

Questioning the purpose of endless economic

By Atle Hetland

Earlier, it was mostly teachers, parents and theologians who criticized people's focus on materialism and economic growth, especially in the West. Because in the developing countries, where more than a billion people live below the poverty line (which the World Bank defines as less than one and a quarter dollar a day), economic growth is desperately needed. In addition, much can be achieved through fairer sharing of existing resources between different groups and classes.

Unfortunately, in the upper echelons in most countries, in the cities and rural areas, too, the upper classes are not willing to share with the lower classes, and they focus their capitalist efforts on how to gain more profit and wealth, and in turn, spend more on own consumption.

For example, if a family has one car, and they can afford it, they buy a second car, even a third one. Mobile phones, laptops and tablets are updated all the time, and the advertisers are good at telling people that they need newer and faster gadgets and young people in particular are impressionable and buy.

Earlier, even in the upper classes, a trip to Europe or America was a once in a lifetime, or at least quite rarely. Today, some people go once or several times a year. Even in education, those who can afford more and longer studies are not satisfied with one or two degrees; they need more and more of those, too, even if one doesn't make the candidates more marketable on the job market. Education experts have started talking about the 'Master's degree decrease'. True, formal education is good, but there is a limit to how much one needs even of that.

Economic activities are purposeful; they are not an end in themselves, but something human beings do to achieve other things. A better and bigger house is meant to improve the quality of life. A new laptop is supposed to make office work and studies easier. In the end, all of it should lead to a feeling of greater happiness.

At a seminar at the Institute of Policy Studies (IPS) in Islamabad a few days ago senior economists lashed out at the world's current economic paradigm, notably that of *economic growth*.

"We need to redefine the concepts and our understanding of economics activities", said Dr. Naheed Zia Khan, a senior economist at the Fatima Jinnah Women University (FJWU) in Rawalpindi.

"It is wrong to make a causal relationship between economic growth and development unless there is also sustainability inbuilt into it", she said.

She criticized the role of America and the rest of the West in directing the world economy, including the Organization for Economic Cooperation and Development (OECD), whose rich member countries have only sixteen percent of the world population but eighty percent of the economic resources.

Fateh M. Chaudhri, an elderly economist with broad experience, said that the International Monetary Fund (IMF) must be given the right to advise on issues in the American economy, which is the world's largest. Hence if the American economy has any difficulties, it will have a domino effect on the rest of the world - as has been the case in the current financial and economic crisis.

Saqib Sherani, a former government adviser on financial affairs, said that endless economic growth is not needed, but it is used to avoid unemployment and recession.

“We have no alternative to economic growth. So far, we are stuck in it”, he said. He went on to say that the IMF, the World Bank and the United Nations are stuck in their own construct and their own ways of diagnosing economic problems and prescribing temporary solutions for them.

Saqib Sherani and Naheed Zia Khan were clear about the need for redefining the term *development* so that it focuses on the real everyday needs of the homo-sapiens. Naheed stressed that there is not only a need for redefining development within the economic discipline, but there is also a need for structural change in the goals of the entire human society, for the way homo-sapiens live.

“The basic moral and existential issues of human life should be investigated and new and better ways should be found for human life”, she said.

After the seminar, one participant, Dr. Imtiaz Badsah, a young teacher at an Islamabad university, commented that the important debate at the seminar should be followed up in other meetings and studies at local as well as international levels.

“We should take a deep breath and consider if all the economic activities that we seem to believe are so important in our modern time, really require the time and resources we give them. We should not behave as programmed machines; human beings are more important than that.”

“However, we should also not only criticize the international financial institutions. Not everything they do is wrong, and we also have a responsibility for developing our own alternatives locally”, Imtiaz Badsha said, fresh with a doctorate in economics from Scandinavia.

Novelist Salma Iftikhar, a trained biologist and a former teacher and founder of a private school in arts and sciences, said in a comment that it is essential that we all consider and prioritize what we spend our time on.

“What gives happiness in life is often not high material comfort, although a certain physical standard is also needed. It is so easy to get caught in the modern race for ‘more and better’, and that is sometimes a hindrance to happiness”, Salma Iftikhar said.

In one of her books, she has reflected on the past, when life was simpler and more secure, with more hope and optimism, as opposed to the many difficulties that face people today.

“True, this may to some extent be nostalgia, but I agree with the economists who question the purpose, foundation and fairness of the way we organize our societies.”

“Philosophers say that happiness is the most important thing in life. That can be found in many ways, of course. But generally, we know that a certain degree of fairness and equality is needed, and having a feeling of being useful. We also want people around us, especially our children and grandchildren, to be able to look to a better future”, Samla Iftikhar said.

Photo attached

Photo caption:

Will this young boy find a fairer world and a more sustainable economic system when he grows up - or will he discover that earlier generations lived happier lives? (-Photo by the writer)