FUSION ECONOMICS
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HOW PRAGMATISM IS ChangINg THE WORLD

LAURENCE J. BRAHM
You can't evict an idea whose time has come.

—Occupy Wall Street protesters
Peace is threatened by unjust economic, social and political order, absence of human rights. Poverty is the absence of all human rights. The frustrations, hostility and anger generated by abject poverty cannot sustain peace in any society. For building stable peace we must find ways to provide opportunities for people to live decent lives.

—Muhammed Yunus Nobel Laureate
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PREFACE

VOICE OF THE VOICELESS:
Fed Up with Television Talking Heads? Listen to People in the Street

WE SHALL OCCUPY

I am standing in Zuccotti Park, embedded with Occupy Wall Street protesters. Rings of police surround the park. Media trucks are parked on one side. Surveillance equipment is rigged on the other. And between them, a vast cross-section of America is out on the street.

One protester holds aloft a piece of cardboard inscribed with crayon. It reads: “Arab Spring, European Summer, American Autumn.” The protests that began in North Africa, followed by the Middle East and then Europe, had spread to New York. Frustration with incompetent government, politics of oligarchy, and economic squandering on self-interest at the expense of the general public was shared across continents.

In 2011, protesters globally had joined hands to express outrage at an unjust order. Greed-based economics and the irrational use of capital had widened income gaps, increased unemployment, and neglected infrastructure, while waging useless ideologically driven wars that have only bankrupted the countries starting them. For some reason, this had gone on for years, more or less unquestioned by corporate- and lobbyist-sponsored media.
A revolution sparked by the middle class was underway. The gap between rich and poor were widening, while the global middle-class was being pinched into extinction, essentially joining ranks with the poor.

Suddenly, elite New York University and New School students facing decades of debt repayments in exchange for their education, saw no future. Inspired by the protesters in Tahrir Square who epitomized the Arab Spring, and Catalonia Square, where the European Indignant and tent movement began, they joined hands with the homeless in New York and on September 17 occupied Wall Street. Within a few weeks, the Occupy movement spread across America, in turn inspiring the world.

I returned to New York City to join Occupy Wall Street, after having spent three decades in Asia, working as a corporate lawyer and development economist fixing broken economies, and later as social entrepreneur building new ones from the grass roots. Arriving in my hometown, I sensed that frustration with the system had reached a boiling point. People on the right and the left had lost jobs. They all knew what was wrong, but did not know how to fix it. They called for a new economic paradigm, but did not know how to get there.

And many office floors above the street, almost as if flying over the protesters in an airplane, glued to their Bloomberg screens, nobody could hear the cries below, much less bother to listen. Assuredly they knew that Mayor Michael Bloomberg would soon use brutal police force to clear the protesters from his streets.

IT’S TIME FOR A PEACEFUL REVOLUTION

This book is not about the Occupy movement. It is about a global movement of which Occupy has been a part in the sequence of events leading to change. Change is already happening. It is broader in scope than just protest, already spanning continents and about to propel an economic tectonic shift.

It is about a change in values and business dynamics: a move away from greed and profitability for individualist egoism, toward greater community and global sustainability. The problem is that our greed-based neo-liberal system is all about me, me, me- for the short term. That is why it is not sustainable.

The actors who are propelling this change are not politicians making speeches or central bankers conjuring up fiscal alchemy. Real change now comes from two seemingly opposite camps. On one end of the spectrum are NGO leaders and community activists who are
turning into social entrepreneurs in order to support their programs and vision for social betterment. On the other end are multinational corporations figuring out how to become socially responsible, driven by the demand of clients and customers who want change. They are voting with their purchasing power—“conscientious consumption”.

These widely divergent forces are moving toward the middle, and they represent another dimension of this movement.

Remarkably, Coca-Cola’s CEO Muhtar Kent came right out at the World Economic Forum in January 2013 and said capitalism needs to be transformed. “You can probably say capitalism is the worst model—except for all the others,” Kent admitted. “We have to evolve it to make sure it is better socially connected to the people’s wishes and needs and to create a better harmony in the world.” Reflecting a shift in thinking, he suggested, “I think it’s going to end up where we have that ‘golden triangle’ working better with government, business, and civil society.”

Obviously, not everyone is thinking like Kent or voicing these ideas. There are people who do not want to see this change occur. Our governments have become dysfunctional, manipulated by wealthy market hard-liners, and no longer represent people’s rights, dreams, and aspirations—hence the “1 percent versus 99 percent” slogan. That spells classic class struggle, the formula for revolution. Protests that erupted in 2011 opened the curtain on the decade of global revolt. However, protesters, inspired by Mahatma Gandhi, have done their best to remain generally peaceful despite being sprayed with mace in some cities and targeted with bullets in others.

The protests may be dispersed in America, for the moment. But rest assured, they are coming back! Our politicians are refusing to address the core problems. As elsewhere—in Turkey, Brazil, and Ukraine—they are coming to a neighborhood near you soon. That is because everyone knows deep down inside that something is wrong. Nobody believes those talking heads who assure us that everything is just fine. Our current economic system is rusted, corroded, corrupted, not working anymore, and certainly not transparent. It’s time for more than change. We need a new system.

From Cairo to Barcelona, to Moscow, Athens, and New York, everyone is fed up with the greed conundrum, the widely accepted ethos that profit and self-interest are the end-all of economic efficiency and that conspicuous consumption is the measurement of one’s worth and success.
And that is what the Peaceful Revolution is all about. It is not about violence or anger to vent frustration, but rather a conscious transformation away from our current system that has become environmentally unsustainable and economically inequitable, on a planet of diminishing resources, increased poverty gaps, and upheaving upward social pressures.

The peaceful revolution underway is not antibusiness. The issues should not be confused. The protesters are calling for those very values that underlie the way we do business to change. They are screaming outrage against the interests of a small global elite who have prevented the empowerment of people to run their own businesses.

The protesters who shook the world in 2011 were driven by an overriding grievance: our planet is not sustainable the way it is being run!

Let's cut through the confusion and attempt to sum up what demonstrators across the globe have been demanding. Let's write it on a single poster board that can be paraded before police barricades. If not sprayed with mace, it reads something like this:

1) It's time for an economic middle way. We need pragmatic holistic economics, not theory. Put an end to the dogma of market fundamentalism.
2) Promote social enterprise, compassionate capital, conscientious consumption, and stakeholder value to protect our communities and environment.
3) Sustainable local economics is the best guarantee for water and food security and for the prevention of ethnic violence and terror, both in the developing and the industrialized world.
4) We must redesign our financial architecture to support green growth and conversion from fossil fuels to renewable energy as the next global economic driver. It is the biggest challenge our planet faces if we want to have a planet on which to live.
5) It is time for our global youth to be stakeholders in this process. It is their inherent right, because it is their future!

Underlying these five parallel demands is a shift in the global political economic order. Countries that were underdeveloped just two decades ago are now among the fastest-growing economies and the most dynamic societies on our planet, changing the flow of
capital. The BRICS (Brazil, Russia, India, China, South Africa) have become the world’s economic drivers, and with the rising power of the G77, they are leading development with their own very different and fusion approach to economics. Some of the most dynamic economies on our planet are now in Africa, but the mainstream media won’t tell you that. They espouse values of diversified localization rather than monolithic globalization. Their newfound strength and rejection of old models is affecting the global order as we have known and accepted it for decades.

Changes in the flow of capital currents bring a diversification of values. International economic, financial, and political policy changes will have to reflect this. People’s demands in the street can also be seen and understood as a parallel force against the backdrop of this change.

The “megatrends” described above—social outrage and protest, convergence of social enterprise and corporate responsibility and a realignment of our financial architecture being driven by the “new south”—are occurring in tandem. They are interconnected aspects of our changing world order. It is multidimensional.

It is not happening at grandly staged meetings of presidents, prime ministers, sheiks, or finance ministers. Nor do the keys come from fancy development models cooked up at Ivy League Universities and Washington think tanks.

Rather, the way forward is being spawned from a vast network of people. Some are visionaries in government who are fighting their own bureaucracies. Others are NGO workers, social entrepreneurs, and activists. Many have no education at all. Few have a PhD in economics. They are individuals simply committed to helping people. They treasure our planet and its natural environment. Amazingly, they are driven by motivations other than greed. Joining the force are responsible businessmen, with power, wealth, and a pragmatic view of how our world works.

They seek realistic solutions to address conditions of impoverishment and environmental degradation. More often, they draw upon local wisdom rather than a distant model to find an answer.

Even though these people are very different, working for different causes in different places, they will all agree on one point: our current systems are unsustainable if run as they currently are.

These people are our new economic pioneers.
With this book I try to connect the dots between seemingly independent but converging efforts and show how change is occurring on multiple levels simultaneously. Driven by the same sets of concerns or frustrations, these various initiatives represent parallel responses to a global economic predicament. I believe that in the coming decade they will collectively be recognized as the new earth consensus. It may sound radical or “alternative” now. But it will become the new mainstream.

This book is not intended to be all inclusive. There are many people, movements, organizations, and businesses out there experimenting and creating a plethora of fresh and holistic approaches to solving our global economic mess and the distorted values underlying it. They need to be recognized as different facets of a new global consensus. But they cannot be covered in a single book. I would not even attempt to do that.

This book is written as a memoir to share my journey, to offer some practical alternatives to the business and development models that made a few people rich at the expense of everyone else. By telling my story and shedding light on the changes I witnessed, my wish is to inspire others to come forth with their own story too. Write, video, blog, tweet it—whatever. Let’s shut up the academics and talking heads, and call for pragmatic solutions from the street (or jungle) that work and can actually accomplish something. Then let’s force our politicians to react and do something constructive rather than get rich at everybody else’s expense while making long-winded speeches that have nothing to do with us.

It’s time to overthrow the market fundamentalism that turned economics into ideology. It’s time for institutions and governments to think out of the box and bring common sense back into it all.

It’s time for a peaceful revolution.
I wish to thank my agent Sharon Galant, from Zeitgeist Media Group Literary Agency, for all of her time, patience, and perseverance from the inception of this book over coffee in a Brussels train station to seeing it through to completion. Without her guidance, _Fusion Economics_ would have never been written. I am indebted to her dedication.

I wish to thank my executive editor, Laurie Harting, from Palgrave Macmillan for her belief in the ideas of _Fusion Economics_ and her commitment to bringing it to publication. Her final edits underscore the Zen approach that saying less is more.

I met countless anonymous people on this journey: activists, protesters, grass-roots workers, and so forth who devote time and energy to making our world a better and fairer place. Each of these individuals has been part of making this book a reality. It is impossible to mention them all here. However, I wish to thank and acknowledge a number of people whose dialogues particularly helped crystallize the ideas presented in this book. I have done my very best to reflect their thoughts as accurately as they were expressed to me in many conversations over the years that are the story of _Fusion Economics_. For convenience, they are mentioned by their city, as reflected in this book: in Beijing, former premier Zhu Rongji, Zhu Yanlai, Li Jiange, Li Wei, Pan Jiying, Ai Jing, Li Lin, Sun Yiting, Seth Cooper, Chen Boping, Charles Gay, Noah Skocilich; in Ulan, Bator Surin Bardal; in Vientiene, Madame Pany Yathotou, Kham Leuang Sayalath, Sisavath Sisane, Samane Savannasao; in Hanoi, Ngyuen Doanh Hung; in Honolulu, Henk Rogers, Joshua Cooper, Henry Noa and Luka, Carol Fox, Spencer Kim, Dan Leaf; in Lhasa, Nanqin Rinpoche, Nyima Tsering,
Pembala, Beru Khyentse Rinpoche; in Maduo County, Jigme Jensen; in Thimphu, Prime Minister Lyonpo Jigmi Y. Thinley, Dasho Meghraj Gurung, Lungan Gyatso, Thshering Phuntsho; in Islamabad, Risa Mohammad Khan, Kamrin Lashari, Momin Agha, Donglin Li; in Kathmandu, Ian Baker, Pushpa Kamal Dahal “Prachanda,” Bauburam Bhattarai; in Delhi, Arundahti Roy; in Dhaka, Muhammad Yunus, Ashfquar Rahman; in Colombo, President Mahinda Rajapaksa, Nihal Rodrigo, Athuraliya Rathana; in Dakar, Didier Awadi, Alioune Tine, Rokhaya, Mamadouba, Minane Diouf, Charles Owens; in Barcelona, Marti Olivella, Rahel Aschwanden, Acradia Oliveres, Sister Teresa; in Moscow, Boris Kagarlitsky, Ian Vodin, Barri Gills, Andrey Kolganov, Nikolaj Kolomejtsev; in Rio, Anita Nayan, Leida Rijnhout; in Stockholm, Robert Bergquist; in Santa Barbara, Reza Aslan; and in New York, all of those who Occupied Wall Street.

In particular, I wish to thank those individuals who made my 2011–2012 winter fellowship at the East-West Center in Honolulu possible as this was where the most intensive writing for this book took place: Scott Mcleod, Mangmang Brown, John Barkai, Shirley Daniel, Jim Kelly, Jerry Sumida, Jim Hirai, Puong Phung and Warren Luke.

Moreover, I wish to express particular thanks to Victor Hao Li, Caroline Puel, David Shambaugh, and John and Doris Naisbitt for encouraging me to finally sit down and write this book.