitated, grow old, or die and leave behind small children, they or their children will not be overcome by dire poverty but will receive a modest pension from the revenues of the factory itself.

For their part, the workers should not make excessive demands, be recalcitrant, ask for more than they deserve, or go on strike. They should obey and comply and make no demands for exorbitant wages. Rather, the mutual and equitable rights of both parties should be officially fixed and established according to the laws of

justice and compassion, and any party that violates them should be condemned after a fair hearing and be subject to a definitive verdict enforced by the executive branch, so that all affairs may be appropriately ordered and all problems adequately resolved.

The intervention of the government and the courts in the problems arising between owners and workers is fully warranted, since these are not such particular matters as are ordinary transactions between two individuals, which do not concern the public and in which the government should have no right to interfere. For problems between owners and workers, though they may appear to be a private matter, are detrimental to the common good, since the commercial, industrial, and agricultural affairs, and even the general business of the nation, are all intimately linked together: An impairment to one is a loss to all. And since the problems between owners and workers are detrimental to the common good, the government and the courts have therefore the right to intervene.

Even in the case of differences that arise between two individuals with regard to particular rights, a third party, namely the government, is needed to resolve the dispute. How, then, can the problem of strikes, which entirely disrupt the country—whether they arise from the inordinate demands of the workers or the excessive greed of the factory owners—remain neglected?

Gracious God! How can one see one's fellow men hungry, destitute, and deprived, and yet live in peace and comfort in one's splendid mansion? How can one see others in the greatest need and yet take delight in one's fortune? That is why it has been decreed in the divine religions that the wealthy should offer up each year a portion of their wealth for the sustenance of the poor and the assistance of the needy. This is one of the foundations of

the religion of God and is an injunction binding upon all. And since in this regard one is not outwardly compelled or obliged by the government, but rather aids the poor at the prompting of one's own heart and in a spirit of joy and radiance, such a deed is most commendable, approved, and pleasing.

This is the meaning of the righteous deeds mentioned in the heavenly Books and Scriptures.

- 'Abdu'l-Bahá: Some Answered Questions, pp. 315-320

Today the method of demand is the strike and resort to force, which is manifestly wrong and destructive of human foundations. Rightful privilege and demand must be set forth in laws and regulations.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 238. Boston, Massachusetts, 23 July 1912.

Socialization

The question of socialization is very important. It will not be solved by strikes for wages.

- 'Abdu'l-Bahá: Foundations of World Unity, p. 43.

Unemployment

That inter-governmental debts have imposed a severe strain on the masses of the people in Europe, have upset the equilibrium of national budgets, have crippled national industries, and led to an increase in the number of the unemployed, is no less apparent to an unprejudiced observer.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 3

Industrial Slavery

“Between 1860 and 1865 you did a wonderful thing; you abolished chattel slavery; but today you must do a much more wonderful thing: you must destroy ‘industrial slavery’ ...”

- ‘Abdu’l-Bahá: Star of the West, Vol. VII, No. 15, p. 147. Quoted by J. E. Esselmont in Bahá’u’lláh and the New Era, Industrial Slavery section, p. 137.

Science and technology

Science cannot create amity and fellowship in human hearts.

- ‘Abdu’l-Bahá: The Promulgation of Universal Peace, p. 171. New York, 8 June 1912.

The development and progress of a nation is according to the measure and degree of that nation’s scientific attainments. Through this means its greatness is continually increased, and day by day the welfare and prosperity of its people are assured.

- ‘Abdu’l-Bahá: The Promulgation of Universal Peace, p. 49. Washington, D.C., 23 April 1912.

A scientific man is a true index and representative of humanity, for through processes of inductive reasoning and research he is informed of all that appertains to humanity, its status, conditions and happenings. He studies the human body politic, understands social problems and weaves the web and texture of civilization. In fact, science may be likened to a mirror wherein the infinite forms and images of existing things are revealed and reflected. It is the very foundation of all individual and national development. Without this basis of investigation, development is impossible.

- ‘Abdu’l-Bahá: The Promulgation of Universal Peace, p. 50. Washington, D.C., 23 April 1912.

Use of Technical Knowledge

According to some accounts, mankind has been directed to borrow various good qualities and ways from wild animals, and to learn a lesson from these. Since it is permissible to imitate virtues of dumb animals, it is certainly far more so to borrow material sciences and techniques from foreign peoples, who at least belong to the human race and are distinguished by judgement and the power of speech. And if it be contended that such praiseworthy qualities are inborn in animals, by what proof can they claim that these essential principles of civilization, this knowledge and these sciences current among other peoples, are not inborn?

- 'Abdu'l-Bahá: The Secret of Divine Civilization, p. 30.

It has now been clearly and irrefutably shown that the importation from foreign countries of the principles and procedures of civilization, and the acquisition from them of sciences and techniques—in brief, of whatsoever will contribute to the general good—is entirely permissible.

- 'Abdu'l-Bahá: The Secret of Divine Civilization, pp. 31–32.

Can we maintain that it is contrary to the fundamentals of the Faith to encourage the acquisition of useful arts and of general knowledge, to inform oneself as to the truths of such physical sciences as are beneficial to man, and to widen the scope of industry and increase the products of commerce and multiply the nation's avenues of wealth? Would it conflict with the worship of God to establish law and order in the cities and organize the rural districts, to repair the roads and build railroads and facilitate transportation and travel and thus increase the people's well-being? Would it be inconsistent with the Divine commands and

prohibitions if we were to work the abandoned mines which are the greatest source of the nation's wealth, and to build factories, from which come the entire people's comfort, security and affluence? Or to stimulate the creation of new industries and to promote improvements in our domestic products?

- 'Abdu'l-Bahá: The Secret of Divine Civilization, pp. 101–102.

One should regard the other technological advances, sciences, arts and political formulae of proven usefulness in the same light—i.e., those procedures which, down the ages, have time and again been put to the test and whose many uses and advantages have demonstrably resulted in the glory and greatness of the state, and the well-being and progress of the people. Should all these be abandoned, for no valid reason, and other methods of reform be attempted, by the time such reforms might eventuate, and their advantages might be put to proof, many years would go by, and many lives.

- 'Abdu'l-Bahá: The Secret of Divine Civilization, pp. 113–114.

Wastage on Wars

Peace is the pretext, and night and day they are all straining every nerve to pile up more weapons of war, and to pay for this their wretched people must sacrifice most of whatever they are able to earn by their sweat and toil. How many thousands have given up their work in useful industries and are labouring day and night to produce new and deadlier weapons which would spill out the blood of the race more copiously than before.

Each day they invent a new bomb or explosive and then the governments must abandon their obsolete arms and begin

producing the new, since the old weapons cannot hold their own against the new.

- 'Abdu'l-Bahá: The Secret of Divine Civilization, pp. 61–62.

Observe that if such a happy situation be forthcoming, no government would need continually to pile up the weapons of war, nor feel itself obliged to produce ever new military weapons with which to conquer the human race. A small force for the purposes of internal security, the correction of criminal and disorderly elements and the prevention of local disturbances, would be required—no more. In this way the entire population would, first of all, be relieved of the crushing burden of expenditure currently imposed for military purposes, and secondly, great numbers of people would cease to devote their time to the continual devising of new weapons of destruction

- 'Abdu'l-Bahá: The Secret of Divine Civilization, pp. 65–66.

It is incumbent upon the ministers of the House of Justice to promote the Lesser Peace so that the people of the earth may be relieved from the burden of exorbitant expenditures. This matter is imperative and absolutely essential, inasmuch as hostilities and conflict lie at the root of affliction and calamity.

- Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 89.

... fathers, mothers, children in grief and lamentation, the foundations of life overturned, cities laid waste and fertile lands made desolate by the ravages of war. These conditions are the outcome of hostility and hatred between nations and peoples of religion who imitate and adhere to the forms and violate the spirit and reality of the divine teachings.

- Abdu'l-Bahá, The Promulgation of Universal Peace, p. 439, New York, 17 November 1912

If two nations were at war in olden times, ten or twenty thousand would be sacrificed, but in this century the destruction of one hundred thousand lives in a day is quite possible. So perfected has the science of killing become and so efficient the means and

instruments of its accomplishment that a whole nation can be obliterated in a short time.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, pp. 123–124. New York, 13 May 1912.

... the vast and ever-swelling army of the unemployed with its crushing burden and demoralizing influence on governments and peoples; the wicked, unbridled race of armaments swallowing an ever-increasing share of the substance of already impoverished nations;

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 32.

That the spirit of vindictiveness, of suspicion, of fear and rivalry, engendered by the war, and which the provisions of the Peace Treaties have served to perpetuate and foster, has led to an enormous increase of national competitive armaments, involving during the last year the aggregate expenditure of no less than a thousand million pounds, which in turn has accentuated the effects of the world-wide depression, is a truth that even the most superficial observer will readily admit.

-Shoghi Effendi: The World Order of Baha'u'llah, p 35.

The enormous energy dissipated and wasted on war, whether economic or political, will be consecrated to such ends as will extend the range of human inventions and technical development, to the increase of the productivity of mankind, to the extermination of disease, to the extension of scientific research, to the raising of the standard of physical health, to the sharpening and refinement of the human brain, to the exploitation of the unused and unsuspected resources of the planet, to the prolongation of human life, and to the furtherance of any other agency that can stimulate the intellectual, the moral, and spiritual life of the entire human race.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 204.

Storehouses and Taxation

a) Village Storehouses

The solution begins with the village, and when the village is reconstructed, then the cities will be also. The idea is this, that in each village will be erected a storehouse. In the language of Religion it is called the House of Finance. That is a universal storehouse, which is commenced in the village. Its administration is through a committee of the wise ones of the community, and with the approval of that committee all the affairs are directed.

- 'Abdu'l-Bahá: Quoted by George Orr Latimer in *Light of the World*, 1920, p. 47; and *The Bahá'í World*, Vol. IV, p. 450.

In brief, from among the wise men in every village a board should be organized and the affairs of that village should be under the control of that board.

- 'Abdu'l-Bahá: *Lights of Guidance*, p. 548. (Extract from a Tablet to an individual believer, 4 October 1912, translation corrected in the World Centre, December 1985.)

Likewise a general storehouse should be founded with the appointment of a secretary. At the time of the harvest, with the approval of the members of that board, a determined percentage of the entire harvest should be appropriated for the storehouse.

- 'Abdu'l-Bahá: *Lights of Guidance*, p. 548. (Extract from a Tablet to an individual believer, 4 October 1912, translation corrected in the World Centre, December 1985.)

The board of the house of finance (storehouse) will direct in every village the revenues of the house such as tithes, tax on animals, etc. In every village a storehouse and an officer-in-charge are to be provided while the notables of the village gather and form a board and to this board and officer the direction of the affairs of the

village are entrusted. They take charge of all the questions pertaining to the village and the revenues of the storehouse such as tithes, tax on animals and other revenues are gathered in it and are given out for necessary expenditures.

- 'Abdu'l-Bahá: Extract from a Tablet of 'Abdu'l-Bahá dated 25 July 1919, to an individual believer, sent by the Universal House of Justice to the compiler.

b) City Storehouses

For larger cities, naturally, there will be a system on a larger scale. Were I to go into that solution the details thereof would be very lengthy.

- 'Abdu'l-Bahá: Foundations of World Unity, p. 41.

c) Storehouse Revenues

The storehouse is to have seven revenues: Tithes, taxes on animals, wealth without inheritors, all things found whose owners cannot be discovered, a third of all treasures (money) found in the earth, a third of the mines, and voluntary contributions.

- 'Abdu'l-Bahá: Lights of Guidance, p. 548. (Extract from a Tablet to an individual believer, dated 4 October, 1912, translation corrected in the World Centre, December 1985)

As to the revenues of the storehouse, the House of justice must strive by every means possible to increase that amount, i.e. by every just means.

- 'Abdu'l-Bahá: Extract from a Tablet of 'Abdu'l-Bahá dated 25 July 1919, to an individual believer, sent by the Universal House of Justice to the compiler.

First, whatever contributions are necessary, they obtain from the bank at interest. For instance, they borrow from the bank at three per cent and loan to the public at four per cent. Any farmer who is

in need of implements, they supply and give him all his necessities. When the crop is harvested, it will be the first income (of the store-house). The first revenue is this. But this revenue is not equally distributed. For instance, a person may have a crop of one thousand kilos and this is only sufficient for his wants and living. From him nothing will be taken because he needs it all. If something is taken from him, he will remain hungry. But again, there may be one whose needs require one thousand kilos and his income is two thousand kilos. From him one-tenth is taken. Again, one needs two thousand kilos, but his income is ten thousand kilos. From him two-tenths will be taken. He needs two thousand kilos. If two thousand are taken from him he still has six thousand remaining. One has fifty thousand kilos, from him one-third is taken. One may have ten thousand kilos expenses, but has one hundred thousand kilos income. One-half is taken. The greater the income, the greater is the ratio (of taxation).

Second: It is also the same with the cattle. They take proportionately the revenue from the cattle. For example, if a man has two cows necessary for his wants, nothing is taken from him. The more he has, the more is taken from him. This is the second revenue.

The third revenue of the store-house comes from one who dies without heirs.

The fourth revenue comes from mines. If a mine is found upon the land of a person, one-third of it belongs to him and the remainder to the store-house.

The fifth revenue is hidden treasure. If a person finds a hidden treasure (in the earth) he takes half of it, and the other half goes to the store-house.

The sixth revenue. If it (treasure) is found on the way, also half of it belongs to the store-house.

The seventh revenue is voluntary contributions. Of their own free will and with the utmost willingness, the people will give.

- 'Abdu'l-Bahá: Quoted by George Orr Latimer in *Light of the World*, 1920. pp. 47–48; and *The Bahá'í World*, Vol. IV, p. 450.

d) Storehouse Expenditures

On the other hand, there are seven expenditures:

- 1. General running expenses of the institution—salaries etc., and the administration of public safety, including the department of hygiene.*
- 2. Tithes to the general government (State).*
- 3. Taxes on animals for the State.*
- 4. Support of an orphanage.*
- 5. Support of cripples and the incurable.*
- 6. Support of educational institutions.*
- 7. Supplying any deficiency for the expenses of the poor.*

- 'Abdu'l-Bahá: *Lights of Guidance*, pp. 548–549. (Extract from a Tablet to an individual believer, dated 4 October 1912, translation corrected in the World Centre, December 1985.)

These are the seven revenues, but there are seven fixed expenditures.

The first expenditure: The store-house ought to give one-tenth to the Government, to the public treasury for the public expenses.

The second expenditure is for the poor. The poor who are in need, those who are exempt, not those who are idle. For instance, if a person's crop is burned or he has a loss in his business, and for this reason has become poor; these poor people are to be taken care of.

Third: The infirm, who come to want and cannot work.

Fourth: The orphans. To them also help must be given.

Fifth: The schools. The schools must be organized for the education of the children.

Sixth: For the deaf and blind.

Seventh: Public health. Whatever is necessary for the public health must be arranged. Swamps should be filled up, water should be brought in; whatever is necessary for the public health.

- 'Abdu'l-Bahá: Quoted by George Orr Latimer in *Light of the World*, 1920. pp. 48–49; and *The Bahá'í World*, Vol. IV, pp. 450–451.

e) The National Treasury

If there is something left over (after these expenditures) it should be given to the Great House of Justice. And thus there will be no want in the village. The people will not remain hungry, they will not remain naked. All will be in the utmost welfare and comfort.

- 'Abdu'l-Bahá: Quoted by George Orr Latimer in *Light of the World*, 1920, p. 49.

The farmers will be taken care of and if after all these expenses are defrayed any surplus is found in the storehouse it must be transferred to the national treasury.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 40.

If anything is left in the storehouse, that must be transferred to the general treasury of the nation for general national expenses.

- 'Abdu'l-Bahá: Letter to an individual dated 4 October 1912, sent by the Universal House of Justice to the compiler

f) Trustees

Certain trustees will be elected by the people in a given village to look after these transactions.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 40.

g) Trusts

No more trusts will remain in the future. The question of the trusts will be wiped away entirely.

h) Taxation

O kings of the earth! We see you increasing every year your expenditures, and laying the burden thereof on your subjects. This, verily, is wholly and grossly unjust. Fear the sighs and tears of this wronged One, and lay not excessive burdens on your peoples. Do not rob them to rear palaces for yourselves; nay rather choose for them that which ye choose for yourselves.

- Bahá'u'lláh: *Gleanings from the Writings of Bahá'u'lláh*, p. 253; and *The Proclamation of Bahá'u'lláh*, p. 12.

As to the first [revenue], the tenths or tithes: we will consider a farmer, one of the peasants. We will look into his income. We will find out, for instance, what is his annual revenue and also what are his expenditures. Now, if his income be equal to his expenditures, from such a farmer nothing whatever will be taken. That is, he will not be subjected to taxation of any sort, needing as he does all his income. Another farmer may have expenses running up to one thousand dollars we will say, and his income is two thousand dollars. From such an one a tenth will be required, because he has a surplus. But if his income be ten thousand dollars and his expenses one thousand dollars or his income twenty thousand dollars, he will have to pay as taxes, one-fourth. If his income be one hundred thousand dollars and his expenses five thousand, one-third will he have to pay because he has still a surplus since his expenses are five thousand and his income one hundred thousand. If he pays, say, thirty-five thousand dollars, in addition to the expenditure of five thousand he still has sixty thousand left. But if his expenses be ten thousand and his income two hundred thousand then he must give an even half because ninety thousand will be in that case the sum remaining. Such a scale as this will determine allotment of taxes. All the income from such revenues will go to this general storehouse.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 40.

Each person in the community whose need is equal to his individual producing capacity shall be exempt from taxation. But if his income is greater than his needs, he must pay a tax until an adjustment is effected. That is to say, a man's capacity for production and his needs will be equalized and reconciled through taxation. If his production exceeds, he will pay a tax; if his necessities exceed his production, he shall receive an amount sufficient to equalize or adjust. Therefore, taxation will be proportionate to capacity and production, and there will be no poor in the community.

Bahá'u'lláh, likewise, commanded the rich to give freely to the poor. In the Kitáb-i-Aqdas it is further written by Him that those who have a certain amount of income must give one-fifth of it to God, the Creator of heaven and earth.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 217. New York, 1 July 1912.

Rate of Interest

Many people stand in need of this. Because if there were no prospect for gaining interest, the affairs of men would suffer collapse or dislocation. One can seldom find a person who would manifest such consideration towards his fellow-man, his countryman or towards his own brother and would show such tender solicitude for him as to be well-disposed to grant him a loan on benevolent terms. [Such loans as bear no interest and are repayable whenever the borrower pleases]. Therefore as a token of favour towards men We have prescribed that interest on money should be treated like other business transactions that are current amongst men. Thus, ... it is lawful and proper to charge interest on money, that the people of the world may, in a spirit of amity and

fellowship and with joy and gladness, devotedly engage themselves in magnifying the Name of Him Who is the Well-Beloved of all mankind. ... He hath now made interest on money lawful, even as He had made it unlawful in the past.

... However, this is a matter that should be practised with moderation and fairness. ...

Nevertheless the conduct of these affairs hath been entrusted to the men of the House of Justice that they may enforce them according to the exigencies of the time and the dictates of wisdom.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, pp. 133–134.

Wealth

Wealth is praiseworthy in the highest degree, if it is acquired by an individual's own efforts and the grace of God, in commerce, agriculture, art and industry, and if it be expended for philanthropic purposes. Above all, if a judicious and resourceful individual should initiate measures which would universally enrich the masses of the people, there could be no undertaking greater than this, and it would rank in the sight of God as the supreme achievement, for such a benefactor would supply the needs and insure the comfort and well-being of a great multitude. Wealth is most commendable, provided the entire population is wealthy. If, however, a few have inordinate riches while the rest are impoverished, and no fruit or benefit accrues from that wealth, then it is only a liability to its possessor. If, on the other hand, it is expended for the promotion of knowledge, the founding of elementary and other schools, the encouragement of art and industry, the training of orphans and the poor—in brief, if it is dedicated to the welfare of society—its possessor will stand out

before God and man as the most excellent of all who live on earth and will be accounted as one of the people of paradise.

- 'Abdu'l-Bahá: The Secret of Divine Civilization, pp. 24–25.

a) The Distribution of Wealth

That the financial obligations contracted in the course of the war, as well as the imposition of a staggering burden of reparations upon the vanquished, have, to a very great extent, been responsible for the mal-distribution and consequent shortage of the world's monetary gold supply, which in turn has, to a very great measure, accentuated the phenomenal fall in prices and thereby relentlessly increased the burdens of impoverished countries, no impartial mind would question.

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 35.

b) The Limitation of Wealth

Hearts must be so cemented together, love must become so dominant that the rich shall most willingly extend assistance to the poor and take steps to establish these economic adjustments permanently. If it is accomplished in this way, it will be most praiseworthy because then it will be for the sake of God and in the pathway of His service.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 239. Boston, 23 July 1912.

There must be special laws made, dealing with these extremes of riches and of want. The members of the Government should consider the laws of God when they are framing plans for the

ruling of the people. The general rights of mankind must be guarded and preserved.

- 'Abdu'l-Bahá: *Paris Talks*, pp. 153–154.

The rich too must be merciful to the poor, contributing from willing hearts to their needs without being forced or compelled to do so. -

'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 107. Pittsburgh, 7 May 1912.

The greatest means for prevention is that whereby the laws of the community will be so framed and enacted that it will not be possible for a few to be millionaires and many destitute. One of Bahá'u'lláh's teachings is the adjustment of means of livelihood in human society. Under this adjustment there can be no extremes in human conditions as regards wealth and sustenance.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 216. New York, 1 July 1912.

Social inequality is the inevitable outcome of the natural inequality of man. Human beings are different in ability and should, therefore, be different in their social and economic standing.

Extremes of wealth and poverty should, however, be abolished

-Shoghi Effendi: *Directives of the Guardian*, p. 20; and *Lights of Guidance*, p. 550. (From a letter written on behalf of Shoghi Effendi to an individual believer, 26 January 1935.)

Moderation

In all matters moderation is desirable. If a thing is carried to excess, it will prove a source of evil. Consider the civilization of the West, how it hath agitated and alarmed the peoples of the world. An infernal engine hath been devised, and hath proved so cruel a weapon of destruction that its like none hath ever witnessed or heard.

-Bahá'u'lláh: *Tablets of Bahá'u'lláh*, p. 69.

Fear ye God, and take heed not to outstrip the bounds of moderation, and be numbered among the extravagant.

-Bahá'u'lláh: *Gleanings from the Writings of Bahá'u'lláh*, p. 251.

Welfare

Regarding reciprocity and cooperation: each member of the body politic should live in the utmost comfort and welfare because each individual member of humanity is a member of the body politic and if one member of the members be in distress or be afflicted with some disease all the other members must necessarily suffer.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 38.

The good pleasure of God consists in the welfare of all the individual members of mankind.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 41.

Bahá'u'lláh set forth principles of guidance and teaching for economic readjustment. Regulations were revealed by Him which ensure the welfare of the commonwealth.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 181. Philadelphia, 9 June 1912.

Human brotherhood and dependence exist because mutual helpfulness and cooperation are the two necessary principles underlying human welfare.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 150. New York, 28 May 1912.

The Poor and Needy

Thou must show forth that which will ensure the peace and the well-being of the miserable and the downtrodden.

-Bahá'u'lláh: *Tablets of Baha'u'llah*, p. 84

Know ye that the poor are the trust of God in your midst. Watch that ye betray not His trust, that ye deal not unjustly with them and that ye walk not in the ways of the treacherous. Ye will most certainly be called upon to answer for His trust on the day when the Balance of Justice shall be set, the day when unto every one shall be rendered his due, when the doings of all men, be they rich or poor, shall be weighed.

-Bahá'u'lláh: Gleanings from the Writings of Bahá'u'lláh, p. 251; and The Proclamation of Bahá'u'lláh, p. 9.

All have been enjoined to earn a living, and as for those who are incapable of doing so, it is incumbent on the Deputies of God and on the wealthy to make adequate provision for them.

-Bahá'u'lláh: The Kitáb-i-Aqdas, para. 147, p. 72.

O SON OF MAN!

Should prosperity befall thee, rejoice not, and should abasement come upon thee, grieve not, for both shall pass away and be no more.

O SON OF BEING!

If poverty overtake thee, be not sad; for in time the Lord of wealth shall visit thee. Fear not abasement, for glory shall one day rest on thee.

O SON OF MAN!

Bestow My wealth upon My poor, that in heaven thou mayest draw from stores of unfading splendour and treasures of imperishable glory. But by My life! To offer up thy soul is a more glorious thing couldst thou but see with Mine eye.

-Baha'u'llah: The Hidden Words, Arabic Nos. 52, 53 and 57.

O CHILDREN OF DUST!

Tell the rich of the midnight sighing of the poor, lest heedlessness lead them into the path of destruction, and deprive them of the Tree

of Wealth. To give and to be generous are attributes of Mine; well is it with him that adorneth himself with My virtues.

O SON OF MY HANDMAID!

Be not troubled in poverty nor confident in riches, for poverty is followed by riches, and riches are followed by poverty. Yet to be poor in all save God is a wondrous gift, belittle not the value thereof, for in the end it will make thee rich in God, and thus thou shalt know the meaning of the utterance, "In truth ye are the poor," and the holy words, "God is the all-possessing," shall even as the true morn break forth gloriously resplendent upon the horizon of the lover's heart, and abide secure on the throne of wealth.

O YE RICH ONES ON EARTH!

The poor in your midst are My trust; guard ye My trust, and be not intent only on your own ease.

-Bahá'u'lláh: *The Hidden Words*, Persian Nos. 49, 51 and 54.

O people of wealth and riches! If you see a poor man suffering from any calamity, do not run away from him but sit with him and ask him about the things heaped upon him from the seas of determination and predestination.

-'Abdu'l-Bahá: *The Bahá'í World*, Vol. IV, p. 453.

Then the orphans will be looked after, all of whose expenses will be taken care of. The cripples in the village—all their expenses will be looked after. The poor in the village—their necessary expenses will be defrayed. And other members who for valid reasons are incapacitated—the blind, the old, the deaf—their comfort must be looked after. In the village no one will remain in need or in want.

'Abdu'l-Bahá: *Foundations of World Unity*, p. 40.

The rich will enjoy the privilege of this new economic condition as well as the poor, for owing to certain provisions and restrictions they will not be able to accumulate so much as to be burdened by

its management, while the poor will be relieved from the stress of want and misery. The rich will enjoy his palace, and the poor will have his comfortable cottage.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 132. New Jersey, 19 May 1912.

What could be better before God than thinking of the poor? For the poor are beloved by our heavenly Father. When Christ came upon the earth, those who believed in Him and followed Him were the poor and lowly, showing that the poor were near to God.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 216. New York, 1 July 1912.

They who are possessed of riches, however, must have the utmost regard for the poor, for great is the honour destined by God for those poor who are steadfast in patience. By My life! There is no honour, except what God may please to bestow, that can compare to this honour. Great is the blessedness awaiting the poor that endure patiently and conceal their sufferings, and well is it with the rich who bestow their riches on the needy and prefer them before themselves.

Please God, the poor may exert themselves and strive to earn the means of livelihood. This is a duty which, in this most great Revelation, hath been prescribed unto every one, and is accounted in the sight of God as a goodly deed. Whoso observeth this duty, the help of the invisible One shall most certainly aid him. He can enrich, through His grace, whomsoever He pleaseth. He, verily, hath power over all things

- Baha'u'llah: Gleanings from the Writings of Bahá'u'lláh, pp. 202–203.

Regarding your question concerning helping the poor: The Bahá'ís should not go so far as to refrain from extending charity to the needy, if they are able and willing to do so. However, in this, as in many other things, they should exert moderation. The greatest gift that we can give to the poor and the down-trodden is to aid to build up the divine institutions inaugurated in this day by Bahá'u'lláh as these institutions, and this World Order when

established, will eliminate the causes of poverty and the injustices which afflict the poor. We should, therefore, do both, support our Bahá'í Fund, and also be kind and generous to the needy.

-Shoghi Effendi: *Lights of Guidance*, pp. 124–125. (From a letter written on his behalf to an individual believer, 11 March 1942.)

Charity and Endowment

This Bahá'í teaching of human fellowship and kindness implies that we must be always ready to extend every assistance and help we can to those who are in distress and suffering. Bahá'í charity is of the very essence of the Teachings, and should therefore be developed in every Bahá'í community. Charitable institutions such as orphanages, free schools and hospitals for the poor, constitute an indispensable part of the Mashriqu'l-Adhkár. It is the responsibility of every local Bahá'í community to insure the welfare of its poor and needy members, through whatever means possible.

But, of course, this extension of assistance to the poor, in whatever form, should under no circumstances be allowed to seriously interfere with the major collective interests of the Bahá'í Community, as distinguished from the purely personal interests of its members. The demands of the Cause transcend those of the individual, and should therefore be given precedence. But these two phases of Bahá'í social life, though not of equal importance, are by no means contradictory. Both of them are essential, and should be fostered, but each according to its own degree of importance. It is the responsibility of Bahá'í Assemblies to decide when individual interests should be subordinated to those affecting the collective welfare of the community. But, as already stated, the interest of the individual should always be safeguarded within

certain limits, and provided they do not seriously affect the welfare of the group as a whole.

-Shoghi Effendi: Lights of Guidance, pp. 120–121. (From a letter written on his behalf to an individual believer, 26 June 1936.

Charity is pleasing and praiseworthy in the sight of God and is regarded as a prince among goodly deeds. Consider ye and call to mind that which the All-Merciful hath revealed in the Qur'án: 'They prefer them before themselves, though poverty be their own lot. And with such as are preserved from their own covetousness shall it be well.' Viewed in this light, the blessed utterance above is, in truth, the day-star of utterances. Blessed is he who preferreth his brother before himself. Verily, such a man is reckoned, by virtue of the Will of God, the All-Knowing, the All-Wise, with the people of Bahá who dwell in the Crimson Ark.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 71.

It is not necessary to undertake special journeys to visit the resting-places of the dead. If people of substance and affluence offer the cost of such journeys to the House of Justice, it will be pleasing and acceptable in the presence of God. Happy are they that observe His precepts.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, pp. 27–28.

Everyone, whether man or woman, should hand over to a trusted person a portion of what he or she earneth through trade, agriculture or other occupation, for the training and education of children, to be spent for this purpose with the knowledge of the Trustees of the House of Justice.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 90.

As it is a blessed day [Naw-Rúz] it should not be neglected or left without results by making it a day limited to the fruits of mere pleasure. During such blessed days institutions should be founded that may be of permanent benefit and value to the people so that in their conversations and in history it may become widely known that

such a good work was inaugurated on such a feast day. Therefore, the intelligent must look searchingly into conditions to find out what important affair, what philanthropic institutions are most needed, and what foundations should be laid for the community on that particular day, so that they may be established. ... If the community be in need of spreading sciences and widening the circle of knowledge, on that day they should proceed in that direction, that is to say, direct the thoughts of all the people to that philanthropic cause. If, however, the community is in need of widening the circle of commerce or industry or agriculture, they should inaugurate the means of attaining the desired aim. If the community needs protection, proper support and care of orphans, they should act upon the welfare of the orphans, and so forth. Such undertakings as are beneficial to the poor, the weak and the helpless should be pursued in order that, on that day, through the unity of all and through great meetings, results may be obtained, the glory and blessings of that day may be declared and manifest.

- 'Abdu'l-Bahá: *A Blessed Day*, A talk published by Dr. Baher Forghani in *Days to Remember*, p. 26; part in *Lights of Guidance*, pp. 303–304; *Star of the West*, Vol. IX, No. 1, pp. 8–9; and cited in a compilation, prepared by the Office of Social and Economic Development, entitled *Social and Economic Development*.

Tithes

Bahá'u'lláh states that the Bahá'í law of Zakát [Tithes] follows “what hath been revealed in the Qur'án” (Q and A 107).

-Bahá'u'lláh: *The Kitáb-i-Aqdas*, *Questions and Answers* section, No. 107, p. 140.

Since such issues as the limits for exemption, the categories of income concerned, the frequency of payments, and the scale of rates for the various categories of Zakát are not mentioned in the Qur'án, these matters will have to be set forth in the future by the Universal House of Justice. Shoghi Effendi has indicated that pending such legislation the believers should, according to their

means and possibilities, make regular contributions to the Bahá'í Fund.

-Baha'u'llah: The Kitáb-i-Aqdas, Notes No. 161, p. 235.

Voluntary Sharing—Greater than Equality

To state the matter briefly, the Teachings of Bahá'u'lláh advocate voluntary sharing, and this is a greater thing than the equalization of wealth. For equalization must be imposed from without, while sharing is a matter of free choice.

Man reacheth perfection through good deeds, voluntarily performed, not through good deeds the doing of which was forced upon him. And sharing is a personally chosen righteous act: that is, the rich should extend assistance to the poor, they should expend their substance for the poor, but of their own free will, and not because the poor have gained this end by force. For the harvest of force is turmoil and the ruin of the social order. On the other hand voluntary sharing, the freely-chosen expending of one's substance, leadeth to society's comfort and peace.

- 'Abdu'l-Bahá: Selections from the Writings of 'Abdu'l-Bahá, p. 115.

And among the teachings of Bahá'u'lláh is voluntary sharing of one's property with others among mankind. This voluntary sharing is greater than equality, and consists in this, that man should not prefer himself to others, but rather should sacrifice his life and property for others. But this should not be introduced by coercion so that it becomes a law and man is compelled to follow it. Nay, rather, man should voluntarily and of his own choice sacrifice his property and life for others, and spend willingly for the poor, just as is done in Persia among the Bahá'ís.

- 'Abdu'l-Bahá: Selections from the Writings of 'Abdu'l-Bahá, p. 302.

In the Bolshevistic principles equality is effected through force. The masses who are opposed to the people of rank and to the wealthy class desire to partake of their advantages.

But in the divine teachings equality is brought about through a ready willingness to share. It is commanded as regards wealth that the rich among the people, and the aristocrats should, by their own free will and for the sake of their own happiness, concern themselves with and care for the poor. This equality is the result of the lofty characteristics and noble attributes of mankind.

- 'Abdu'l-Bahá: Foundations of World Unity, p. 44.

Divine Civilization

Material civilization has reached an advanced plane, but now there is need of spiritual civilization. Material civilization alone will not satisfy; it cannot meet the conditions and requirements of the present age; its benefits are limited to the world of matter. There is no limitation to the spirit of man, for spirit in itself is progressive, and if the divine civilization be established, the spirit of man will advance.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 101. Cleveland, Ohio, 6 May 1912.

Every developed susceptibility will increase the effectiveness of man. Discoveries of the real will become more and more possible, and the influence of divine guidance will be increasingly recognized. All this is conducive to the divine form of civilization. ... The world shall at last find peace, and the equalities and rights of men shall be established. The capacity of humankind will be tested, and a degree shall be attained where equality is a reality.

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, pp. 101–102.

As heretofore material civilization has been extended, the divine civilization must now be promulgated. Until the two agree, real happiness among mankind will be unknown. By mere intellectual development and power of reason, man cannot attain to his fullest degree—that is to say, by means of intellect alone he cannot accomplish the progress effected by religion.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 170. New York, 2 June 1912.

While it is true that its people have attained a marvellous material civilization, I hope that spiritual forces may animate this great body and a corresponding spiritual civilization be established.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, pp. 19–20. New York, 16 April 1912.

And among the teachings of Bahá'u'lláh is that although material civilization is one of the means for the progress of the world of mankind, yet until it becomes combined with Divine civilization, the desired result, which is the felicity of mankind, will not be attained.

- 'Abdu'l-Bahá: *Selections from the Writings of 'Abdu'l-Bahá*, p. 303.

Material civilization is like a lamp-glass. Divine civilization is the lamp itself and the glass without the light is dark. Material civilization is like the body. No matter how infinitely graceful, elegant and beautiful it may be, it is dead. Divine civilization is like the spirit, and the body gets its life from the spirit, otherwise it becomes a corpse. It has thus been made evident that the world of mankind is in need of the breaths of the Holy Spirit.

- 'Abdu'l-Bahá: *Selections from the Writings of 'Abdu'l-Bahá*, p. 303.

Detachment

Cast away that which ye possess, and, on the wings of detachment, soar beyond all created things. Thus biddeth you the Lord of

creation, the movement of Whose Pen hath revolutionized the soul of mankind.

-Bahá'u'lláh: The Kitáb-i-Aqdas, para. 54, p. 39; Gleanings from the Writings of Bahá'u'lláh, p. 139; and The Proclamation of Bahá'u'lláh, p. 117.

What advantage is there in the earthly things which men possess? That which shall profit them, they have utterly neglected.

-Bahá'u'lláh: The Kitáb-i-Aqdas, para. 40, p. 34; Gleanings from the Writings of Bahá'u'lláh, p. 138.

O MY SERVANT!

Free thyself from the fetters of this world, and loose thy soul from the prison of self. Seize thy chance, for it will come to thee no more.

-Bahá'u'lláh: The Hidden Words, Persian No. 40.

O SON OF PASSION!

Cleanse thyself from the defilement of riches and in perfect peace advance into the realm of poverty; that from the well-spring of detachment thou mayest quaff the wine of immortal life.

-Bahá'u'lláh: The Hidden Words, Persian No. 55.

Earthly treasures We have not bequeathed, nor have We added such cares as they entail. By God! In earthly riches fear is hidden and peril is concealed. Consider ye and call to mind that which the All-Merciful hath revealed in the Qur'án: 'Woe betide every slanderer and defamer, him that layeth up riches and counteth them.' (Qur'án 104:1-2)

Fleeting are the riches of the world; all that perisheth and changeth is not, and hath never been, worthy of attention, except to a recognized measure.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 219. (Kitáb-i-'Ahd, the Book of the Covenant)

Justice

O SON OF SPIRIT!

The best beloved of all things in My sight is Justice; turn not away therefrom if thou desirest Me, and neglect it not that I may confide in thee. By its aid thou shalt see with thine own eyes and not through the eyes of others, and shalt know of thine own knowledge and not through the knowledge of thy neighbour. Ponder this in thy heart; how it behooveth thee to be. Verily justice is My gift to thee and the sign of My loving-kindness. Set it then before thine eyes.

-Bahá'u'lláh: The Hidden Words, Arabic No. 2.

They that are just and fair-minded in their judgement occupy a sublime station and hold an exalted rank. The light of piety and uprightness shineth resplendent from these souls. We earnestly hope that the peoples and countries of the world may not be deprived of the splendours of these two luminaries.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 37.

The light of men is Justice. Quench it not with the contrary winds of oppression and tyranny. The purpose of justice is the appearance of unity among men. The ocean of divine wisdom surgeth within this exalted word, while the books of the world cannot contain its inner significance. Were mankind to be adorned with this raiment, they would behold the day-star of the utterance, 'On that day God will satisfy everyone out of His abundance,

(Qur'án 4:129) shining resplendent above the horizon of the world. Appreciate ye the value of this utterance; it is a noble fruit that the Tree of the Pen of Glory hath yielded.

-Bahá'u'lláh: Tablets of Bahá'u'lláh, pp. 66–67.

And among the teachings of Bahá'u'lláh are justice and right. Until these are realized on the plane of existence, all things shall be in disorder and remain imperfect.

- 'Abdu'l-Bahá: *Selections from the Writings of 'Abdu'l-Bahá*, p. 304.

We ask God to endow human souls with justice so that they may be fair, and may strive to provide for the comfort of all, that each member of humanity may pass his life in the utmost comfort and welfare. Then this material world will become the very paradise of the Kingdom, this elemental earth will be in a heavenly state and all the servants of God will live in the utmost joy, happiness and gladness.

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 43.

In reality, so far great injustice has befallen the common people.

- 'Abdu'l-Bahá: *Foundations of World Unity*, pp. 43-44.

The government of the countries should conform to the Divine Law which gives equal justice to all. This is the only way in which the deplorable superfluity of great wealth and miserable, demoralizing, degrading poverty can be abolished. Not until this is done will the Law of God be obeyed.

- 'Abdu'l-Bahá: *Paris Talks*, p. 154.

Among the results of the manifestation of spiritual forces will be that the human world will adapt itself to a new social form, the justice of God will become manifest throughout human affairs, and human equality will be universally established. ...

The essence of the matter is that divine justice will become manifest in human conditions and affairs, and all mankind will find comfort and enjoyment in life.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 132. New Jersey, 19 May 1912.

Inheritance

a. *Inheritance falls into the following categories.*

1. children	1,080	out of	2,520	shares
2. husband or wife	390	"	2,520	"
3. father	330	"	2,520	"
4. mother	270	"	2,520	"
5. brother	210	"	2,520	"
6. sister	150	"	2,520	"
7. teacher	90	"	2,520	"

...

c. i. *In cases where there is no issue the share of the children reverts to the House of Justice to be expended on orphans and widows and for whatever will profit mankind.*

ii. *If the son of the deceased be dead and leave issue, these will inherit the share of their father. If the daughter of the deceased be dead and leave issue, her share will have to be divided into the seven categories specified in the Most Holy Book.*

d. *Should one leave offspring but either part or all of the other categories of inheritors be non-existent, two thirds of their shares reverts to the offspring and one third to the House of Justice.*

e. *Should none of the specified beneficiaries exist, two thirds of the inheritance reverts to the nephews and nieces of the deceased. If these do not exist, the same share reverts to the aunts and uncles; lacking these, to their sons and daughters. In any case the remaining third reverts to the House of Justice.*

- f. *Should one leave none of the aforementioned heirs, the entire inheritance reverts to the House of Justice.*
- g. *The residence and the personal clothing of the deceased father pass to the male not to the female offspring. If there be several residences the principal and most important one passes to the male offspring. The remaining residences will together with the other possessions of the deceased have to be divided among the heirs. If there be no male offspring two thirds of the principal residence and the personal clothing of the deceased father will revert to the female issue and one third to the House of Justice. In the case of the deceased mother all her used clothing is to be equally divided amongst her daughters. Her unworn clothing, jewels and property must be divided among her heirs, as well as her used clothing if she leaves no daughter.*
- h. *Should the children of the deceased be minors their share should either be entrusted to a reliable person or to a company for purposes of investment, until they attain the age of maturity. A share of the interest accrued should be assigned to the trustee.*
- i. *The inheritance should not be divided until after the payment of the Huqúqu'lláh (The Right of God), of any debts contracted by the deceased and of any expenses incurred for a befitting funeral and burial.*
- j. *If the brother of the deceased is from the same father he will inherit his full allotted share. If he is from another father he will inherit only two thirds of his share, the remaining one third reverting to the House of Justice. The same law is applicable to the sister of the deceased.*
- k. *In case there are full brothers or full sisters, brothers and sisters from the mother's side do not inherit.*

l. A non-Bahá'í teacher does not inherit. If there should be more than one teacher, the share allotted to the teacher is to be equally divided among them.

m. Non-Bahá'í heirs do not inherit.

n. Aside from the wife's used clothing and gifts of jewellery or otherwise which have been proven to have been given her by her husband, whatever the husband has purchased for his wife are to be considered as the husband's possessions to be divided among his heirs.

o. Any person is at liberty to will his possessions as he sees fit provided he makes provisions for the payment of Huqúqu'lláh and the discharge of his debts.

-Bahá'u'lláh: The Kitáb-i-Aqdas, Other Sections, pp. 153–156.

In future, a manufacturer will not be allowed to leave all his property to his own family. A law will be made something like this—that he must leave one-quarter only of his property to his family, and the other three-quarters must go to the factory workers who have created his wealth.

-'Abdu'l-Bahá: Star of the West, Vol. VIII:1, p. 11.

Huqúqu'lláh

Readers are advised to read the compilation on Huququ'llah- The Right of God by the Research Department of the Universal House of Justice for a detailed study of this subject.

Nothing that existeth in the world of being hath ever been or ever will be worthy of mention. However, if a person be graciously favoured to offer a penny-worth—nay even less—in the path of God, this would in His sight be preferable and superior to all the treasures of the earth. It is for this reason that the one true God—exalted be His glory—hath in all His heavenly Scriptures praised those who observe His precepts and bestow their wealth for His sake. Beseech ye God that He may enable everyone to discharge the obligation of Huqúq, inasmuch as the progress and promotion of the Cause of God depend on material means. If His faithful servants could realize how meritorious are benevolent deeds in these days, they would all arise to do that which is meet and seemly.

-Bahá'u'lláh: The Compilation of Compilations, Vol. I (Huqúqu'lláh), p. 489; Huququ'llah- The Right of God, 2007, #4

It is incumbent upon everyone to discharge the obligation of Huqúq. The advantages gained from this deed revert to the persons themselves. However, the acceptance of the offerings dependeth on the spirit of joy, fellowship and contentment that the righteous souls who fulfil this injunction will manifest. If such is the attitude acceptance is permissible, and not otherwise.

-Bahá'u'lláh: The Compilation of Compilations, Vol. I (Huqúqu'lláh), p. 490; Huququ'llah- The Right of God, #11

Huqúqu'lláh is indeed a great law. It is incumbent upon all to make this offering, because it is the source of grace, abundance, and of all good. It is a bounty which shall remain with every soul in every world of the worlds of God, the All-Possessing, the All-Bountiful.

-Bahá'u'lláh: The Compilation of Compilations, Vol. I (Huqúqu'lláh), p. 490; Huququ'llah- The Right of God, #13

Fix thy gaze upon the glory of the Cause. Speak forth that which will attract the hearts and the minds. To demand the Huqúq is in no wise permissible. This command was revealed in the Book of God for various necessary matters ordained by God to be

dependent upon material means. Therefore, if someone, with utmost pleasure and gladness, nay with insistence, wisheth to partake of this blessing, thou mayest accept. Otherwise, acceptance is not permissible.

-Bahá'u'lláh: The Compilation of Compilations, Vol. I (Huqúqu'lláh), p. 491; Huququ'llah- The Right of God, #84

Question: In the holy Tablets it hath been revealed that when someone acquireth the equivalent of nineteen mithqáls of gold, he should pay the Right of God on that sum. Might it be explained how much of this nineteen should be paid?

Answer: Nineteen out of one hundred is established by the ordinance of God. Computation should be made on this basis. It may then be ascertained what amount is due on nineteen.

-Baha'u'llah: The Kitáb-i-Aqdas, Questions and Answers, No. 89, pp. 132–133.

The minimum amount subject to Huqúqu'lláh is reached when one's possessions are worth the number of Váhíd (19); that is, whenever one owneth 19 mithqáls of gold, or acquireth possessions attaining this value, after having deducted therefrom the yearly expenses, the Huqúq becometh applicable and its payment is obligatory.

-Bahá'u'lláh: The Compilation of Compilations, Vol. I (Huqúqu'lláh), p. 493; Huququ'llah- The Right of God, #44

There is a prescribed ruling for the Huqúqu'lláh. After the House of Justice hath come into being, the law thereof will be made manifest, in conformity with the Will of God

- Bahá'u'lláh; Huququ'llah- The Right of God, #20

Thine intention to pay a visit to the blessed House is acceptable and well-pleasing in the sight of this Wronged One, provided it is accomplished in a spirit of joy and radiance and would not prove contrary to the dictates of wisdom.

Say: O people, the first duty is to recognize the one true God—magnified be His glory—the second is to show forth constancy in His Cause and, after these, one's duty is to purify one's riches and

earthly possessions according to that which is prescribed by God. Therefore it beseemeth thee to meet thine obligation to the Right of God first, then to direct thy steps toward His blessed House. This hath been brought to thine attention as a sign of favour.

-Bahá'u'lláh: *The Compilation of Compilations*, Vol. I (Huqúqu'lláh), p. 499; Huququ'llah- *The Right of God*, #2

Payments for the Huqúqu'lláh cannot be handed over to every person. These words have been uttered by Him Who is the sovereign Truth. The Huqúqu'lláh should be kept in the custody of trusted individuals and forwarded to His holy court through the Trustees of God.

-Bahá'u'lláh: *The Compilation of Compilations*, Vol. I (Huqúqu'lláh), p. 508; Huququ'llah- *The Right of God*, #88

Thou hast enquired about the Huqúq. From one's annual income, all expenses during the year are deductible, and on what is left 19% is payable to the Huqúq. Thus, a person hath earned £1,000 income out of his business. After deducting his annual expenses of say £600, he would have a surplus of £400 on which Huqúq is payable at the rate of 19%. This would amount to £76 to be offered for charitable purposes to the Huqúq.

The Huqúq is not levied on one's entire possessions each year. A person's wealth may be worth £100,000. How can he be expected to pay Huqúq on this property every year? For instance, whatever income thou hast earned in a particular year, you should deduct from it your expenses during that year. The Huqúq will then be payable on the remainder. Possessions on which Huqúq was paid the previous year will be exempt from further payment.

- 'Abdu'l-Bahá: *The Compilation of Compilations*, Vol. I (Huqúqu'lláh), pp. 511–512; Huququ'llah- *The Right of God*, #46

Huqúq is applied on everything one possesseth. However, if a person hath paid the Huqúq on a certain property, and the income from that property is equal to his needs, no Huqúq is payable by that person.

Huqúq is not payable on agricultural tools and equipment, and on animals used in ploughing the land, to the extent that these are necessary.

- 'Abdu'l-Bahá: *The Compilation of Compilations*, Vol. I (*Huqúqu'lláh*), p. 512; and *Lights of Guidance*, p. 308; *Huququ'llah- The Right of God*, #48

Regarding the Huqúqu'lláh ... this is applied to one's merchandise, property and income. After deducting the necessary expenses, whatever is left as profit, and is an addition to one's capital, such a sum is subject to Huqúq. When one has paid Huqúq once on a particular sum, that sum is no longer subject to Huqúq, unless it should pass from one person to another. One's residence, and the household furnishings are exempt from Huqúq ... Huqúqu'lláh is paid to the Centre of the Cause.

-Shoghi Effendi: *The Compilation of Compilations*, Vol. I (*Huqúqu'lláh*), p.515. (4 April–3 May 1927—translated from the Persian.); *Huququ'llah- The Right of God*, #51

The Great Financial Depression

The Great Depression, the aftermath of the severest ordeals humanity had ever experienced, the disintegration of the Versailles system, the recrudescence of militarism in its most menacing aspects, the failure of vast experiments and new-born institutions to safeguard the peace and tranquillity of peoples, classes and nations, have bitterly disillusioned humanity and prostrated its spirits.

-Shoghi Effendi: *The World Order of Bahá'u'lláh*, p. 188.

Competition

In the world of nature we behold the living organisms in a ceaseless struggle for existence. Everywhere we are confronted by evidences of the physical survival of the fittest. This is the very source of error and misapprehension in the opinions and theories of men who fail to realize that the world of nature is inherently defective in cause and outcome and that the defects therein must be removed by education.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 400. Washington, D.C., 7 November 1912.

In nature there is the law of the survival of the fittest. Even if man be not educated, then according to the natural institutes this natural law will demand of man supremacy. The purpose and object of schools, colleges and universities is to educate man and thereby rescue and redeem him from the exigencies and defects of nature and to awaken within him the capability of controlling and appropriating nature's bounties.

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 353. Palo Alto, California, 8 October 1912.

Shall he, then, remain its captive, even failing to qualify under the natural law which commands the survival of the fittest? That is to say, shall he continue to live upon the level of the animal kingdom without distinction between them and himself in natural impulses and ferocious instincts?

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 353. Palo Alto, California, 8 October 1912.

The World's Equilibrium

The world's equilibrium hath been upset through the vibrating influence of this most great, this new World Order. Mankind's ordered life hath been revolutionized through the agency of this unique, this wondrous System - the like of which mortal eyes have never witnessed.

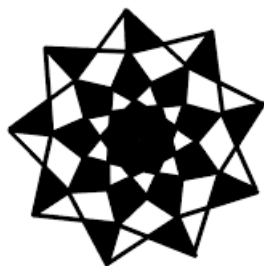
-Bahá'u'lláh: *The Kitáb-i-Aqdas*, para. 181, p. 85; *Gleanings from the Writings of Bahá'u'lláh*, Chapter LXX, p. 136; and *The Proclamation of Bahá'u'lláh*, p. 118.

Say: This is the infallible Balance which the Hand of God is holding, in which all who are in the heavens and all who are on the earth are weighed, and their fate determined, if ye be of them that believe and recognize this truth.

-Bahá'u'lláh: *The Kitáb-i-Aqdas*, para. 183, p. 86; *Gleanings from the Writings of Bahá'u'lláh*, pp. 136–137; and *The Proclamation of Bahá'u'lláh*, p. 119.

Economy is the foundation of human prosperity. The spendthrift is always in trouble. Prodigality on the part of any person is an unpardonable sin. We must never live on others like a parasitic plant. Every person must have a profession, whether it be literary or manual, and must live a clean, manly, honest life, an example of purity to be imitated by others. It is more kingly to be satisfied with a crust of stale bread than to enjoy a sumptuous dinner of many courses, the money for which comes out of the pockets of others. The mind of a contented person is always peaceful and his heart at rest.

- 'Abdu'l-Bahá: *Quoted by J. E. Esselmont in Bahá'u'lláh and the New Era*, Simple Life section, p. 98.



Workshop

INTRODUCTION

There is no doubt that the subject of Economics is one of the most important and overwhelming questions of our time. Whether at the individual level or at the national level, everyone is trying to solve their economic problems. The economic situation of the world at present is in a state of confusion and mankind is looking for a solution. However, there does not seem to be a solution in sight except in re-examining the fundamental values and standards of the present economic system and replacing them. We have to keep in mind that the present economic system is a by-product of the old order that is dying out. It is dying because of the separation of economic advancement from spiritual advancement and because of the exclusion of spiritual and human values in the formulation of economic theories. The present economic system is a system without life and spirit. In spite of economies becoming more interdependent due to technological advancements and the flow of information, the hearts of people are far apart.

As Bahá'ís we are assured that the World Order of Bahá'u'lláh will bring with it a new economic system with its foundation in the hearts of people. However, until then, it is essential for us to increase our understanding and knowledge of the Writings on the subject. We know that there is no "Bahá'í economic system" at this time but there are guidelines within the Writings for future economists and the Universal House of Justice to formulate one. In the meantime, we need to examine the present economic system in the light of these guidelines. Great care should be taken, while doing so, not to get lost in discussing the details and the technicalities of economic systems. We have to keep our focus on the big picture. The economic field is vast and traditionally a

setting for long and argumentative discussions with no definite conclusions. Avoiding this pitfall is important.

It should be made clear that the aim of this material is not to discredit the economic thoughts or the economists of the past and present. Instead, we can appreciate their hard work in formulating economic theories that have led to the present system. To the best of their abilities, they have tried to solve the problems of an ever-changing world. Their failure to do so is humanity's failure to recognize the spiritual needs and destiny of man. Their solutions to economic problems lacked divine guidance and hence were doomed to fail.

The material is divided into four parts:

Part one: Deals with the study of the Writings on the nature of economic problems and their solutions. This study should help to create a framework to guide us through the rest of the material

Part two: Emphasizes the spiritual values that are essential to visualize a “Divine Economy”.

Part three: Concentrates on specific economic principles in the Writings.

Part four: Focuses on Bahá'u'lláh's vision of a World Commonwealth.

PART ONE

'Abdu'l-Bahá summarizes the state of our world's affairs and explains the nature of the problems:

“Although the body politic is one family yet because of lack of harmonious relations some members are comfortable and some in direst misery, some members are satisfied and some are hungry, some members are clothed in most costly garments and some members are in need of food and shelter. Why? Because this family lacks the necessary reciprocity and symmetry. This household is not well arranged. This household is not living under a perfect law. All the laws which are legislated do not ensure happiness. They do not provide comfort.”

- 'Abdu'l-Bahá: Foundations of World Unity, p. 38; and Star of the West, Vol. XIII, p. 227–228.

Questions:

- 1. What is the result of lack of harmonious relations?*
- 2. What does the human family lack?*
- 3. Why is this household not well arranged?*
- 4. Do legislated laws alone ensure happiness?*

“Economic plans of reconstruction have been carefully devised, and meticulously executed. And yet crisis has succeeded crisis, and the rapidity with which a perilously unstable world is declining has been correspondingly accelerated. A yawning gulf threatens to involve in one common disaster both the satisfied and dissatisfied nations, democracies and dictatorships, capitalists and wage-earners, Europeans and Asiatics, Jew and Gentile, white and coloured.”

-Shoghi Effendi: The World Order of Bahá'u'lláh, p.190.

Questions:

1. *What has happened in spite of carefully devised and meticulously executed economic plans?*
2. *Who will be involved in one common disaster?*
3. *What threatens to involve people in one common disaster?*
4. *Can you think of any economic plan that was devised but failed?*
5. *Name a few economic crises of our century.*
6. *Do you think economic problems can only be found in developing countries?*
7. *Can you name a few economic problems that industrial countries face or have faced?*

‘Abdu’l-Bahá explains one of the problems that has had great economic consequences on the world’s nations:

‘Peace is the pretext, and night and day they are all straining every nerve to pile up more weapons of war, and to pay for this their wretched people must sacrifice most of whatever they are able to earn by their sweat and toil. How many thousands have given up their work in useful industries and are labouring day and night to produce new and deadlier weapons which would spill out the blood of the race more copiously than before.

“Each day they invent a new bomb or explosive and then the governments must abandon their obsolete arms and begin producing the new, since the old weapons cannot hold their own against the new.”

- ‘Abdu’l-Bahá: The Secret of Divine Civilization, p. 61.

Questions:

1. *Why do people have to sacrifice most of whatever they are able to earn?*
2. *Why have thousands given up their work in useful industries?*
3. *What happens to old weapons once new ones are devised?*

Now let us examine ‘Abdu’l-Bahá’s vision of a world without war:

“Observe that if such a happy situation be forthcoming, no government would need continually to pile up the weapons of war, nor feel itself obliged to produce ever new military weapons with which to conquer the human race. A small force for the purposes of internal security, the correction of criminal and disorderly elements and the prevention of local disturbances, would be required -- no more. In this way the entire population would, first of all, be relieved of the crushing burden of expenditure currently imposed for military purposes, and secondly, great numbers of people would cease to devote their time to the continual devising of new weapons of destruction...”

- ‘Abdu’l-Bahá, *The Secret of Divine Civilization*, p. 65–66.

Questions:

1. *What is the “happy situation” that ‘Abdu’l-Bahá refers to?*
2. *What is the alternative to the piling up of weapons of war and the continuing production of new military weapons?*
3. *What changes would the entire population experience?*
4. *What would be the size of a military force of the future and what would be its function?*
5. *How would people spend their time if they were not producing weapons of destruction?*
6. *Suggest ways of using money saved by reducing military expenditures.*

Another problem, that of the survival of the fittest, which originates in human nature, has been man's legacy from the days when he lived a primitive life in the jungles to the present time. Today it is called competition.

“In the world of nature we behold the living organisms in a ceaseless struggle for existence. Everywhere we are confronted by evidences of the physical survival of the fittest. This is the very source of error and misapprehension in the opinions and theories of men who fail to realize that the world of nature is inherently defective in cause and outcome and that the”

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 400. (Talk dated 7 November 1912 in Washington, D.C.)

Questions:

1. *How is the law of the survival of the fittest the origin of all difficulties?*
2. *Is survival of the fittest the cause of economic problems?*

The following are 'Abdu'l-Bahá's directives to overcome this problem:

“This [survival of the fittest] is the very source of error and misapprehension in the opinions and theories of men who fail to realize that the world of nature is inherently defective in cause and outcomeand that the defects therein must be removed by education.”

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 400. (Talk dated 7 November 1912 in Washington, D.C.)

“In nature there is the law of the survival of the fittest. Even if man be not educated, then according to the natural institutes this natural law will demand of man supremacy.

The purpose and object of schools, colleges and universities is to educate man and thereby rescue and redeem him from the exigencies and defects of nature and to awaken within him the capability of controlling and appropriating nature's bounties."

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 353.

Questions:

- 1. What remedies have been offered to solve this problem?*
- 2. What is the purpose and object of schools?*
- 3. Does man have the capability of controlling and appropriating nature's bounties?*
- 4. Do you think that the economic systems of the world work on the basis of survival of the fittest?*
- 5. What is the opposite of survival of the fittest?*

What makes the "divine economy" different from all the economic systems of the world is its approach to the source of the economic problems and their solutions. In this way it differentiates itself from all the past and present economic theories and thoughts. 'Abdu'l-Bahá states:

"The fundamentals of the whole economic condition are divine in nature and are associated with the world of the heart and spirit. This is fully explained in the Bahá'í teaching, and without knowledge of its principles no improvement in the economic state can be realized. The Bahá'ís will bring about this improvement and betterment but not through sedition and appeal to physical force—not through warfare, but welfare."

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, pp. 238–239.

Shoghi Effendi further explains the above statement:

“... By the statement ‘the economic solution is divine in nature’ is meant that religion alone can, in the last resort, bring in man’s nature such a fundamental change as to enable him to adjust the economic relationships of society. It is only in this way that man can control the economic forces that threaten to disrupt the foundations of his existence, and thus assert his mastery over the forces of nature.”

-Shoghi Effendi: Lights of Guidance, p. 551. (From a letter written of behalf of Shoghi Effendi to an individual believer, 26 December 1935.)

Questions:

1. *What is the secret of the whole economic question?*
2. *How can we control economic forces?*
3. *Is there any way other than the Bahá’í Teachings to solve the economic situation of the world?*

“‘Abdu’l-Bahá ... has said: ‘All economic problems may be solved by the application of the Science of the Love of God.’ That is to say: If the Rule called golden ... were actually applied to the world’s economic problems, which if not solved bid fair to destroy us, and the love of God, the sort of love which makes a home life happy, were used as a scientific measurement to regulate our international and national affairs; to settle all relations between labour and capital, between rich and poor: to regulate all coinage and commerce, can there be any doubt that the results would be far more conducive to human welfare than our present policies have produced?”

-Howard Colby Ives: Portals to Freedom, p. 156.

Bahá’u’lláh has explained the Golden Rule:

“O SON OF BEING!

“Ascribe not to any soul that which thou wouldst not have ascribed to thee, and say not that which thou doest not. This is My command unto thee, do thou observe it.”

-Bahá'u'lláh: The Hidden Words, Arabic No. 29.

Questions:

- 1. What is the Golden Rule?*
- 2. Is the Golden Rule applied today?*
- 3. How can the Golden Rule lessen the gap between the poor and the rich?*

PART TWO

In this section we will study Writings that are a foundation for a divine economy.

A key feature of the divine economy that differs fundamentally from current economic theories is the recognition of the importance of the spiritual advancement of man, along with his material advancement.

“Material civilization has reached an advanced plane, but now there is need of spiritual civilization. Material civilization alone will not satisfy; it cannot meet the conditions and requirements of the present age; its benefits are limited to the world of matter. There is no limitation to the spirit of man, for spirit in itself is progressive and if the divine civilization be established, the spirit of man will advance.”

- ‘Abdu’l-Bahá: *The Promulgation of Universal Peace*, p. 101.

“As heretofore material civilization has been extended, the divine civilization must now be promulgated. Until the two agree, real happiness among mankind will be unknown. By mere intellectual development and power of reason, man cannot attain to his fullest degree—that is to say, by means of intellect alone he cannot accomplish the progress effected by religion.”

- ‘Abdu’l-Bahá: *The Promulgation of Universal Peace*, p. 170.

Questions:

- 1. What are the limits of a material civilization?*
- 2. How will the establishment of a divine civilization affect man?*
- 3. Is spiritual civilization in balance with material civilization in the world today?*
- 4. Has material advancement brought happiness to mankind?*

Unlike the popular belief today that material advancement brings happiness, Bahá'u'lláh reminds us:

“O SON OF BEING!

“Busy not thyself with this world, for with fire We test the gold, and with gold We test our servants.”

-Bahá'u'lláh: The Hidden Words, Arabic No. 55.

“O SON OF MAN!

“Thou dost wish for gold and I desire thy freedom from it. Thou thinkest thyself rich in its possession, and I recognize thy wealth in thy sanctity therefrom. By My life! This is My knowledge, and that is thy fancy; how can My way accord with thine?”

-Ibid. No. 56.

Questions:

1. *Why does Bahá'u'lláh want us to be detached from the material world?*
2. *What is real richness?*

“...In all matters moderation is desirable. If a thing is carried to excess, it will prove a source of evil.”

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 69.

“Fear ye God, and take heed not to outstrip the bounds of moderation, and be numbered among the extravagant.”

-Bahá'u'lláh: Gleanings from the Writings of Bahá'u'lláh, p. 251.

Questions:

1. *In what matters is moderation desirable?*
2. *Why does moderation have to be observed in all matters?*
3. *Is moderation a popular idea among people?*

The most crucial mistake that the economists have made is their failure to recognize man's high station. Hence, it is not surprising to see man being reduced to one of the factors in production (labour), along with land and capital. Their theories have used a very limited definition of man. He has been depicted most of the time as a selfish and greedy being who has no other goal except to satisfy his own needs (consumer) without regard for the welfare of others. This view is far removed from what God has ordained for man. Bahá'u'lláh explains:

“Lofty is the station of man, were he to hold fast to righteousness and truth and to remain firm and steadfast in the Cause. ... His is the loftiest station, and his influence educateth the world of being.”

-Bahá'u'lláh: Tablets of Bahá'u'lláh, p. 220.

'Abdu'l-Bahá adds:

“If ... the spiritual nature of the soul has been so strengthened that it holds the material side in subjection, then does man approach the Divine; his humanity becomes so glorified that the virtues of the Celestial Assembly are manifested in him; he radiates the Mercy of God, he stimulates the spiritual progress of mankind, for he becomes a lamp to show light on their path.”

- 'Abdu'l-Bahá: Paris Talks, pp. 97–98.

Questions:

- 1. How can man attain a great station?*
- 2. Describe the potential of man once his spiritual nature has been strengthened.*
- 3. Is man's true potential recognized in the present economic system?*

This is 'Abdu'l-Bahá's guidance to assist man to achieve his true station by balancing his spiritual and material efforts.

“... Share your time with God. ... Spend half of the day in search of livelihood, guaranteeing your material life and dignified appearance, and dedicate the other half in the acquisition of moral virtues and service at the threshold of God...”

- Abdu'l-Bahá, Áhang-i-Badí', volume 31, number 339, p.83. (pilgrim's note)

Questions:

- 1. What areas should be the focus of our lives?*
- 2. Do you think that we are responsible for earning our livelihood or is it the role of the government to provide it for us?*

Many economic systems have laid great emphasis on equality without recognizing the inherent inequalities in the abilities of man, and in emphasizing absolute equality rather than equality in opportunities.

“Social inequality is the inevitable outcome of the natural inequality of man. Human beings are different in ability and should, therefore, be different in their social and economic standing. Extremes of wealth and poverty should, however, be abolished...”

-Shoghi Effendi: Directives of the Guardian, p. 20.

“For the community needs financier, farmer, merchant and labourer just as an army must be composed of commander, officers and privates. All cannot be commanders; all cannot be officers or privates. Each in his station in the social fabric must be competent—each in his function according to ability but with justice of opportunity for all.”

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 216.

Questions:

1. *Why are people not equal?*
2. *In your opinion, should people with lesser abilities have a lower quality of life?*
3. *Can differences in functions and economic status be used as spiritual criteria?*

Although there has been some recognition of the role of women and the contributions they have made to the advancement of our civilization, their real potential has not been recognized nor utilized.

“... there must be an equality of rights between men and women. Women shall receive an equal privilege of education. This will enable them to qualify and progress in all degrees of occupation and accomplishment. For the world of humanity possesses two wings: man and woman. If one wing remains incapable and defective, it will restrict the power of the other, and full flight will be impossible. Therefore, the completeness and perfection of the human world are dependent upon the equal development of these two wings.”

- 'Abdu'l-Bahá: The Promulgation of Universal Peace, p. 318.

Questions:

1. *Do women presently have an equal opportunity of education everywhere in the world?*
2. *Are women prominent in all spheres of human affairs?*
3. *What do you suggest will improve the role of women in society?*

The idea of the equality of men and women has been included in some economic theories, but as we can see in our world today, they

have failed to achieve it. The Bahá'í Faith not only stresses the importance of equal opportunities but encourages mankind to go one step further:

“... the Teachings of Bahá'u'lláh advocate voluntary sharing, and this is a greater thing than the equalization of wealth. For equalization must be imposed from without, while sharing is a matter of free choice.

“Man reacheth perfection through good deeds, voluntarily performed, not through good deeds the doing of which was forced upon him. And sharing is a personally chosen righteous act: that is, the rich should extend assistance to the poor, they should expend their substance for the poor, but of their own free will, and not because the poor have gained this end by force. For the harvest of force is turmoil and the ruin of the social order. On the other hand voluntary sharing, the freely-chosen expending of one's substance, leadeth to society's comfort and peace. It lighteth up the world; it bestoweth honour upon humankind.”

- 'Abdu'l-Bahá: Selections from the Writings of 'Abdu'l-Bahá, p. 115.

Questions:

1. *Why is voluntary sharing greater than equality?*
2. *How will voluntary sharing change human affairs?*
3. *Does the present economic system encourage voluntary sharing?*

No vision of a divine economy is complete without a foundation of justice.

“We ask God to endow human souls with justice so that they may be fair, and may strive to provide for the comfort

of all, that each member of humanity may pass his life in the utmost comfort and welfare. Then this material world will become the very paradise of the Kingdom, this elemental earth will be in a heavenly state and all the servants of God will live in the utmost joy, happiness and gladness.”

- 'Abdu'l-Bahá: *Foundations of World Unity*, p. 43; and *Star of the West*, p. 230.

“Among the results of the manifestation of spiritual forces will be that the human world will adapt itself to a new social form, the justice of God will become manifest throughout human affairs, and human equality will be universally established. ...

“The essence of the matter is that divine justice will become manifest in human conditions and affairs, and all mankind will find comfort and enjoyment in life.”

- 'Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 132.

Questions:

1. *What are the effects of justice on human souls?*
2. *How can justice provide comfort for all?*

PART THREE

In this section, Writings on some specific economic topics will be presented:

CAPITALISM

There is a strong belief in the world that capitalism is a solution to all economic problems. However, we know that no system is perfect, whether it be capitalism or communism, if the foundation is not built on divine principles.

“There is nothing in the teachings against some kind of capitalism; its present form, though, would require adjustments to be made.”

-Shoghi Effendi, Directives of the Guardian, p. 20.

Questions:

- 1. Is the present form of capitalism perfect?*
- 2. What adjustments have to be made to capitalism?*

AGRICULTURE—THE FARMER

“To solve this problem [welfare and well-being] we must begin with the farmer; there will we lay a foundation for system and order because the peasant class and the agricultural class exceed other classes in the importance of their service.” -

- ‘Abdu’l-Bahá: Foundations of World Unity, p. 39.

“The question of economics must commence with the farmer and then be extended to the other classes inasmuch as the number of farmers is greater than all the classes, many many times greater. Therefore, it is fitting that the economic

problem be first solved with the farmer, for the farmer is the first active agent in the body politic.”

- 'Abdu'l-Bahá: *Lights of Guidance*, p. 548. (Extract from a Tablet to an individual believer, 4 October 1912, translation corrected in the World Centre, December 1985)

Questions:

1. *Why are the farmer's services more important than the services of other classes of workers?*
2. *Why should we start with the farmer?*

WORK AND PROFESSION

“Every individual, no matter how handicapped and limited he may be, is under the obligation of engaging in some work or profession, for work, especially when performed in the spirit of service, is according to Bahá'u'lláh, a form of worship. It has not only a utilitarian purpose, but has a value in itself, because it draws us nearer to God, and enables us to better grasp His purpose for us in this world. It is obvious, therefore, that the inheritance of wealth cannot make anyone immune from daily work.”

-Shoghi Effendi: *Directives of the Guardian*, p. 83. (Letter written on behalf of the Guardian to the National Spiritual Assembly of the Bahá'is of USA and Canada, dated 22 March 1937.)

“... Whatever the progress of the machinery may be, man will have always to toil in order to earn his living. Effort is an inseparable part of man's life. It may take different forms with the changing conditions of the world, but it will be always present as a necessary element in our earthly existence. Life is after all a struggle. Progress is attained through struggle, and without such a struggle life ceases to have a meaning; it becomes even extinct. The progress of machinery has not made effort unnecessary. It has given it a new form, a new outlet.”

-Shoghi Effendi: *Lights of Guidance*, p. 551. (Letter written on behalf of the Guardian to an individual believer, dated 26 December 1935.)

Questions:

1. *What purpose does work serve besides earning a livelihood?*
2. *Are rich people exempt from working?*
3. *How can work be a form of worship?*
4. *How can work bring us closer to God?*

Wages

“... The Master has definitely stated that wages should be unequal, simply because that men are unequal in their ability, and hence should receive wages that would correspond to their varying capacities and resources. This view seems to contradict the opinion of some modern economists. But the friends should have full confidence in the words of the Master, and should give preference to His statements over those voiced by our so-called modern thinkers.”

-Shoghi Effendi: *Lights of Guidance*, p. 551. (Letter written on behalf of the Guardian to an individual believer, dated 26 December 1935.)

“...The workers could either be granted a wage that adequately meets their daily needs, as well as a right to a share in the revenues of the factory when they are injured, incapacitated, or unable to work, or else a wage could be set that allows the workers to both satisfy their daily needs and save a little for times of weakness and incapacity”

-‘Abdu’l-Bahá: *Some Answered Questions*, p. 317.

“Now I want to tell you about the law of God. According to the Divine law, employees should not be paid merely by wages. Nay, rather they should be partners in every work.”

- ‘Abdu’l-Bahá:
The Bahá’í World, Vol. IV, p. 454.

Questions:

1. *Should wages be equal?*
2. *Will people earning less be deprived of opportunities?*

3. *Can workers be partners with their employers?*

TAXATION

Once work is done and money is earned, then the question of taxation arises.

“We see you increasing every year your expenditures, and laying the burden thereof on your subjects. This, verily, is wholly and grossly unjust. Fear the sighs and tears of this Wronged One, and lay not excessive burdens on your peoples.”

-Bahá'u'lláh: *Gleanings from the Writings of Bahá'u'lláh*, p. 253; and *The Proclamation of Bahá'u'lláh*, p. 12.

‘Each person in the community whose need is equal to his individual producing capacity shall be exempt from taxation. But if the income is greater than his needs, he must pay a tax until an adjustment is effected. That is to say, a man’s capacity for production and his needs will be equalized and reconciled through taxation. If his production exceeds, he will pay a tax; if his necessities exceed his production, he shall receive an amount sufficient to equalize or adjust. Therefore, taxation will be proportionate to capacity and production, and there will be no poor in the community.’

-‘Abdu'l-Bahá: *The Promulgation of Universal Peace*, p. 217.

Questions:

1. *Should people be taxed equally?*
2. *Can graduated taxes help the poor?*
3. *Is it possible that some people will not pay tax in a divine economy?*

RETIREMENT AND PENSION

“As to the question of retirement from work for individuals who have reached a certain age, this is a matter on which the

International House of Justice will have to legislate as there are no provisions in the Aqdas concerning it.”

-Shoghi Effendi: Directives of the Guardian, p. 83; Lights of Guidance, p. 626; and Principles of Bahá'í Administration, p. 12. (From a letter written on behalf of the Guardian to the National Spiritual Assembly of the United States and Canada, 22 March 1937.)

“Even though you are 79 years old, that does not seem in your case to be any handicap; and in this Cause, as the Guardian has told us there is work for everyone of some sort, of whatever age he or she may be.”

-Shoghi Effendi: Lights of Guidance, p. 626. (From a letter written on behalf of the Guardian to an individual believer, 23 August 1954. Cited by the Universal House of Justice, 14 December 1970.)

“The workers could either be granted a wage that adequately meets their daily needs, as well as a right to a share in the revenues of the factory when they are injured, incapacitated, or unable to work, or else a wage could be set that allows the workers to both satisfy their daily needs and save a little for times of weakness and incapacity.”

- 'Abdu'l-Bahá: Some Answered Questions, p.317

Questions:

1. *How can workers get support when they become feeble or helpless?*

RATE OF INTEREST

Presently, governments and economists use interest rates as an important tool to regulate economic activities. However, there are economies in the world that do not agree with the idea of any interest (e.g. some Islamic countries).

“Most of the people are found to be in need of this matter; for if no interest be allowed, affairs (business) will be trammelled and obstructed. ... A person is rarely found who would lend money to anyone upon the principle of ‘Qar-i-hasan’ (literally ‘good loan’, i.e. money advanced without interest and repaid at the pleasure of the borrower). Consequently,

out of favour to the servants, We have appointed ‘profit on money’ to be current, among other business transactions which are in force among people. That is ... it is allowable, lawful and pure to charge interest on money ... but this matter must be conducted with moderation and justice. The Pen of Glory has withheld itself from laying down its limits, as a Wisdom from His Presence and as a convenience for His servants. We exhort the friends of God to act with fairness and justice, and in such a way that the mercy of His beloved ones, and their compassion, may be manifested toward each other. ...

“The execution of these matters has been placed in charge of the men of the House of Justice, in order that they may act in accordance with the exigencies of the time and with wisdom.”

-Bahá'u'lláh: Quoted by J. E. Esselmont in Bahá'u'lláh and the New Era, The Ethics of Wealth section, pp. 136–137.

Questions:

1. *What is a good loan?*
2. *What is the importance of interest rates?*
3. *Are you paying any interest? If yes, do you think the rate is fair?*

ECONOMIC RESOURCES

“The economic resources of the world will be organized, its sources of raw materials will be tapped and fully utilized, its markets will be coordinated and developed, and the distribution of its products will be equitably regulated.

“... The enormous energy dissipated and wasted on war, whether economic or political, will be consecrated to such ends as will extend the range of human inventions and technical development, to the increase of the productivity of mankind, to the extermination of disease, to the extension of

scientific research, to the raising of the standard of physical health, to the sharpening and refinement of the human brain, to the exploitation of the unused and unsuspected resources of the planet, to the prolongation of human life, and to the furtherance of any other agency that can stimulate the intellectual, the moral, and spiritual life of the entire human race.”

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 204.

Questions:

- 1. How can economic resources be used for the improvement of human life?*
- 2. To whom do the economic resources of the world belong?*
- 3. Can economic resources be used to assist in the prolongation of human life?*

ECONOMIC BARRIERS

“That a narrow and brutal nationalism, which the post-war theory of self-determination has served to reinforce, has been chiefly responsible for the policy of high and prohibitive tariffs, so injurious to the healthy flow of international trade and to the mechanism of international finance, is a fact which few would venture to dispute.” –

Shoghi Effendi: The World Order of Bahá'u'lláh, p. 35.

“A world community in which all economic barriers will have been permanently demolished and the interdependence of Capital and Labour definitely recognized; ...”

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 41.

Questions:

- 1. Do tariffs harm economic development?*
- 2. Why are tariffs imposed?*
- 3. Can you think of any country that is removing its economic*

barriers?

World Currency

“... a uniform and universal system of currency, of weights and measures, will simplify and facilitate intercourse and understanding among the nations and races of mankind.”

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 203.

Questions:

- 1. How can a universal system of currency, weights and measurements help mankind?*

PART FOUR

In the light of the Writings we have studied, it will now be easier to understand the vision of Bahá'u'lláh's world commonwealth.

“From every standpoint the world of humanity is undergoing a reformation. ... scientific ideas and theories are developing and advancing to meet a new range of phenomena; invention and discovery are penetrating hitherto unknown fields, revealing new wonders and hidden secrets of the material universe; industries have vastly wider scope and production; everywhere the world of mankind is in the throes of evolutionary activity indicating the passing of the old conditions and advent of the new age of reformation.”

—‘Abdu’l-Bahá: The Promulgation of Universal Peace, p. 439.

“The world’s equilibrium hath been upset through the vibrating influence of this most great, this new World Order. Mankind’s ordered life hath been revolutionized through the agency of this unique, this wondrous System—the like of which mortal eyes have never witnessed.”

—Bahá'u'lláh: The Kitáb-i-Aqdas, para. 181, p. 85

“It is the superstructure of that self-same Order, attaining its full stature through the emergence of the Bahá’í World Commonwealth—the Kingdom of God on earth—which the Golden Age of that same Dispensation [Bahá’í] must, in the fullness of time, ultimately witness.”

—Shoghi Effendi: God Passes By, p. 26.

Questions:

1. *What re-formation is the world of humanity undergoing?*

2. *What has upset the world's equilibrium?*
3. *How will the new World Order revolutionize mankind?*
4. *Can you define the Bahá'í World Commonwealth.*

We have been assured that the advent of the Bahá'í World Commonwealth is inevitable. However, it is essential that mankind knows the stages of the process that he must pass through to reach that goal. Shoghi Effendi clearly explains:

“ ... the precautionary and defensive measures to be devised, co-ordinated, and carried out to counteract the full force of the inescapable attacks which the organized efforts of ecclesiastical organizations of various denominations will progressively launch and relentlessly pursue; and, last but not least, the multitudinous issues that must be faced, the obstacles that must be overcome, and the responsibilities that must be assumed, to enable a sore-tried Faith to pass through the successive stages of unmitigated obscurity, of active repression, and of complete emancipation, leading in turn to its being acknowledged as an independent Faith, enjoying the status of full equality with its sister religions, to be followed by its establishment and recognition as a State religion, which in turn must give way to its assumption of the rights and prerogatives associated with the Bahá'í state, functioning in the plenitude of its powers, a stage which must ultimately culminate in the emergence of the world-wide Bahá'í Commonwealth, animated wholly by the spirit, and operating solely in direct conformity with the laws and principles of Bahá'u'lláh.”

-Shoghi Effendi: The Advent of Divine Justice, pp. 14-15.

“This commonwealth must, as far as we can visualize it, consist of a world legislature, whose members will, as the trustees of the whole of mankind, ultimately control the entire resources of all the component nations, and will enact such laws as shall be required to regulate the life, satisfy the needs

and adjust the relationships of all races and peoples. A world executive, backed by an international Force, will carry out the decisions arrived at, and apply the laws enacted by, this world legislature, and will safeguard the organic unity of the whole commonwealth. A world tribunal will adjudicate and deliver its compulsory and final verdict in all and any disputes that may arise between the various elements constituting this universal system. A mechanism of world inter-communication will be devised, embracing the whole planet, freed from national hindrances and restrictions, and functioning with marvellous swiftness and perfect regularity. A world metropolis will act as the nerve centre of a world civilization, the focus towards which the unifying forces of life will converge and from which its energizing influences will radiate.”

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 203.

Questions:

1. *What power will animate the Bahá'í World Commonwealth?*
2. *What will be the responsibility of the members of the World Legislature?*
3. *What body will have the final verdict in all disputes?*
4. *What will act as the nerve centre of the world civilization?*

“And as the Bahá'í Faith permeates the masses of the peoples of East and West, and its truth is embraced by the majority of the peoples of a number of the Sovereign States of the world, will the Universal House of Justice attain the plenitude of its power, and exercise, as the supreme organ of the Bahá'í Commonwealth, all the rights, the duties, and responsibilities incumbent upon the world's future super-state.”

-Shoghi Effendi: The World Order of Bahá'u'lláh, p. 7.

“The Declaration of Trust [and By-Laws of the National Spiritual Assembly of the United States,] ... stands in its final

form as a worthy and faithful exposition of the constitutional basis of the Bahá'í communities in every land, foreshadowing the final emergence of the world Bahá'í Commonwealth of the future."

-Shoghi Effendi: Bahá'í Administration, pp. 134–135.

Haifa, Israel, the "... permanent world Administrative Centre of the future Bahá'í Commonwealth, destined never to be separated from, and to function in proximity of, the Spiritual Centre of that Faith [Bahá'í]"

-Shoghi Effendi: God Passes By, p. 348.

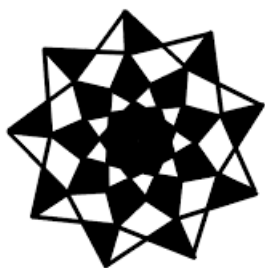
Questions:

1. *When will the Universal House of Justice attain the plenitude of its power?*
2. *What will act as the constitutional basis for the Bahá'í communities of the world?*
3. *Where will the permanent world Administrative and Spiritual Centre of the Bahá'í Commonwealth be?*

The last question! Who has the bounty of assisting the establishment of Bahá'u'lláh's World Commonwealth? Shoghi Effendi gave us this answer:

"To us, the 'generation of the half-light', living at a time which may be designated as the period of the incubation of the World Commonwealth envisaged by Bahá'u'lláh, has been assigned a task whose high privilege we can never sufficiently appreciate, and the arduousness of which we can as yet but dimly recognize."

-Shoghi Effendi: The World Order of Bahá'u'lláh, pp. 168–169.



*Brief summary of the
Baha'i Faith*

All Religions in Essence are One

The Bahá'í Faith is a world religion which began in 1844. Bahá'is follow the teachings of Bahá'u'lláh (a title meaning the Glory of God), Whom they recognize as a Messenger from God. Bahá'u'lláh taught us that the God we all worship is the same God, though we may use different names - Alláh, Jehovah, the Creator, or Higher Power. We cannot know God because He is far above our ability to understand His Essence. The only way that we can attempt to perceive His Greatness and to feel His Love for us is through His Messengers. Bahá'is also believe that over the course of thousands of years, from time to time and in different parts of the world, a small number of these Enlightened Ones have appeared. Bahá'is believe that Bahá'u'lláh was the most recent of these Teachers. The Bahá'í Faith does not attempt to undermine any religion. Instead, it recognizes the missions of the great religions of the world as stages in the evolution of the spiritual life of humankind. When each one is carefully examined and stripped of the rituals that its followers have implemented, it becomes clear that they have brought the same spiritual teachings of love and goodwill to all humanity, changing hearts and bringing new life to the world. The only differences between them are the social teachings, teachings that differ because God's Messengers come into the world at different times and their teachings serve the needs of the age in which they live. Krishna, Buddha, Zoroaster, Abraham, Moses, Jesus and Muhammad are all Messengers of God who appeared at different times in history and each changed the course of history. Krishna's Teachings brought civilization to India and neighbouring countries. Moses also founded a great civilization after rescuing his people from bondage. Buddha brought light to the Asian peoples. Zoroaster's Teachings changed a culture

steeped in superstition in Persia. Jesus altered the course of the Western world. Muhammad uplifted and unified uneducated and disunited people to become a nation. Each fulfilled the prophecies of the last Messenger and promised the renewal of religion in the future.

The pivotal point of the Bahá'í Teachings is the unity of the human race as one family, erasing all traces of enmity and prejudice from the hearts of men. Through science and technology, we can travel to any corner of the globe in a day and communicate with each other instantly. Nations depend on each other's cooperation and the need for understanding and assistance among all nations has generally become accepted. It is therefore possible for mankind to conceive of the idea of uniting the planet. And it is only through unity that we will be able to solve the problems the world is experiencing today. The purpose of the Bahá'í Faith is to erase every trace of enmity and hatred from men's hearts and unite the entire world as one family. The Bahá'í Writings provide the outline of institutions necessary for the establishment of a peaceful society. These include a world federation or commonwealth that would preserve the independence of all nations with a world parliament in which all governments are represented, a world executive to administer laws, and a world tribunal to settle disputes. A world economy, a universal system of weights, measures and currency, as well as the adoption of a universal auxiliary language and script would also be features of the world commonwealth. The planet's resources would be safeguarded for the benefit of all. Humanity, free from war and strife, would then be able to work towards such things as raising living standards, advancing education, eliminating disease, developing the arts and sciences, and cultivating its spiritual life.

Another important Teaching is the independent investigation of truth. We must search out the truth for ourselves and not follow blindly the ways of others or customs and traditions of the past. Science and religion must also go hand in hand. Religion that depends on blind faith rather than reason is superstition and can lead to fanaticism. We have been given an intellect to investigate all truth, including religious truth. Universal education, another Bahá'í Teaching, provides the framework for all to have equal opportunities so that men and women can advance equally and women throughout the world can take their rightful place beside men in working for the peace and prosperity of humankind. Bahá'u'lláh advocates the elimination of the extremes of wealth and poverty and the abandonment of all forms of prejudice. The Bahá'í Writings provide guidance that helps an individual develop the spiritual and intellectual qualities lying at the core of his nature and therefore contribute to an ever-advancing civilization. In addition to prayer to assist us to become spiritual beings, work done in the spirit of service is also considered worship for Bahá'ís and service to humanity is the most worthy endeavor.

The Bab (The Gate)

There are two Messengers who brought the Teachings of God to the world today. Both came from Iran, formerly Persia. The first was given the title of The Báb or the Gate, to signify that He was the forerunner of another. As a child, the Báb was described as being pure, tender-hearted, mild-mannered, and meek. His wisdom, knowledge, and ability to grasp things of an adult nature astonished everyone. When He grew up, He worked as a merchant and earned great respect because of His truthfulness and sense of justice. Once a man bought something on his behalf and paid too much. The Báb told him to return the item and get

his money back, proclaiming that He would not tolerate cheating or encourage someone to be dishonest. At another time, The Báb paid more than market value to someone selling an item to Him because He thought it was worth more than what the man had asked. At this time, there were some awakened souls who had foretold of a new Messenger of God and urged their disciples to go out and find Him. Eighteen disciples unaided found the Báb and He then sent them out to spread His new Teachings of justice, mercy and love. The Prime Minister and religious leaders were threatened by the Báb's influence as the number of His followers increased and they banished Him to a remote fortress. But He won the respect and admiration of the officials in charge and the people in the area came to Him for their daily blessings or to settle disputes. While there, The Báb revealed His most important book and foretold another Revelation greater than His own. The Báb was banished once more but the authorities agreed that His influence could only be stopped through His death. His life was ended at the tender age of 31 in front of a firing squad. In his short ministry of six years he had brought many to His Cause and twenty thousand of His followers sacrificed their lives rather than deny their beliefs. After His death, there was a smaller band of followers who were now crushed and bereft of Guidance. This new Faith could have been extinguished, but it was not the will of God. A few misguided followers foolishly and ineptly tried to shoot the Sháh. And it was a young nobleman, a follower of the Báb, Who was one of the prisoners blamed for the attempted shooting and Who was thrown into a dungeon. It was there, like every Messenger of God, that He received the first intimations of His station and He became known as Bahá'u'lláh, a title meaning the Glory of God.

Bahá'u'llah (The Glory of God)

Bahá'u'lláh was born into a rich family and His father was a nobleman. From childhood, He seemed to possess remarkable power and he was extremely kind and generous. He did not need formal schooling, having innate knowledge, as had the Báb and all the previous Messengers of God. His intelligence and spiritual capacity were recognized and people would bring their problems to Him. When His father died, He was offered a position in the court, but He refused because He had no interest in titles or ceremonies. Instead He wanted to defend the oppressed and be a refuge for the poor and needy.

After the Báb had declared His mission, He had sent one of His disciples with some of His Writings to find the One destined to receive it, namely Bahá'u'lláh. Bahá'u'lláh had recognized these Writings to be the truth and had arisen to spread them.

Bahá'u'lláh was exiled to Baghdad after being released from the dungeon prison. He began to revive the depleted spirits of the Báb's followers, who had arrived there before Him, and to guide them back to a spiritual path. His influence spread and transformed even officials and religious leaders so that the government and clergy were again forced to exile Him, at first to Constantinople (now Istanbul) and then Adrianople (now Edirne) in the Ottoman Empire. Before His exile to Turkey, He revealed His station to the believers.

Once more, His influence on all those around Him forced the authorities to exile Him, this time to Akka, now part of Israel, and at that time, a place of stench and filth where those committing the worst crimes were banished. In time, the conditions of imprisonment were eased, in large part due to the influence of Abdu'l-Bahá, Bahá'u'lláh's eldest son, who had gained the respect and admiration of the people. Abdu'l-Bahá

had recognized His Father's Station as a child; He had endured poverty and cruelty when His Father had been imprisoned as a heretic after the attempt on the Sháh's life; He had experienced the deprivation and calamities of being exiled from place to place. As He grew up, He began to embody all the virtues: of gentleness, courtesy, generosity, courage, wisdom, and humility. He exemplified love for God and mankind and He spent every day of His life serving others and bringing joy into their lives, particularly the poor, the sick and the orphaned. As a young man, He became Bahá'u'lláh's secretary, as many volumes of Writings streamed from Bahá'u'lláh's Mighty Pen. He was His Father's closest companion and He took care of all His business affairs and chores, negotiating with officials on His behalf and dealing with the problems of His followers, so that Bahá'u'lláh could concentrate on the all-important work of revealing the tenets of His Faith. Bahá'u'lláh eventually left the city and spent His remaining years in a home in the countryside. When He died, He was buried beside His home. This Shrine is a place of pilgrimage for the Bahá'is.

Abdu'l-Bahá (The Servant of Glory)

Abdu'l-Bahá was appointed in Bahá'u'lláh's Will and Testament as the Head of the Faith, as Bahá'u'lláh's heir to interpret His Writings and to be the Exemplar of His Teachings. He was conferred divine authority to provide continued guidance to the Bahá'is. Although they had lost Bahá'u'lláh, His purpose and plan were continued through Abdu'l-Bahá.

As a small child, Abdu'l-Bahá was different from other children. Born on the same night that the Báb declared His Mission, He had recognized His Father's station when He was young and He wanted to lay down His life for Bahá'u'lláh's sake. After the

death of His beloved Father, He worked tirelessly, writing volumes to the Bahá'is, including many interpretations of the Writings of Bahá'u'lláh. He was in constant touch with the Bahá'is, answering their questions, guiding their activities, encouraging them, and uplifting their spirits. His work was to continue His Father's work, but not to begin anything not already willed by God and His Messenger.

Abdu'l-Bahá lived a life of simplicity. He wore one coat until it became worn out. He also ate sparsely, a little goat cheese and bread with tea for breakfast and sometimes He had only one meal in a day. When He heard someone was deprived of food, He would pack up the supper and send it to the needy individual. Even Abdu'l-Bahá's way of conversing was marked by simplicity. He often began with a reference to some simple thing from nature and then wove His teaching message into clear, straightforward phrases.

At the age of 70, with ill-health from His years of imprisonment, Abdu'l-Bahá set out on a journey to visit the Bahá'is of the West and to teach His beloved Faith. He first visited London and Paris. He then sailed to North America. After eight months there, He visited a few more cities in Europe and then returned home. He gave public addresses to religious audiences, scientists, university students, women's clubs and the poor, relating Bahá'í Teachings to the specific interests and capacities of His audiences. Many of His talks were reported in the newspapers. He uplifted and inspired them and many were astounded that He could understand world affairs after living a life of exile and imprisonment. He went from dawn to dusk, giving interviews and delivering speeches. And He still found

time to give generously to the poor, as He did regularly when at home. He was knighted for His selfless acts of service to the people of Haifa.

When Abdu'l-Bahá died in 1921, representatives of Muslim, Christian and Jewish Faiths gave eulogies and crowds of people from all walks of life attended. In His Will and Testament, Abdu'l-Bahá named His grandson, Shoghi Effendi, as His successor and Guardian of the Bahá'í Faith. In His Will, Abdu'l-Bahá delineated an administrative system that Shoghi Effendi was empowered to develop. And of course, the Guardian's task was to ensure the continuity of the Faith without any divisions into sects.

Shoghi Effendi

Shoghi Effendi was a descendant of Bahá'u'lláh on his mother's side and of the Báb on his father's side. He grew up in Abdu'l-Bahá's home in Akka, and when not away at school, he spent as much time as possible with Abdu'l-Bahá. He longed to serve Him and dedicated himself to this work. He studied English at Oxford University to prepare himself to serve as his Grandfather's secretary and translator of the Bahá'í Writings into English. He became a scholar in English and could write with more eloquence, clarity, precision and depth than native speakers. He was only 24 years old and still at Oxford, when Abdu'l-Bahá passed away. Reeling from the death of His Beloved Grandfather, he took some time to grieve and prepare himself for the responsibilities ahead. One of his first duties was to ensure that the Bahá'í Faith was considered an independent world religion and to have the existing government recognize Israel as the World Centre of the Bahá'í Faith with the same status as other religions, such as Judaism, Christianity and

Islam. He completed the Shrine of the Báb in Haifa. (The Báb's precious remains had been sent from place to place and kept in hiding until it was possible to send them to Israel, where Abdu'l-Bahá had the bounty of interring them). Shoghi Effendi designed the gardens around the Shrine and acquired land for more gardens, which he also designed throughout his life.

Shoghi Effendi translated many of Bahá'u'lláh's and Abdu'l-Bahá's Writings into English, ensuring that the Bahá'is would be unified in their understanding of the Writings of the Faith. He wrote a history of the first hundred years of the Bahá'i Faith. He translated five volumes of the Faith into English. He wrote thousands of letters to individuals and Bahá'i communities all over the world to explain and clarify Bahá'i Writings, in his role as interpreter. He had a personal relationship with each community and also maintained correspondence with many individuals of prominence; with royalty, with statesmen, with university professors and educators.

During Abdu'l-Bahá's ministry, there were few local assemblies and no national assemblies. Shoghi Effendi delineated the principles to govern the Administrative Order during the first year of his ministry. Bahá'u'lláh ordained that there be no priests or clergy in the Bahá'i Faith. In every community where nine or more Bahá'is reside, a Local Spiritual Assembly is elected to oversee the affairs of the Bahá'i community. The Assembly is not responsible to the electors; it consults continually with the community but is responsible to the Teachings of the Faith as revealed by Bahá'u'lláh. Authority in the Bahá'i administration is not given to enhance an individual's prestige. Instead, it is measured by humility, self-sacrifice and service. Individuals must consult in their meetings frankly and lovingly in an atmosphere of respect, prayerfulness, courtesy

and dignity so that rules and regulations do not override the spiritual nature of meetings. Shoghi Effendi devoted 16 years to lay down a firm foundation and erect a pattern for all Bahá'í administrative institutions. He helped to build strong national institutions and created the International Bahá'í Council, the precursor of the Universal House of Justice, the supreme institution directing the Bahá'ís all over the world in their endeavors.

What was Shoghi Effendi like as an individual? He was described as methodical, thorough, with a sense of perfection and attention to detail. But he was also humble and self-effacing, brushing aside any adulation and praise. He didn't want photographs to be taken of him, or his birthday to be celebrated. He has also been described as dynamic, restless and intense, with incredible powers of concentration and accomplishment. He was shrewd and economical, a determined bargainer, making it possible to save the Bahá'í Faith large sums of money and then using the money saved to engage in new enterprises. But he was also generous in his contributions to the needy and to the Bahá'ís to further their aims. He assisted financially with the translation and publication of Bahá'í literature. (The Bahá'í Faith is supported exclusively by voluntary contributions made by Bahá'ís). Shoghi Effendi was not intimidated by the magnitude of work on his shoulders. He toiled for thirty-six years, devoting time to miniscule details and encompassing the whole planet with detailed plans, instructions, and guidance. He alone ensured the establishment of the Faith throughout the world and laid the foundations of the Administrative Order. He died at the age of 60 in London.

The Universal House of Justice

When Shoghi Effendi died, it was found that he had not written a Will; there was no heir or Bahá'í relative able to fit the requirements laid down by Abdu'l-Bahá for a successor to the Guardian. The destiny of the Faith was now in the care of the Hands of the Cause of God, an institution originally brought into being by Bahá'u'lláh in His lifetime to aid in the development of the Faith. These learned individuals acted as advisors and protectors of the Faith. Hands of the Cause representing all the continents came together to determine their next steps. Nine of them were chosen to serve at the World Centre and work for the protection and promotion of the Faith, following the instructions of Shoghi Effendi. Under their care and protection, the Universal House of Justice was elected in 1963.

Through a unique system of governance, The Universal House of Justice is elected by all National Spiritual Assemblies in the world. This body legislates on matters not expressly recorded in the Writings of Bahá'u'lláh. It guides, organizes and unifies the affairs of the Bahá'ís throughout the world. It gives spiritual guidance to the worldwide Bahá'í community and directs its administrative activities. The Universal House of Justice is elected every five years in a free, democratic election by secret ballot. No nominations or electioneering is permitted in Bahá'í elections. The nine elected members come from different countries and backgrounds, but work as one for the unification of the world, according to the Teachings of Bahá'u'lláh. The Universal House of Justice is considered to be an infallible source under the care and protection of Bahá'u'lláh and His guidance and inspiration.

The present economic system is sick and dying. It cannot meet the needs of humanity. The gap between the rich and the poor is getting wider and wider, which has increased the suffering of the masses. The solutions that can heal it have been ignored. It is time to re-examine the fundamental assumptions that this system was built on and replace them with humane, moral and spiritual ones. A shift in thinking is needed. We have the solutions and the technology to build a new system; all we need is the resolve and the will. The time for action is upon us. This is our eleventh hour.