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A Balance Paradigm for Post-Plutocracy: Toward Sustainable Development with Integral Harmony

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Abstract: For a sustainable human future, a rapid paradigm shift is a must from the prevailing “Explosion Paradigm” to a more reasonable “Balance Paradigm” by means of constantly enriching the existing diverse society-specific holistic cultures (“Cultures”). This means inviting a new age of balanced and integrated socio-economic systems worldwide with the help of the most important human common property—diverse Cultures. Generally speaking, each Culture has been deeply interwoven with its social value system, belief system, natural-social environments, and experience-based knowledge and wisdom. Such Cultures all over the world, however, have been mostly devastated by the modern ideology of lopsided market fundamentalism (“Market”) that has favored the plutocracy-driven power structure (“Big Market”) of the world. In order to seek a sustainable future by achieving the paradigm shift, the devastated diverse Cultures need to be restored, invigorated and enriched by long-term worldwide collaborations. For such a purpose, we cannot rely totally on the existing line of modern thoughts and theories of economics and other disciplines. Therefore, the present article introduces an alternative theoretical framework of balanced socio-economic development, which is argued for on the assumption of respectively and differently enriched diverse Cultures.

Keywords: balance paradigm; balanced socio-economic development; sustainable development; society-specific holistic culture; integral harmony; culture-oriented employment; human self-destruction; reckless run of modern civilization

1. Introduction

It may not be farfetched to say that “modern men” have traced the model of an old Indian parable, “the blind men and the elephant”. Put differently, modern intellectuals have extracted separately from Mother Nature such academic disciplines as physics, engineering, chemistry, biology, economics and political science (among other things) on the basis of their limited imaginations, perceptions and aspirations. Then they have created their own images of humans, as well as their own worldviews. Similar to “the blind men” in the parable, “modern men” with their own narrow-minded view of themselves began to seek self-interested “happiness”, by equating variously with freedom, equality, democracy, progress, comfort, love, material abundance, and so on. Once strongly driven forward with the “positivist” modern rationalism, such quests for happiness have come already to “the river of no return” and, thus, went on feverishly, assisted by the force of vested interests—the modern plutocracy-driven power structure (abbreviated as “Big Market”). The term “Big Market” means here the plutocracy-driven modern power structure that is a close-knit hierarchical alliance for worldwide consolidation of power sources, including royalties, religious organizations, financial circles, industry-military complex, multi-nationals, politico-economic systems, mass media, and IT-AI technology, among others. Big Market, practically “faceless” and “stateless”, has become the compelling force of control over the world by consolidating wealth and power.

Despite human complexity and profundity, the simple minded pursuit of “modern men” must go on “blindly” and “recklessly” inventing gunpowder, atomic bombs, the Internet, and artificial intelligence (AI), with no comprehensive views of their long-term consequences on important and indispensable human values and humanities. In other words, Modern Civilization came to full bloom with a set of thoughts/ideologies that encompassed “supremacy-oriented” overarching individualism, “rationality-propelled” reductionist materialism, “evolutionist-compelled” linear progressivism, “self-centered” exclusive egotism, and “free-market-disguised” competitive antagonism. Such compelling, self-perpetuating and mutually reinforcing thoughts/ideologies of Modern Civilization—“the spell of extremes” [1]—have stamped into almost all human societies and coercively justified the modern ideologies of the private-property-centered “might-makes-right” principle, which gave birth to, as well as played up to Big Market. The modern “human-centered” exploitation of Mother Nature, “competition-disguised” antagonism/exclusionism, and politico-economic expansionism of “material-monoculture” have encompassed the self-perpetuating and mutually reinforcing modern ideologies that have favored Big Market. Such ideologies, once gaining their worldwide footing, have begun to empower Big Market pursuing recklessly uninhibited wealth-and-power aggrandizement, perhaps, ending up with taking everybody and everything to doomsday. As presented in this manner, there seems to be no escape.

For one thing, the modern scientific methodology has strictly demanded concrete and persuasive evidences for authentic proof *pro* and *con*. Thus, it has tended to have the scientifically oriented “authentic” academicians bound hands and feet, unable to recommend, at an early stage, any appropriate modifications of the modern ideologies that increasingly accelerated the on-going expansionary activities for consolidating wealth and power in the hands of Big Market. It is obvious that the uncharted future does not offer any concrete and persuasive evidences “enabling” authentic recommendations for remedies of the excesses. For another, the vested interests of Big Market, together with modernity-inculcated people at large, would not agree to any turnabout of their accustomed modern attitudes and tricks, even if appropriate modifications and rectifications could be recommended and enforced. In the meantime, the leading children of the Enlightenment (Physics, Chemistry, Biology, Political Science and Economics, in particular) have been carried away and are seen to be seriously threatening human sustainability and even planetary survival.

In their eagerness to gain a *new tiny fraction* of knowledge which, perhaps, is important only to mainstream physicists (and also to power-hungry entrenched interests), they have come to create the monstrous LHC (Large Hadron Collider) with CERN (the European Organization for Nuclear Research) to reproduce the conditions just after the so-called “Big Bang”. They started a series of experiments, ignoring a serious risk of annihilating all humans and even our planet, despite the warning by the team of Otto E. Rössler at the University of Tübingen, Germany [2–4]. Rössler started warning and writing letters in mid-2007 (prior to the LHC experiments) to almost all national heads of influential countries and the heads of international organizations such as the United Nations and UNESCO, in addition to CERN. His main concern was to see an immediate holding of a LHC Safety Conference. For, he was convinced, after repeated calculations and reviews, of a likely planetary risk, due to the probable creation of *non-evaporating* “mini black-holes” by the LHC “Big-Bang” experiments. His repeated warnings, however, have not been heeded or taken seriously by the world leaders being, perhaps, afraid of political risks. Much worse, no physicists have taken trouble to openly challenge, prove or disprove Rössler’s calculations and warnings, despite his sincere appeals to the Physics community. The mainstream physicists, perhaps spell-bound or wrongly inculcated, did not seem to care at all whether they would annihilate all humans and the planet for a “tiny piece” of new knowledge. This may indicate a total bankruptcy of humanity and morality in the Physics community.

A similar bankruptcy may be discerned with respect to the mainstream neoclassical economics and economists. Classical economics was given birth as a moral science of Adam Smith who was one of the active and influential latter-18th century leaders of the Scottish Enlightenment [5]. Begun as a seemingly commendable and decent discipline (political economy, later termed “classical economics”),

economists over time have adopted *highly fictitious and extreme positivist* slogans, assumptions and concepts, such as “the greatest happiness of the greatest number”, “free market competition for the good of everyone”, “profit-and-utility maximization”, “competition-monopoly dichotomy”, “individual self-interested free-market economy”, “trickle-down policy” and so on. With such dubious theoretical tendency, mainstream economists have *blindly* encouraged “want-lust-greed emancipation” and “competition-and-growth augmentation”, often, at the sacrifice of other important values and aspects of human life. Thus, the mainstream economics gradually deteriorated to hinging on market fundamentalism (“Market”)—inhuman politico-economic ideology, often, buttering up the vested interests of Big Market. Such ideology has promoted and defended morbidly the untiring acquisition and accumulation of private property for wealth and power aggrandizement, despite the inevitable effect of intensifying rich-poor polarization and the severe constraints on the global environment and resources. Also, it has ignored the importance of peaceful coexistence among different societies, as well as the importance of balanced/harmonious nature-human symbiosis.

It is rather obvious that such deterioration has vastly benefited wealth-thirsty, power-hungry, often malicious, criminal and tyrannical individuals across the world, on the one hand, and mercilessly sacrificed almost all other fellow humans, on the other hand. Accordingly, mainstream economic theorists and practitioners, perhaps, often unaware and unintended, have come to enshrine the modern version of “might-makes-right” and “money-worshipping” ideologies with their mutually reinforcing accompaniments, such as materialism, individualism, rationalism, reductionism, progressivism, expansionism, egotism, antagonism, exclusionism, market fundamentalism, and so on. Such lopsided ideologies comprise the *spell of extremes* [1] that is constantly augmented by the contemporary ideologies justifying that “Money is might that makes right”. As a result, such economic theorists and practitioners have resigned themselves to being patronized directly and/or indirectly by Big Market. Also, the growth-oriented (often growth-maniac) mainstream economists have recklessly insisted on *economic globalization* that has over time divided the world population into the growing impoverished majority and the small minority amassing enormous wealth and power. No doubt, such economists with their lopsided academic ideology have accelerated human and planetary risks that have arisen directly or indirectly from the severe constraints on the global environment and resources, as well as from the accelerated disparity among fellow humans of wealth, amenity and power.

For centuries, Big Market has been directly gone against a “balanced” socio-economic development and, hence, against the contemporary issue of Sustainable Development. The concept of Sustainable Development was defined in the WCED’s report/book, entitled *Our Common Future* (1987) [6], as “the development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. As a corollary of the definition, the same book presents a supplementary definition which says: Sustainable Development is “a process of change in which the exploitation of resources, the direction of investment, the orientation of technological development, and institutional change are made consistent with future as well as present needs”. Such 1987 definitions were consistently broadened by the 2002 World Summit on Sustainable Development in Johannesburg, South Africa: i.e., “Sustainable Development is built on three interdependent and mutually reinforcing pillars—economic development, social development and environmental protection—which must be established at local, national, regional and global levels”. All these definitions may commonly imply that Sustainable Development is a perpetual process of balanced socio-economic development harmonious with the global environment.

Prioritizing its blind pursuit of wealth-and-power accumulation, Big Market lacked the moral and ethical motivation and aspiration for “balance-and-equity” in social value system, as well as for “balanced and equilibrated sharing” of benefits with the people at large. In other words, for the purpose of exclusive and greedy wealth-and-power accumulation, Big Market has resorted to anything that included violence, warfare, conquest, plunder, exploitation, enslavement, monopolizing market, religious persuasion, trickery, fraudulence, and other anti-social activities. Also, Big Market has incarnated its self-justifying slogan that “Money is might that makes right”. Such self-seeking

inclination of Big Market has manipulated and distorted modern thoughts and ideologies to suit its purpose [7,8]. The distorted/lopsided thoughts and ideologies have, in turn, given rise to the modern version of ambiguous, misleading and, in reality, double-tongued ideas of freedom, democracy, charity, equality, self-help, human rights, and so on. For that matter, the concept of Sustainable Development has been increasingly made futile and empty with a variety of self-seeking interpretations among people. Although this concept was initiated by the conscientious human/humanitarian leadership to counteract, before it is too late, the “reckless run” of Modern Civilization driven by the modern vested interests (Big Market). Such “reckless run”, however, has been repeatedly glossed over by the increasingly lopsided thoughts and persuasions by the relevant academic accomplices.

In the light of such modern realities, our “Balance Paradigm” aims at value balance, harmony, peace and a sustainable human future based on sound and diverse society-specific holistic cultures (“Cultures”) that includes their respective social value systems [9–11]. A reasonable balance both in local and global socio-economies may lead to favorable mutual reinforcements between and among diverse Cultures, social value systems, economic systems and environmental systems for the general well-being of reasonably decent humans at large. Such a balance, however, is absent in the prevailing Market-based and monetized material mono-culture that strictly favors pervasive plutocratic vested-interests. The firmly institutionalized thoughts and behaviors of lopsided modernity are now negating human personality, spirituality and aspiration for a sustainable future. To propose our “Balance Paradigm” in this article for thinking of the world of post-plutocracy, therefore, requires our belief in reasonably decent human nature, as well as our optimism and aspiration for a sustainable human future.

In the following, our “Balance Paradigm” for Sustainable Development (or “Sustainability Paradigm”) will be first explained, briefly touching on the importance of diverse sound Cultures and social value systems. Then, the paradigm will be contrasted with the prevailing “Explosion Paradigm” which has been tenaciously bulldozed by the contemporary power structure. Secondly, the extreme positivist approach and lopsided value system of Modern Civilization are taken up, in particular, to discuss the danger of imminent human self-destruction. Also, the plutocracy-driven power structure (Big Market) and a deep-rooted cause of an extremely unbalanced/lopsided socio-economic system and social value system will be critically discussed, referring to the Credibility Trap that devastates mutual trust (among other things). Thirdly, the “Balance Paradigm” is related to our pivotal concept—Integral Harmony—which refers to own native Culture-based sound social value systems. Also, other important premises/assumptions will be discussed in terms of our theory of long-term socio-economic development. Fourthly, the theoretical framework of balanced socio-economic development (pertinent to Sustainable Development) is formally presented with a variety of theoretical and practical implications. In particular, our multi-faceted theoretical framework will be related to Integral Harmony. Fifthly, Culture-oriented employment system is explained as another pivotal concept in our “Balanced Paradigm”. Finally, our argument for the “Balance Paradigm” is rounded up in Concluding Notes.

2. Balanced Paradigm and Modern Civilization

2.1. Diverse Sound Cultures as Foundation of Balance Paradigm

It is necessary to emphasize in the outset that a sound Culture in each society is considered most important when contemplating a paradigm shift to our “Balance Paradigm” from the prevailing “Explosion Paradigm”. Here, the use of the term “paradigm” indicates a distinction of “ethos”. In other words, the “Balance Paradigm” represents the “Ethos of Culture” that indicates the long-term accumulative/integrative disposition of Culture, providing the people with the continuous linkage of their past, present and future, as well as providing with their identity, amenity and harmonious lifestyle for a long-lasting social life. The “Explosion Paradigm” represents the “Ethos of Market” (or “Ethos of Civilization”) that indicates the short-sighted and expansionist product-flow-oriented

disposition of Market, providing the people with rapidly changing material-centered stressful lifestyles and working conditions, which entail instability, insecurity and uncertainty.

The term “Culture” (meaning “society-specific holistic culture”) and the term “Market” (meaning “market fundamentalism”) constitute the two important concepts nearly opposite to each other, when we contrast the Balance Paradigm with the Explosion Paradigm. More concretely stated, Culture here means a long accumulated/integrated whole of experiences, knowledge, skills, wisdom, beliefs, values, mores, customs, traditions, linguistic and other modes of communication (among other things). Put differently, a Culture is a holistic product of long-term dynamic and synergistic interactions within its society and with its neighboring societies, as well as with its natural and human environments (including climatic, geographical, geopolitical environments). The term “holistic” is used in this article to indicate a Culture as a living system. Put differently Culture has properties over and above those of its parts and their organization, as well as capacities for its self-proliferation by augmenting its identity providing function to the relevant people. Also, it has functions to link the people’s past, present and future, reinforce the relevant social value system, and provide foundation for socio-economic activities. All such properties, capacities and functions must have had the general purpose of securing balance, harmony, solidarity, continuity and well-being of the people and society, as well as of maintaining peace with the neighboring peoples.

A Culture as such must, to begin with, encompass richly a variety of tangible-intangible, visible-invisible and material-spiritual elements. Also, a Culture must refer to a collective common property of the relevant people, which represents the cumulative endeavors of the population in numerous generations to weave together a great variety of spiritual, intellectual, physical, material, social and environmental fabrics in time and space. Further, such a Culture must have provided a centripetal force for the society and have organized the social-personal constituents both horizontally and vertically, who consist of all individual persons, families, firms, non-profit organizations and government entities. Similarly, a Culture must have facilitated a variety of interactions for intra-generational coordination, inter-generational solidarity and person-society-environment symbiosis for synergy effects in the process of well-balanced socioeconomic development. Still further, a Culture must have shaped the commonly shared characteristics of the people, as well as their distinctive features among all peoples in the world. Moreover, a Culture must have contributed to the continuous cultivation of the ensuing generations.

Thus, a Culture offers an identity to the people, encourages them to nurture mutual trust as well as reliability, and facilitates them with harmonious and smooth interaction/communication among themselves. Put figuratively, a Culture provides the people with “social glue and lubricant” for their mutual relations that augment the people’s relational mutuality. It also facilitates appropriate ways, means and conditions for integrity, conformity, subsistence, peace/harmony and well-being of the people. After all, a sound/wholesome Culture, providing the above meanings, purposes and functions as the integral common property of the relevant people, accommodates and encourages a *general human ethos* that favors a sound, active, fruitful and enjoyable longevity. Such a Culture also maintains the ethos that is community life-interested (as against “power” interestedness), long-term-engaged (as against “transient” mentality), cooperation-propelled (as against “competitive” temperament), inward-enrichment-directed (as against “outward-aggressive” tendency), stock-oriented (as against a “flow” orientation), and common-property-centered (as against self-seeking “private-property” accumulation). Such ethos of a sound Culture provides the people and society with a sound social value system.

2.2. Market and Unsustainable “Explosion Paradigm”

Contrasting to the concept of Culture, as suggested above, we have the almost diametrically opposite concept of Market (market fundamentalism) particular to our age of hard-sell economic globalization. The Market can be said to represent the major characteristics of Modern Civilization, in particular, the “raw capitalism”. As hinted in the above, the ethos of Market indicates “power”

interestedness, “transient” mentality, “predatory” competition, “outward-aggressive” tendency, “growth-and-flow” orientation and “private-property” centeredness (to the extent of asserting the inviolability of private property). With this ethos, the Market has aggressively exploited the diverse Cultures and the natural environment for self-seeking short-run purposes. Accordingly, the Market represents the predatory force of profit maximization, the free-market ideology of “level-ground (absolute)” completion and the maniacal pursuit of economic growth. All such features disregard the diverse capital sizes and management capacities of market competitors, the various historical paths of respective societies, and the different socio-economic aspirations of diverse peoples. The implied ideology of “might-makes-right” encourages the maximization of both corporate profits and consumer utilities for an “alleged” efficient allocation of global resources, as well as the strict market-centered lopsided value system of short-run nature.

Such a Market encourages individual persons to devote themselves only to self-interested purposes, as well as conditions them to crave endlessly for material abundance and convenience, in spite of the severe constraints on natural resources and the alarming degradation of global environment. Put differently, the Market caters to the modern plutocratic power structure (“Big Market”) which campaigns for the Market-centered ideas, values and rules to be adopted anywhere and everywhere, compelling all peoples and societies of the world to behave according to whatever the Market asserts. The Market encourages and facilitates large established producers and financiers mainly of the industrially advanced modern nations to take full advantage of their global business operations for the profit maximization and, perhaps, for the assimilation of all people to the idea “Money is might that makes right”, as well as for the standardization of global politico-economic environment in favor of Big Market.

In a sense, the economic globalization by the Market, together with the IT Revolution in communication and the technological advance in transportation, has accelerated the globe-wide power concentration and reinforcement, as well as for unification, standardization and mechanization of humanity and human societies. These global conditions provide a figurative impression of the rapidly shrunken human world that can be called the “Insular Planet”. Presently, more than seven billion people live on the relatively unchanged land surface of Planet Earth, who have come to compete for the severely limited natural resources by their rapid growth of production-and-consumption and self-centered power aggrandizement. In addition, the Market has encouraged greed-driven technological innovations based on antagonistic competition to have rapidly expanded the global and national gaps between the rich and the poor, by incessantly shifting the income, wealth and amenity to the former from the latter through such transient innovations. Such predatory competition has also rapidly damaged personal morality, social value systems, diverse Cultures, belief systems and natural-and-social environments. This is the *unsustainable* global reality that makes the confrontational competition imminently dangerous to a sustainable human future [10].

2.3. Sound Culture and Integral Harmony

For overcoming such modern maladies, as well as for cultivating a sound social value system for each society, it is highly important now to emphasize the theoretical framework of Integral Harmony (or, own Culture-based sound social value system). This framework encompasses the respective-and-overall *balances* of fundamental social values, such as, social harmony, personal integrity, social solidarity, societal continuity and relational mutuality. Then, Integral Harmony may, most likely, conduce to a sustainable future of our prospective global community. Most likely, Integral Harmony can counterbalance the lopsided, hard-pressed, hyper-stressful, confrontational and exclusionary social value system of Modern Civilization. Also, it can rectify over time the prevailing “now-oriented” mindset, motivation and lifestyle, which have been based largely on the modern lopsided thoughts/ideologies of Market-centered short-run socio-economic activities.

Representing the overall balance of fundamental social values, Integral Harmony may lead to a harmonious and balanced *integration* of peoples and societies in the prospective global community.

The most important requirement for such a harmonious and balanced integration is, perhaps, the strong aspiration of the people at large for a sustainable future, accompanied by their indomitable spirits of collaboration-conscious endeavors for a peaceful co-existence and a decent-empathetic lifestyle. Such requirements may be imperative to pursue Integral Harmony for a balanced socio-economic development, given the plutocratic power structure (Big Market) campaigning for *outright unification* or *forced standardization* of peoples and societies. Integral Harmony cannot be too much emphasized, where Big Market is promoting the Market-centered brutal force that makes the human mental-and-physical world shrunk constantly and the global environment and resources exploited mercilessly.

Thus, it is not far-fetched to emphasize, to begin with, the importance of a sound social-value framework (Integral Harmony) that is based on the constant enrichment of diverse Cultures to rectify the prevailing background of rapidly polarizing socio-politico-economic conditions towards robotizing/mechanizing humanity. Humanity/humanities all over the world have been devastated by the modern emphases on materialism, individualism, egotism, antagonism, progressivism and growth-oriented scientism and market-centered neo-liberalism, to subjugate and exploit nature under the pretext of human progress and economic well-being [11]. The global production of short-run-market-oriented goods and services has increased rapidly by excessive exploitation of natural resources, humanities and the global environment (among other important things in the long term). Also at the cost of the poor and the weak, the distribution of income, wealth and amenity that depends on global economic growth has been much skewed to the already rich minority, reducing the majority of human beings worldwide to live figuratively “hand-to-mouth” in the conditions of growing instability, insecurity and uncertainty.

Along with the rapid growth of production and the skewed distribution, the endless and rapid changes in working methods-and-conditions, industrial relations, marketed goods-and-services, advertised fashions, objects of personal aspirations (among other things) have disturbed and toppled physical-psychological conditions, natural-and-social environments and accustomed life/living. Under such instability, insecurity and uncertainty, the long-accustomed traditions and conventions as part of diverse Cultures across the world have been disregarded and degraded, empathetic/compassionate human relations have been diminished, family comfort/intimacy have largely been extinct, and a viable human future has become increasingly questionable. Given such frightful conditions worldwide today [12], it is inevitable for all people to consider conscious all-out collaborations in order to rectify the modern ills, restore the social health, and aspire for a sustainable human future [13]. Therefore, learning of broad-minded tolerance, mutual respect and collaborative consciousness, to begin with, is a *must* for Integral Harmony of the prospective global community for a sustainable human future.

In close relation to Culture-based mutual trust, balance, identity and centripetal force, a sound Culture (with the ethos of Culture) may generate over time a sound social value system as its inseparable component. Thus, a sound Culture may accommodate and subsume broadly its tolerable personal/individual differences, income/wealth disparities, and human/social contradictions. Generally speaking, a social value system can be constantly enhanced along with enrichment of the holistic Culture. Most likely, such native Culture-based sound social value system (Integral Harmony) includes the fundamental social values such as *social harmony* (integrally subsuming a reasonable balance of amity and enmity), *personal integrity* (integrally subsuming a reasonable balance of the spiritual and the material), *social solidarity* (integrally subsuming a reasonable balance of the collective and the individual), *societal continuity* (integrally subsuming a reasonable balance of the traditional and the progressive) and *relational mutuality* (integrally subsuming a reasonable balance of self-interest and altruist interest).

Also, Integral Harmony, most important for the Balance Paradigm, may coordinate, integrate and harmonize all such fundamental social values for mutual reinforcements, through their constant and mutual interactions. Further, the innate and dynamic centripetal force of the sound social value system (as part of the sound Culture) may lead to the *overarching harmony* of each society. In other

words, Integral Harmony works for harmoniously integrating amity-and-enmity for *social harmony*, the spiritual-and-material for *personal integrity*, the collective-and-individual for *social solidarity*, the traditional-and-progressive for *societal continuity*, and the self-interested-and-altruist for *relational mutuality* [10]. Such *overarching harmony* needs to be considered against the background of our ever shrinking mental-and-physical world with the horrendous contradictions and “reckless run” of Modern Civilization [14].

3. Human Self-Destruction under Big Market

3.1. Modern Attachment to Positivist Values

Modern Civilization, to begin with, has developed a conspicuous feature of disproportionately high values attached to something/anything *positive*, upholding “the powerful”, as well as “the material and tangible”. With such value orientation, a variety of modern nations have attempted to take full advantage of the rapidly growing command of “power” and “precious metals”, which had contributed particularly to economic growth and military reinforcement. The special attention to such economic and military augmentation, in turn, accelerated the territorial and colonial expansions of Modern Powers. Such augmentation also led to the development of “power-and-material-oriented” scientific disciplines relevant to the proliferation of “material-tangible” things, such as physics, chemistry, biology and economics with heavy reliance on reductionism. Further, such scientific development mutually reinforced with economic and military capabilities for aggrandizing modern nation states.

As a result, such modern nations with this grossly lopsided *politico-economic value system* have neglected the *social values* encompassing Cultural, spiritual, empathetic, ethical and moral needs for a sound, decent and comfortable social life. As a matter of course, such *social values* have often contradicted with the “material-oriented” expansionism cherished by the modern nations that were seeking feverishly their political and economic aggrandizements. This means that diverse society-specific cultures (“Cultures”) and social value systems were to be neglected or even forcefully destroyed in the colonized/subjugated countries, as being obstructive to the purpose of modern nations and their plutocratic power structure (“Big Market”). Such neglect and destruction of diverse Cultures and social value systems entailed a general neglect and destruction of values inherent in the intangible and nonmaterial aspects of the respective societies.

To say the least, the modern value system is unbalanced, lopsided and distorted, for it emphasizes almost solely “the positive” which may mean “too simple and extreme” in the philosophy of Buddha (567~488 BC). The so-called “Buddha’s Zero” was shaped over seven centuries by Buddha and Nagarjuna (approximately 150~250 AD). Buddha taught that all views (propositions) can be classified under four possible views: *Yes*; *No*; *Yes and No*; and *neither Yes or No* [15]. The view referring to both “*Yes*” and “*No*” constitutes the so-called “Buddha’s Zero” that followed the most revered philosophical ideas earliest known, such as Upanisads (1000 BC~300 AD) and Vedas (5000 BC) [15,16]. For a simplistic illustration of our present discussion, such “four possible views” are tentatively depicted here in terms of four Venn diagrams [17].

Such diagrams are shown in the following Figure 1, where the shaded areas imply the respective *views*. Oval X is assumed to show “the positive”, and Oval Y “the negative”. The four views are, respectively, “*Yes*” ($Z = X$: Z is “positive”); “*No*” ($Z = Y$: Z is “negative”); “*Yes and No*” ($Z = X + Y$: Z is both “positive” and “negative”); and “*Neither Yes or No*” ($Y \neq Z \neq X$: Z is neither “positive” nor “negative”). The view “*Yes*” (Z is “positive”) is one extreme view, and the view “*No*” (Z is “negative”) is the second extreme view, according to Buddha’s philosophy. The view “*neither Yes or No*” (Z is neither “positive” nor “negative”) is the heretical and nihilist view. Finally, the view “*Yes and No*” (Z is both “positive” and “negative”) refers to the *middle path* which is “the home and identity of everything” [15].

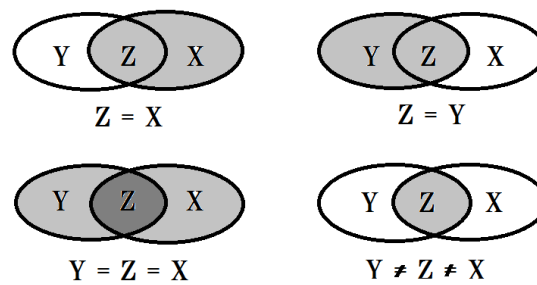


Figure 1. Interpretation of Buddha's Four Possible Views.

As seen from the above illustration, “Yes” ($Z = X$) is the “positive” view that is “one extreme” in terms of Buddha’s Zero. In Modern Civilization, that extreme view has been the norm disproportionately emphasized, without much thought about the long-term consequence of such all-positivist approaches. In other words, to emphasize the “positive” view alone indicates far out of a “good balance” (never being balanced) in view of complex and profound humanity and human societies. It may also indicate that modern academic approaches, often conspicuously catering to Big Market, are not only heavily biased to the *positivist* view, but also extremely defective in balance. Such approaches may, most likely, come to an impasse sooner or later. Or, they may leave us only choice either to accept the eventually unavoidable impasse in dire straits or to make a mad rush toward a disaster against all possible oppositions.

Such a mad rush may entail an eventual human self-destruction, as we have been already witnessing various strong symptoms of devastated diverse Cultures and social value systems almost all over the world to have the peoples utterly confused and frustrated in the face of manipulated instability, insecurity and uncertainty. When examining modern human phenomena, we need to consider both “positive and negative” (or “good and evil”) consequences in the short and long terms. In other words, an *integrally balanced approach* to “positive and negative” aspects, as well as to “short-term and long-term” aspects, is required to deal with human-personal development and socio-economic development in view of human complexity and diversity. Also, we need to pay close attention to the synergy effects of such developments with our complex perspectives of integrated various “pairs of opposite values”. We humans are inclined over time to *both* “good and evil” (or, both “good will and ill will”) perhaps, without exception. Therefore, when we lose a reasonable balance between good will and ill will, in the absence of the sound social value system of our own Culture, we may run out of control, taken in completely as in the cases of auctions, gambling, the stock market or any deals manipulated by the “positivist” Big Market.

3.2. Mutual Trust and Credibility Trap

A sound Culture is assumed here to maintain a variety of interrelated *mutual trust* existing among the social constituents. Such mutual trust acknowledges the *tacit complementary relationship*, for example, between the general public and the government, between the employer and the employee, between the consumer and the producer, between the lender and the borrower, between the young and the old, between medical doctors and patients, between teachers and pupils, and so on. Such *mutual trust* may be derived from the Culture-based “equitable-balance” consciousness in distribution of *mutual and common benefits* among the social constituents and, thus, may represent the people’s social attachment/entrustment that arises from their *long-term consistent and harmonious interactions*. For the Cultural function of social integration largely refers to the Cultural identity and the harmony-and comfort-oriented centripetal force, both of which, in turn, may rest on the general *mutual trust* of the social constituents. It is never too much to emphasize the importance of such Cultural foundation for mutual trust, equitable balance, common identity and social harmony-and-amenity, since the social constituents are inevitably bound by the long-inherited Culture for harmony, mutuality and viability.

Once the Culture—the common foundation and property of social constituents—suffers devastation, due to a severe damage to the Culture-based mutual trust, equitable balance, common identity and centripetal force, it is quite natural that the people at large begin to assume extremely self-centered, defensive, defiant and/or disorderly attitudes for an unknown length of time. Such attitudes may lead to the people's general behavior that tends to nullify any short-term rectifying initiatives and policies of government, particularly the short-term makeshift measures. Also, such attitudes may condition the society to suffer from a long-lasting serious lethargy and/or a socioeconomic state characterized as Credibility Trap [9,18].

The term “Credibility Trap” was coined by the present author to explain the state of serious social lethargy, due mainly to the devastation/destruction of own native Cultural foundation. Credibility Trap, reflecting the native Cultural/social systemic collapse, refers to socioeconomic state so devastated, both spiritually and politico-economically, that no short-run efforts can invigorate the people and society. It refers to a *systemic malfunction*, into which, perhaps, all the societies that have followed the lopsided modern thoughts and ideologies fall sooner or later. Also, it represents a drastic degradation of humanity, due to the serious impairment of the native Cultural foundations. For it comes into existence when the relevant Cultures suffer devastation to the extent that they lose the function of dynamic and coherent syntheses pertaining to the societies' human constituents, traditions, organizations, institutions and value systems, to mention only some major elements. In short, Credibility Trap refers to a devastated societal vitality, due mainly to heavy damage inflicted on mutual trust in personal and social interactions as a result of Cultural devastation. [9,18,19].

In other words, Credibility Trap entails a serious lack of mutual trust, empathy, personal morality, social ethics and personal/societal vitality with a prolonged socio-economic stagnation, reflecting largely the dilapidated/devastated own native Culture and social value system. It goes without saying that there are a variety of Credibility Traps in history, which have not been recognized as such, due mainly to the lack of the concept with the relevant explanatory framework that associates with a severe long-term societal malady or general underdevelopment/negative-development with Cultural devastation. Such a serious malady causing socioeconomic stagnation and general personal underdevelopment might have been witnessed worldwide in history. For classification purposes, we may identify three modern categories of Credibility Trap, as follows:

- (1) *Victimized Type*: Credibility Trap of non-Western societies, whose native Cultures and social value systems suffered destruction by the Spanish-Portugal conquests, the imperialistic scramble for colonies, and the political, social, economic and financial exploitation/victimization of underdeveloped/developing societies in the post-colonial age. This type of Credibility Trap refers to most of the societies victimized by the industrialized modern nations;
- (2) *Self-invited Type*: Credibility Trap of the late-come non-Western societies in the modern world, damaging their own Cultures and social value systems drastically over time as a result of their imitated/emulated modernization. One typical example of this type refers to the case of Japan;
- (3) *Self-inflicted Type*: Credibility Trap of the industrialized modern nations suffering from the devastation of their respective Cultures and social value systems, as a result of their own self-inculcation of modern lopsided thoughts, ideologies and values. This type of Credibility Trap refers to the current conditions of almost all Western nations.

All Credibility Trap classified above reflects the common conditions: i.e., the deprived native Cultural foundations, upon which their knowledge, wisdom, value systems, skills, mores, personal morality, social ethics, motivations, aspirations and lifestyles have been firmly built up and structured. The socio-economic predicament of any Credibility Trap may damage seriously the Cultural/societal centripetal force and the innate mutual trust between/among the social constituents. Both centripetal force and mutual trust are usually considered essential for sound social relations and well-balanced socio-economic activities. Once suffering serious damage to both, the only useful measure left to the relevant people, perhaps, is a long-enduring, full-fledged and whole-hearted endeavor to reconstruct

a vast variety of mutual trust and wholesome human relations among the social constituents, by constantly enriching their own Culture. Also, such an endeavor is required for recreating an integrally balanced social value system based on the constantly enriched native Culture. Most likely, untiring individual and collective endeavors for centuries would be required to restore and enrich any Culture for revitalizing its people and society.

It is quite important to note here that resource deprivation has been often pointed out as the major cause of *underdevelopment/negative-development*. Much worse is a far-fetched association of barbarous peoples with *underdevelopment*. Such insinuations have wrongly scratched the surface of the phenomenon of *underdevelopment/negative-development*, since they totally ignore the *systemic collapse* of the society, due mainly to Cultural devastation. Modern Powers, as a matter of fact, have imposed their own languages, religions, thoughts, rules and social value systems on the victimized peoples and societies, depriving their most important property—Cultures. In this sense, Credibility Trap provides an appropriate framework for various phenomena called “underdevelopment”, as well as a warning for rectification of the lopsided conditions.

3.3. Modern Civilization and Social Value System

Simplistically stated, the Modern Age began with conspicuous violence and greed, which drove the West-European monarchies to conquer and exploit the rest. Such violence-oriented greedy motivation gave rise to the modern plutocracy-driven global power structure (“Big Market”). Big Market was strongly attracted and attached to the highly valued, popular and fashionable things/matters, such as territories, armaments, beliefs, thoughts, ideologies, innovations, energy resources, precious metals, international currencies (among other things), which are all important and useful for controlling peoples and societies, as well as accumulating the wealth and power of Big Market. Also, Big Market is fully aware that power sources are rooted variously in nature, land, water, faith, violence, economy, polity, trade, market, energy, organization, individual gifts, education, knowledge, wisdom, thoughts, bureaucracy, mass media, IT-AI (among other things).

Thus, Modern Civilization, promoted and manipulated by Big Market, has inculcated in people at large grossly distorted/lopsided value system most convenient to the predatory and greedy Western Powers in taking full advantage of the rest of the world, as well as their own people at large. Such a value system has been propagated by violence, a belief system, persuasion and education mainly during and after Industrial Revolution. Specialized academic disciplines, such as physics, engineering, chemistry, economics and political science, in particular, have been enticed and brought over to the side of Big Market, being highly useful for its rapid accumulation of wealth and power. Such a one-sided value system catering to Big Market meant heavy biases to promoting materialism, individualism, progressivism, egotism and antagonism. For the convenience of consolidating wealth and power, Big Market has successfully formulated and dispersed worldwide the grossly distorted or *unbalanced* variety of social value systems for the promotion and manipulation of Modern Civilization.

Such value systems have been rooted in modern thoughts and ideologies relevant to physics, engineering, chemistry, economics and political science, emphasizing only the *right-hand-side values* among the socially important five pairs of opposite values, which are depicted as respectively *shaded oval areas* in the following Figure 2. They are all one-sided extreme values: “Enmity” of the “Amity-Enmity” pair; “Material” of the “Spiritual-Material” pair; “Individual” of the “Social-Individual” pair; “Progressive” of the “Traditional-Progressive” pair; and “Self-interested” of the “Altruistic-Self-interested” pair. These one-sided extreme values interact constantly among themselves for mutual reinforcements, producing the increasingly reinforced and lopsided social value system to serve the wealth accumulation and the power consolidation of Big Market.

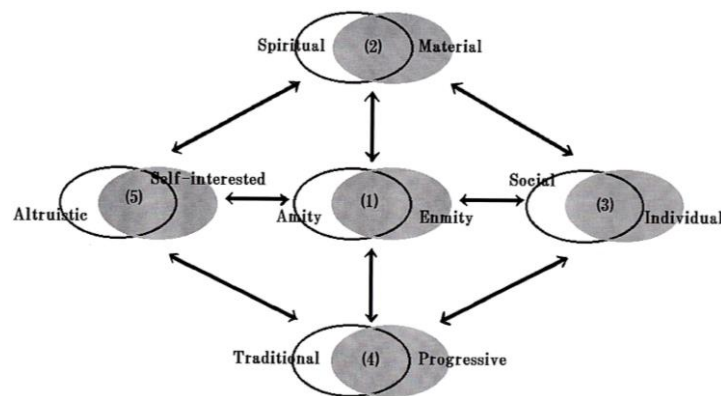


Figure 2. Opposite-Value Pairs: Integrated or Not.

The grossly lopsided emphasis on “Enmity” represents the worldwide Antagonism relevant particularly to “national interest”, due to the prevailing exclusive and predatory competition in market and elsewhere. The grossly lopsided emphasis on the “Material” represents the exclusive Materialism relevant particularly to “marketed goods and services”, due to the pervasion of the reductionist science and the mechanical view of the universe and humanity, as well as the heavily material-centered lifestyles. The grossly lopsided emphasis on the “Individual” represents the self-serving Individualism relevant particularly to “might-makes-right”, due to the pervasive individual-biased legal and political systems, as well as the widespread principle of inviolable private property.

The grossly lopsided emphasis on “Progress” represents the growth-maniac Progressivism relevant to “destructive creation” (or, “scrap and build”), due to the prevailing encouragement of economic growth, profit-oriented innovations and rapidly changing fashions and lifestyles. The grossly lopsided emphasis on the “Self-interested” represents the extreme Egotism resembling particularly to “morbid/solitary sexual gratification”, due to the perverted wants and aspirations for self-satisfaction and self-accomplishment, as well as to the disrespectfulness to other humans/societies/Cultures, lacking empathy, compassion and tolerance. Our prevailing unvarnished social value systems across the world have amply demonstrated the continuously reinforced assertion of Antagonism, Materialism, Individualism, Progressivism and Egotism in market transactions, political campaigns, business maneuvers and daily personal life/living, as in Figure 3 [9].

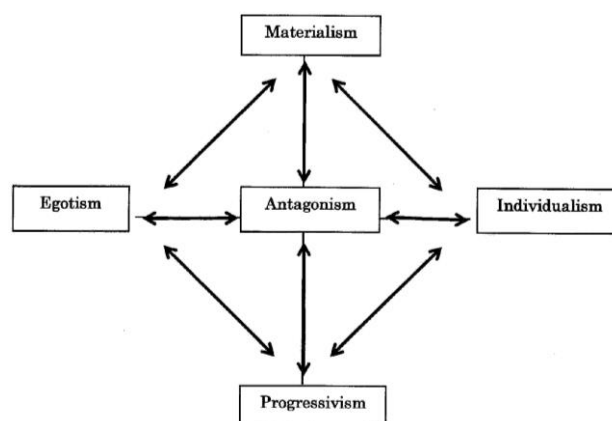


Figure 3. Lopsided Value System of Modern Civilization.

As seen from the various “two-way arrows” in the diagram, all the distorted and lopsided ideologies/values interact constantly among themselves for mutual reinforcements. This implies that the distortion and lopsidedness would become increasingly reinforced and exaggerated over time.

Such a distorted and lopsided “bad” social value system, similar to Gresham’s law (i.e., “Bad money drives out good”), drives out “good-and-sound social value systems”. It also implies that the grossly distorted social value system worldwide corrodes, degrades and degenerates humans, humanities and human societies, as seen in modern times. After the Western royalties in the scramble for colonies to amass the great trophies, Big Market (i.e., the consequential power structure of vested-interests), including royalties, religious circles, financiers, international traders, and so on, has rapidly expanded its grounds for accumulation and consolidation of wealth and power. Moreover, hiding its real face by the strategy of camouflaging its purposes, Big Market has made itself practically “faceless” and “stateless”, to be able to choose an endless variety of “masks” to wear, depending on occasions, places and conditions.

3.4. Big Market and International Manipulations

With the rise of classical economics that crowned the Scottish Enlightenment, the global plutocracy-driven power structure (“Big Market”) has acquired almost uninhibited grounds for power aggrandizement by utilizing the self-favoring slogans, concepts and theories well supported by the mainstream economists and politicians, which refer to “inviolable private property”, “liberalization of international trade and finance”, “money is blood of economy”, “money is might that makes right”, and so on [7]. Also during and after Industrial Revolution, Big Market has seemed to assume the *veiled* world power that promoted and fashioned Modern Civilization, holding sway over thoughts, ideologies and destinies of humans, societies, nations and the world. On the pretext of catering to Modern Civilization, Big Market has adopted the pseudo-theoretical market fundamentalism (“Market”) and encouraged Market-driven predatory competition for maniacal economic growth and superiority. Also, it has promoted tenacious inculcation and justification of individual self-seeking profit maximization, low-cost exploitation of labor and natural resources for self-serving accumulation of wealth and power, as well as profit-driven incessant innovations for rapid changes in production methods, fashions and lifestyles.

In order to obtain cheap labor and natural resources freely, as well as to spread market fundamentalism, the market system and self-seeking practices worldwide by forcing liberalization of international trade and finance, Big Market has created and influenced in its favor the services of international agencies, such as GATT/WTO, IMF, and the World Bank, as well as politically independent central banks of the respective countries. As the plutocracy-driven power structure, Big Market has also manipulated the world economic climate through the international financial community, encompassing BIS (Bank for International Settlement, Basel, Switzerland), BOE (Bank of England), FRB (U.S. Federal Reserve Board), ECB (European Central Bank), BOJ (Bank of Japan), other central banks, financial circles, and widespread Off-shore Centers/Tax Havens [8,20,21]. In particular, Big Market has promoted the much shrouded Off-shore Centers and Tax Havens to be the major actors of economic globalization [22]. Further, Big Market has pushed economic globalization to practically “suck the marrow dry” of whatever remaining natural resources and cheap labor in underdeveloped countries, as well as to diminish/degrade middle-class workers in industrialized countries, in order to monopolize wealth and power.

As a result, vast and growing gaps of income/wealth/amenity among individuals, families, firms and nations have been rapidly developed all over the world, while wealthy individuals and families, as well as big multi-national corporations, have been largely behaving as “stateless” entities without loyalty to their mother nations, when it comes to their tax payment and other social responsibilities. Another consequence is that many once-steady and well-paid professional occupations requiring long-term endeavors to obtain by hardworking in the respective industrialized nations, have been lost to developing low-wage countries and standardized IT artificial imitations, leaving such middle-class workers mostly impoverished and faded. A further alarming consequence is that most of the social and economic responsibilities to carry on the respective post-industrial nations have fallen on the people at large working at low wages for long hours and paying almost all taxes to offset the tax avoidance and

evasion of the unfair “stateless” rich. Moreover, Big Market has been infantilizing, mechanizing and impoverishing the people at large to be amenable for the manipulation and control. The question is how long the people could endure such outrageous mistreatments. Given all such devastating human conditions, it is almost self-explanatory that humans and societies across the world would not be able to stop the “reckless run” of Modern Civilization toward human self-destruction. This is the reason why we are trying to offer normative, theoretical and practical remedies in the following chapters for a sustainable human future.

4. Integral Harmony and Value Premises

4.1. “Balance Paradigm” and Integral Value Balances

In contrast to the grossly distorted/lopsided value system of Modern Civilization, as illuminated by Figure 2, the required integral *balances* are suggested by the constantly adjusted “*overlapping integrated areas*” between the respective “*opposite-value spheres*”, which are numbered from (1) to (5). Such integrated areas, respectively and collectively, indicate the integrally *balanced* and mutually accommodated “opposite values” for a sound and viable human society. They are: (1) *social harmony* (representing an integrally/mutually accommodated “Amity-Enmity Balance” of the relevant society); (2) *personal integrity* (representing an integrally/mutually accommodated “Spiritual-Material Balance”); (3) *social solidarity* (representing an integrally/mutually accommodated “Social-Individual Balance”); (4) *societal continuity* (representing an integrally/mutually accommodated “Traditional-Progressive Balance”); and (5) *relational mutuality* (representing an integrally/mutually accommodated “Altruistic-Self-interested Balance”).

A caution is in order as regards our diagram (Figure 2) for the balanced overall integration of social value systems. Such “Balanced” integrations/accommodations of the fundamental social values, as reflected by the *overlapping-integrated areas* (1) to (5), however, do not mean to indicate unique respective and collective balances “equally comfortable and applicable to” all Cultures and societies. Any applicable “balances” as such should be interpreted as largely dependent on particular Cultures and societies. Each Culture and society may decide over time its own *comfortable and appropriate level* of “balanced” overall integration, on the basis of knowledge, awareness and sentience, which derive largely from the relevant society’s long-term experiences. This is because each Culture/society has faced, over its long history, relatively unique experiences in terms of natural, climatic, geographic and geopolitical environments (among other things). Thus, the characteristics and magnitude of comfortable/appropriate overall “balanced integrations” of fundamental social values may differ, more or less, among Cultures/societies, even though largely consistent over time within each Culture/society. Nevertheless, the diagram with the *overlapping-integrated areas* (1) to (5) indicates the normative integrated-balances of socially important opposite-values, as well as the perpetually interacting *social harmony*, *personal integrity*, *social solidarity*, *societal continuity* and *relational mutuality* to induce a sound social value system that is represented in Figure 4 [9].

A normative social value system shown in Figure 4 implies the constantly adjusting specific-and-collective interactions of fundamental social values, namely, Harmony, Integrity, Solidarity, Continuity and Mutuality. In this diagram, “Harmony” represents *social harmony*; “Integrity” *personal integrity*; “Solidarity” *social solidarity*; “Continuity” *societal continuity*; and “Mutuality” *relational mutuality*. These fundamental social values are now assumed to correspond respectively to the *overlapping-integrated areas* (1) to (5) in Figure 2. As already indicated, the various “two-way arrows” in the diagram refer to the assumed interactions for mutual reinforcements, respectively and collectively, between and among the fundamental social values. Our Balance Paradigm refers to the Cultural/social conditioning for the “balanced overall integrations” that constantly support and induce such a constantly adjusted sound social value system (Integral Harmony). This means that the fundamental social values (i.e., *social harmony*, *personal integrity*, *social solidarity*, *societal continuity* and *relational*

mutuality) are constantly adjusted among themselves in their respective and overall interactions for mutual reinforcements.

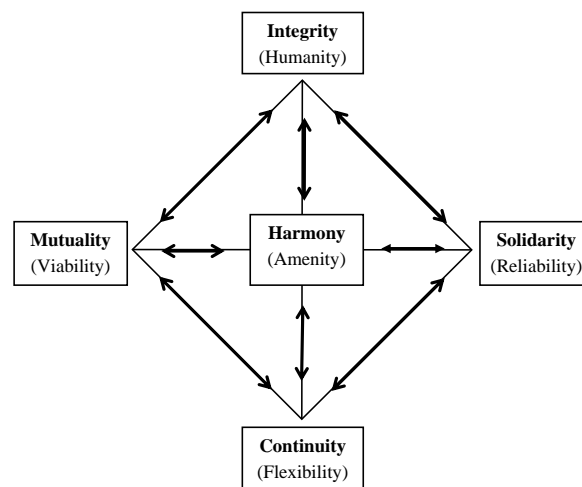


Figure 4. Integral Harmony—“Balanced” Social Value System.

Such *balanced* overall integrations comprise a sound and constantly adjusted social value system (Integral Harmony) as the core of our Balance Paradigm. Such important positioning of Integral Harmony here indicates that a constantly adjusted overall *good balance* of a social value system is most important for a society undergoing rapid and drastic changes. This naturally contrast with the modern *explosive* conditioning (the Explosion Paradigm) of a grossly lopsided social value system shown in Figure 3. As we will see in the following, our new theoretical framework in support of Sustainable Development is constructed on the assumption of Integral Harmony as a native Culture-based sound social value system. The new socio-economic theory is *balance-centered* to offer an alternative worldview for inducing a post-plutocratic global community for a sustainable human future.

4.2. Integral Harmony as Normative Social Value System

An overarching social value system—Integral Harmony—may arise from each society’s sound and dynamic Culture. As already indicated above, our term “Integral Harmony” consists of *social harmony* (subsuming both amity and enmity), *personal integrity* (subsuming both the spiritual and the material), *social solidarity* (subsuming both the collective and the individual), *societal continuity* (subsuming both the traditional and the progressive) and *relational mutuality* (subsuming both self-interest and altruist interest). In other words, Integral Harmony works for integrating and harmonizing amity-and-enmity (for *social harmony*), the spiritual-and-material (for *personal integrity*), the collective-and-individual (for *social solidarity*), the traditional-and-progressive (for *societal continuity*) and self-interest-and-altruist interest (for *relational mutuality*). Also, the diagram indicates a normative framework for the constantly enhanced and adjusted social value system as an essential feature of the constantly enriched Culture [9,12,23].

As seen from the “two-way arrows” indicating the continuous mutual reinforcements, Harmony as placed at the center of the sound and dynamic Integral Harmony interacts directly and perpetually with all of Integrity, Solidarity, Continuity and Mutuality. Likewise, Integrity interacts directly with the three neighboring Harmony, Mutuality and Solidarity. Similarly, Solidarity, Continuity and Mutuality, respectively, interact directly with their respective three neighboring social values. In addition, the centrally placed Harmony, as being most important for the overarching Integral Harmony, helps maintain perpetually the mutual interactions between/among all the ingredients of the sound social value system.

The overarching Integral Harmony must, over time, replace the prevailing unsound/lopsided social value system that consists of Antagonism (represented by “aggressive competition” and “exclusion”); Materialism (represented by “mammon-ism” and “mechanical view of the universe”); Individualism (represented by “individual self-centeredness” and “might makes right” principle); Progressivism (represented by “manipulated rapid changes” and “transient convenience”); and Egotism (represented by “individual self-interest”, “national interest” and “disrespect to fellow people, other societies and Cultures”). Such an extreme and unbalanced social value system has grossly distorted and/or degraded the respective Cultures of the diverse societies. The above diagrammatic explanation of mutually interacting fundamental social values may clearly reveal that a sound and dynamic Culture encompassing Integral Harmony is of the highest importance when addressing an appropriate personal and spiritual development in each society for a sustainable future.

4.3. Other Important Value Premises and Assumptions

As reiterated above, a shift to the Balance Paradigm is a *must* for Sustainable Development. The keywords for the Balance Paradigm may include *sound Culture, human maturation, human nature, open democracy, collaborative consciousness, diversity, mutuality, integrity, long-lasting peace*. These keywords relate to the value premises of our theoretical framework. In other words, we need to stipulate new, major and appropriate value premises for discussion of each society’s balanced socioeconomic development (as part of Sustainable Development in the prospective global community). Such value premises, by necessity, are much different from the ones belonging to the contemporary classical, neo-classical and Keynesian economics. Listed in the following are new value premises and assumptions for the *ground-breaking, normative and analogical* framework of our theory both for balanced socio-economic development and Sustainable Development [9]. A unique variety of the indispensable value premises and assumptions must largely modify and/or replace those of the classical, neo-classical and Keynesian counterparts.

4.3.1. Culture and Sustainable Development

A constant enrichment of holistic society-specific culture (“Culture”) that encompasses Integral Harmony, is most important for pursuing Sustainable Development (namely, a *well-balanced* sustainable socio-economic activities of the prospective global community). Such a Culture links/bridges the past, present and future of the relevant society, serving as an indispensable foundation for personal and societal activities for a decent and sustainable life/living. The constantly enriched Culture of each society represents a firm and continuous foundation for a *balanced* socio-economic development of each society, as well as Sustainable Development of the prospective global community. In our theoretical framework, a *long-term society-general future orientation* that is constantly reinforced by enriching the relevant Culture serves as a *Cultural proxy* for the process of Sustainable Development.

4.3.2. Personal Maturing/Maturation

Personal maturing/maturation, constitutes the main part of comprehensive human-personal development. Personal maturation requires the constantly enhanced thought-frames and collaboration-conscious character-building, as well as the constantly augmented *orientation to the future* (aiming at a sustainable human future), on the basis of constantly enriched native Culture and social value system in each society. Also, the native Culture-based personal maturation indicates a perpetual accumulation of “effective” human capital (namely, human capital over and above the generally accessible basic Cultural and market skills). Such personal maturation is assumed *pivotal* both for “local” *well-balanced* socio-economic development and “global” Sustainable Development. Moreover, personal maturation is deemed most important for decent human activities and lifestyles for a sustainable future.

4.3.3. Human Nature Re-Interpreted

Human nature is now re-interpreted in relation to *well-balanced* socioeconomic activities and Sustainable Development to replace “the classical human nature of self-interestedness”. The classical one may suggest a human self-image as being unbalanced, immature, isolated and distorted. Our new interpretation of human nature refers to a life-size self-image of “Culture-oriented common-human”. Such “common and general humanity” reflects the social/Culture-oriented individual persons that restrain “individual self-interest” for important, mutual, common and public interests, such as survival, harmony, peace, and aspiration for a sustainable future.

4.3.4. Open/Borderless Democracy

For promotion of Sustainable Development it is crucially important to institute an Open Democracy, by breaking the modern hardened shell of self-contained democracy or the prevailing “Closed Democracy” that indulges in “national interest” for the sake of its own exclusive benefits. The term “Open Democracy” bases itself on common/mutual benefits of all humans and all societies on our Insular Planet, and works for a sustainable human future in the prospective global community. Thus, Open Democracy in the global community must recognize and respect the inherent differences of diverse peoples, societies and Cultures. Also, it must rely on the politico-legal principle of “Integrity in Diversity” for voluntary collaborations of peoples, rather than that of “Unity in Diversity” by forced standardization of the diverse peoples, societies and Cultures [24]. Further, Open Democracy based on the generally granted fundamental human rights must restrict both the self-interested individual and national “free market competition”, in view of mutual benefits, social fairness and harmonious coexistence/symbiosis of all individual persons and nations in the prospective global community.

4.3.5. New Enlightenment

New Enlightenment encourages sound enrichment of diverse Cultures and social value systems to free the people of the prospective global community from the prevailing modern mindset, as well as from the standardizing and unifying force of Market and Big Market. In other words, New Enlightenment encourages the *emancipation* of all humanity from the shackles of forcefully unifying politico-economic dogmas, which justify and agitate the predatory competition, profit maximization, individual self-interest, short-run orientation, principle of inviolable private property, and strictly materialistic lifestyles, in the face of increasingly severe constraints on the global environment, resources and humanities [9,25].

4.3.6. Diversity, Dynamics & Integrity

Differences of individual persons, societies and Cultures are naturally diverse and, thus, human needs, life-styles and activities, by necessity, are diverse among persons, societies and Cultures. The present theoretical framework of *balanced* socio-economic development takes a *long-term, dynamic and integral approach* to such diversities. The theoretical framework embraces natural, humane and peaceful environments and helps satisfy integrally both material and spiritual *human needs* that encourage personal integrity, as well as integrity of diverse Cultures and social value systems. Accordingly, our *integral approach*, as mentioned above, refers to the politico-legal principle of “*integrity in diversity*” relevant to “*open democracy*” in the prospective global community.

4.4. Important Theoretical Assumptions

4.4.1. New Temporal Definition

In our temporal definition, the *long term* means a long enough duration of time for a significant change in the relevant social value system, while the *short term* indicates a time-span without such a

change. This temporal definition contrasts with the prevailing definition of the *long run* and the *short run* on the basis of presence and absence of change in capital stock.

4.4.2. Lead-Lag Assumption

The dynamics of the Basic Ratio " T/r "—Value Aspects—indicates the Trend Preference Rate " T " that leads coherently the Trend Interest Rate " r " in the process of balanced socioeconomic development (see Sections 5.4 and 5.5).

4.4.3. Optimal Development Path

The *normative* Optimal Development Path (ODP), derived from the theoretically assumed long-term schedule of the Basic Ratio " T/r ", may imply a general theory of socio-economic development. For, ODP depicts both the *positive* socio-economic development (Growth Process and Maturation Process) and the *negative* socio-economic development (Retrogression Process and Breakdown Process) (see Section 5.4).

4.4.4. All-Encompassing Aggregate Value-Added

The long-term aggregate value-added " V " comprises all the real added values of the society's productive activities, paid by market or not (see Section 5.1).

4.4.5. The Third Course of Idea (Own Hands)

The term "Own Hands" (or, people's own invisible hands) are assumed to represent the enhancement of people's future orientation and long-term perspectives based on the constant human-personal maturation and enhancement of personal and societal thought-frames (namely, the respective scopes of thoughts in space and time). This means that Own Hands are assumed to be constantly reinforced by sound enrichment of the own native Culture. The third course of the idea indicates that Own Hands are assumed to influence, over time, long-term demand and supply through a simultaneous and equivalent effect on aggregate saving and investment. This assumption emphasizes the overarching influence of a *long-term society-general future orientation* on both the "supply side" and the "demand side" (see Section 5.2).

Such deep-seated common and simultaneous influence of a *society-general future orientation* indicates that our theoretical framework is clearly different from both the classical-neoclassical emphasis on the "supply-side" and the Keynesian emphasis on the "demand-side". Further, Own Hands are assumed to guide and complement the "short-run" competitive market function ("invisible hand") to accommodate both the short-term and the long-term human needs and to mitigate the broadly defined "market failure", as well as the "short-run oriented policy failure" in order to bring about a *balanced* socio-economic development. Furthermore, Own Hands is assumed to help promote personal, societal and global amenities (see Section 5.7).

4.4.6. Long-Term Equilibrium

The equilibrium conditions of the long-term theoretical construct refer interchangeably to $C = W$ (aggregate consumption = simple/pure labor income) and $S = I = R$ (aggregate saving = investment = capital income). In other words, our basic equations together imply the identity of aggregate saving, investment and capital income or $S = I = R$, for the left-hand term (T/r) is the same in all our basic equations, and the aggregate value-added (V) indicates the same value in all equations. Accordingly, the identity ($S = I = R$) gives rise to a long-term equilibrium condition relevant to our theoretical framework of long-term socioeconomic activities—Balanced Socioeconomic Development. It is explicit from our equilibrium condition that the aggregate investment (I) provides over time a strong linkage between the demand and the supply of the society. Thus, the investment (I) in the present framework

contributes equivalently to the demand side and the supply side in the long-term process of Balanced Socioeconomic Development.

4.4.7. Necessary & Sufficient Conditions

The Necessary Condition of *balanced* socioeconomic development indicates a continuous rise in the *living standard* in terms of both material and spiritual, both tangible and intangible, and both visible and invisible. The Sufficient Condition indicates the continuous reinforcement of *long-term society-general future orientation* conducive to a *balanced* socio-economic development for a sustainable human future, as well as conducive to a constant human-personal development (or personal maturing/maturation) (see Section 5.3).

4.4.8. Trilateral Virtuous Circles

The theoretical framework is intended to generate a “*personal*” *trilateral virtuous circle* among “full life” (FL), “good health” (GH) and “meaningful career” (MC) for Personal Happiness; a “*societal*” *trilateral virtuous circle* among “holistic culture enrichment” (HCE), “comprehensive human-personal development” (CHD) and “balanced socio-economic development” (BSD) for Socioeconomic Fairness; and a “*global*” *trilateral virtuous circle* among “culture of peace” (CP), “global humanity” (GH) and “sustainable development” (SD) for Global Peace/Harmony. These virtuous circles are assumed to interact and mutually reinforce one another for a sustainable human future. For elaboration, see Section 5.7.

5. Framework for Balanced Socioeconomic Development

5.1. Basic Theoretical Construct for Balanced Development

Among the above value premises and assumptions, our theoretical framework for a balanced socio-economic development (corresponding broadly to Sustainable Development in the prospective global community) upholds, in particular, the importance of diverse, dynamic and sound Cultures that provide a variety of links for the past, present and future of respective societies [9]. The present theoretical framework helps promote and facilitate the harmoniously “balanced” *integration* of social and economic activities at local, national, and global levels on the basis of such diverse Cultures. In other words, the theoretical framework encourages worldwide a constant promotion of the environmental protection, resource conservation and well-balanced socio-economic development, as well as a constant enrichment of diverse Cultures and social value systems, for a sustainable human future.

As stated above, the theoretical framework includes the new temporal definition of “*long term*”, which relates to the changing social value system in each society. The “*long-term*” theoretical framework for balanced socio-economic development includes “*Cultural proxy*” that refers to a constantly rising long-term *society-general* orientation to the future. This is to emphasize the long-term synchronous relationship between a rise in the *society-general* future orientation and an enrichment of the relevant Culture to promote a *balanced* socio-economic development. This proxy, reflecting an “open-ended general will” of the society, represents the constantly enriched dynamic Culture that integrally balances the socio-economic activities, as well as deeply embraces the sound social value system for a harmonious and sustainable future.

Such enrichment of the Culture takes place through constant interactions of the Culture with the environmental, historical, social, political, economic, psychological, educational, institutional and technological factors and phenomena, among other things. Such Culture (together with the sound social value system) is assumed to augment long-term *society-general* future orientation. In other words, a complex and dynamic Cultural force, arising from long-term interactions of the Culture with various factors and phenomena, in turn, influences the *society-general* time preference to reveal the

society's changing will and choice for the future. Such *society-general* future orientation now influences coherently future socio-economic activities in line with the Balance Paradigm.

The following five equations/approximations constitute our basic theoretical construct [9,26] (See for derivation in the Appendix A):

$$T/r = C/V \quad (1)$$

$$T/r = 1 - (S/V) \quad (2)$$

$$T/r = 1 - (I/V) \quad (3)$$

$$T/r = W/V \quad (4)$$

$$T/r = 1 - (R/V) \quad (5)$$

The left-hand term " T/r " of all equations/approximations is the Basic Ratio with " T " meaning the Trend Preference Rate and " r " the Trend Interest Rate. The variable " T " represents the long-term *society-general* time-preference rate (or the long-term social discount rate), while the variable " r " represents the long-term *economy-specific* time-preference rate (or the long-term economic discount rate). The right-hand variables are the long-term aggregate consumption " C ", saving " S ", investment " I ", labor income " W ", capital income " R " and value-added " V ". The Basic Ratio " T/r " is assumed to take the initiative for interaction with the right-hand terms, such as the long-term consumption share " C/V ", saving share " S/V ", investment share " I/V " wage share " W/V " and profit share " R/V ".

The long-term balanced socioeconomic framework evolves out of the *pivotal* Basic Ratio " T/r " that represents the society's Value Aspect. Here, a *decline* in the Trend Preference Rate " T " indicates the reinforcement of the *society-general future orientation* induced by a change in the social value system. Such a change in the value system results from the Cultural long-term dynamics encompassing environmental, economic, political, social, psychological, intellectual, academic, educational, technological, institutional, moral, attitudinal, behavioral and other changes. For simplicity, such a change in the social value system that occupies the core of the dynamic Culture is assumed to represent "a long-term complex societal change".

In contrast, a *decline* in the Trend Interest Rate " r " represents the rise of the *economy-specific future orientation*, induced by a decline of the Trend Preference Rate " T ". Roughly speaking, then, a decline in the Basic Ratio " T/r " initiated by the decline of the Trend Preference Rate " T " may represent a Cultural enrichment that initiates the long-term interaction of social and economic phenomena to influence the right-hand real variables (Real Aspect) toward a *balanced* socio-economic development. As such, the Value Aspect interacts mutually with the Real Aspect for balanced socio-economic development. The Real Aspect consists of various ratios (namely, C/V , S/V , I/V , W/V and R/V) of the long-term macroeconomic variables (V , C , S , I , W and R).

First, our long-term aggregate value-added " V " includes all the productive socio-economic activities in the society, both paid and unpaid, which may be calculated by market, shadow and/or psychic/emotional prices. This implies that all market transactions, voluntary and barter activities, and all household productions of sustenance and cares, as well as all other productive activities of non-market variety arising from changes in the Culture and social value system, need to be accounted for, at least theoretically in order to arrive at the aggregate value-added " V ". As the society undergoes development/improvement, the social values, human capital and lifestyles, among other things, may become inevitably diverse and complex. Then, the present statistical calculation that accounts only for the market-transacted final goods and services may naturally become much more at odds with our long-term aggregate value-added " V ".

Secondly, the long-term aggregate consumption " C " includes all consumer expenditures, except for a broad category of expenditures on human-capital formation. Thus, our long-term consumption excludes the expenditures on formal education, training, self-learning and health-enhancing activities relevant to both mental and physical health (which are accounted as part of our long-term aggregate investment).

Thirdly, the *long-term aggregate investment* “*I*”, therefore, includes such broad category of human-capital formation and all the investments in plant and equipment, agricultural land, socioeconomic infrastructure and residential facilities, to mention only the major items. The long-term investment embodies the dynamic functions of transforming the *long-term aggregate saving* “*S*” into both human and material capitals, thus relating the on-going socio-economic activities to the future. Also, the aggregate investment provides balances not only *between* the aggregate investment and the aggregate saving, but also *between* the aggregate demand and supply.

Fourthly, the *long-term labor income* “*W*” indicates the income accruing only to the “simple labor” which is vastly different among societies. The “simple labor” embodies only the standard-minimum skills of reading, writing and calculating, as well as only the standard minimum inheritance of the Cultural foundation, of the relevant society. Such standard minimums are assumed here as obtainable and/or accessible by the average social constituents of the relevant society.

Finally, the *long-term capital income* “*R*” refers to all the incomes accruing to the “effective” human capital, physical capital and financial capital. Here, the concept of the “effective” human capital is most important for human-personal development/maturation, as well as for a sustainable human future. This concept, being society-specific, goes beyond the popular definition of human capital by Gary S. Becker [27]. The term “effective human capital”, therefore, is assumed to consist of a variety of integrated complex skills, abilities and qualifications. They may encompass the relevant communicational skills, tradition-related skills, long-term perspectives, intelligence, wisdom, knowledge, ingenuity, creativity, imagination, insights, foresight, as well as the relevant temperament of empathy, compassion, tolerance, benevolence, courage, public spirit, moral sense, self-control, and so on.

Thus, the “effective human capital” is presumed “effective” specific to the long-term socio-economic conditions of the respective societies. Within each society, such human capital exerts influence on all gainful, non-gainful and all other socio-economically productive activities related to consumption, saving, investment, technology development, waste management, health enhancement, self learning, self enlightenment, self actualization, inter-personal relationship, political participation, voluntary activities, and so on.) This concept of “effective human capital” covers a wide variety of human capacity that is over and above the standard minimum skills, as well as over and above the standard minimum Culture, embodied in the society-specific “simple labor”.

Supplementary explanations are required here for clarifications as regards the functions of long-term variables “*T*”, “*S*”, “*I*”, “*V*” and “*R*”. A change in the Trend Preference Rate “*T*” may alter simultaneously both saving and investment to *equilibrate* over time. The investment “*I*”, as indicated above, facilitates the saving “*S*” to be transformed into human, material and financial capitals to *balance* the aggregate demand and supply over time, as well as to *link* the socio-economic activities of the present to those of the future. In other words, the constant equality of “*S*” and “*I*” emphasizes the function of aggregate saving and investment to provide a strong linkage between the long-term aggregate demand and supply in the well-balanced socio-economic development. The importance of the equality/identity ($S = I$) is particularly pronounced when human-capital formation (conducive to human-personal maturing/maturation) enhances “the people’s long-term future orientation and long-term perspectives” (“Own Hands”). In other words, human-personal maturing/maturation (or comprehensive human-personal development) may give rise to enhancement of personal and societal thought frames to improve the Own Hands which may, in turn, propel a balanced socio-economic development.

The long-term aggregate investment “*I*” and saving “*S*”, respectively, must include the sum equivalent to the “non-market rewards” and the “psychic/emotional rewards” (such as fulfillment, enjoyment, invigoration and exultation toward long-term personal accomplishments by participating in the socio-economic productive activities) for *balancing* between/among the aggregate capital income “*R*”, saving “*S*”, and investment “*I*”. Also, such “non-market and non-monetary” rewards may often constitute learning experiences and, thus, contribute directly or indirectly to “effective human-capital

formation". At the same time, the "non-market and non-monetary" rewards can generally represent the "latent" saving and investment (i.e., an implicit/covert form of long-term saving and investment) of the society, a constant increase of which may enhance comfort, satisfaction, amenities and human-personal maturing/maturation.

Then, an increase of such "latent" saving and investment in the form of the "non-market and non-monetary" rewards can be said the most important aspect of all the balanced socio-economic development, comprehensive human-personal development and holistic culture enrichment. Moreover, the "latent" saving and investment are particularly important in their impact on the "trilateral virtuous circle" for balancing and augmenting socioeconomic development, human-personal development and holistic culture enrichment for a sustainable future.

5.2. Balance between Demand-Side and Supply-Side

The five equations can be grouped into the equivalent "demand side" (or "expenditure side") and "supply side" (or distribution-side). The "demand side" includes $T/r = C/V$ (1), $T/r = 1 - (S/V)$ (2) and $T/r = 1 - (I/V)$ (3) and the "supply side" $T/r = W/V$ (4), $T/r = 1 - (R/V)$ (5) and $T/r = 1 - (I/V)$ (3). In the following, the "demand-side" diagrammatic expression is shown in Figure 5 and the "supply-side" diagrammatic expression in Figure 6 [9]. Here, the investment share " I/V " is the bridge between the "demand side" and the "supply side." Thus, " I/V " term acts as the *linkage* variable in the long-term socio-economic interactions, since the long-term investment " I " also transforms over time the saving " S " into the stock of capital.

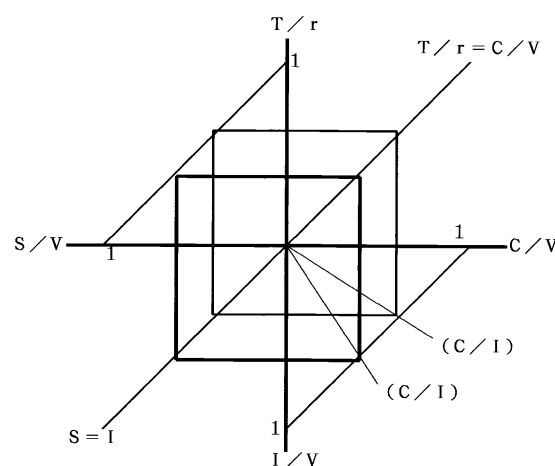


Figure 5. Expansion Process of the Demand-Side.

In Figure 5, the Basic Ratio " T/r " is placed on the "upper vertical axis," while the investment share " I/V " is located on the "lower vertical axis." The consumption share " C/V " and the saving share " S/V " are placed, respectively, on the "right-hand horizontal axis" and the "left-hand horizontal axis." The "45-degree Ray" rising diagonally from the Origin (at the intersection between the vertical and horizontal axes) in the first quadrant indicates the parity of the Basic Ratio " T/r " with the consumption share " C/V " at all points on the "rising" Ray, on the one hand. On the other hand, the "45-degree Ray" falling diagonally from the same Origin in the third quadrant shows the parity of the saving share " S/V " with the investment share " I/V " at all points on the "falling" Ray.

The two diagonal Rays connected at the Origin produce a *straight diagonal shaft*. Parallel to the "45-degree shaft", there are two diagonal lines: i.e., one line connecting the " T/r " at unity" with the " S/V " at unity" in the second quadrant, and another line connecting the " C/V " at unity" and the " I/V " at unity" in the fourth quadrant. Along these three *diagonal lines*, the "square-form diagram" of the *balanced* "demand-side" slides diagonally downward in the process of *balanced* socio-economic development.

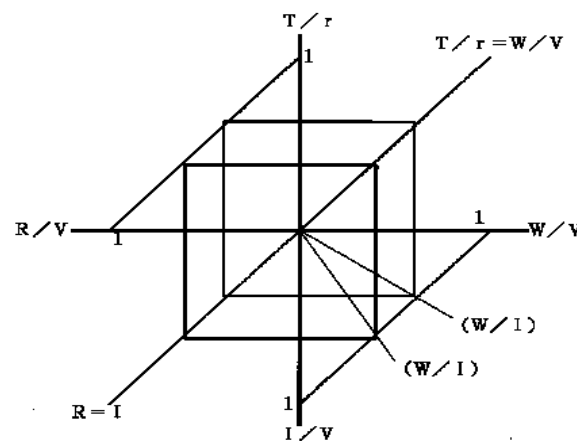


Figure 6. Expansion Process of the Supply-Side.

The process of *balanced* socio-economic development begins when the Trend Preference Rate “ T ” starts declining with the enhanced *society-general future-orientation*. With a time lag, the decline of “ T ” is followed by a coherent decline of the Trend Interest Rate “ r ”. Now a decline in “ T/r ” is simultaneously reflected on the equivalent decline in “ C/V ”. Accordingly, the Basic Ratio “ T/r ” and the consumption share “ C/V ”, together, start moving downward along the diagonal shaft in the first quadrant. The simultaneous declines in both “ T/r ” and “ C/V ” (maintaining their parity) stimulate also simultaneously both the growth in the saving share “ S/V ” and the investment share “ I/V ”. Such changes in “ C/V ”, “ S/V ” and “ I/V ”, triggered by the decline of “ T/r ”, are depicted as the “square-form diagram” sliding diagonally along the three straight lines, indicating the balanced demand-side change in the process of the *balanced* socioeconomic development.

An equivalent process is depicted in Figure 6, where the Basic Ratio “ T/r ” and the investment share “ I/V ” are also placed, respectively, on the “upper vertical axis” and on the “lower vertical axis”. Now, the long-term wage share “ W/V ” is shown on the “right-hand horizontal axis” and the profit share “ R/V ” on the “left-hand horizontal axis”. The “45-degree Ray” rising *diagonally* from the Origin in the first quadrant, indicates the parity of the “ T/r ” with “ W/V ” at all points on the Ray, while the “45-degree Ray”, *falling diagonally* from the Origin in the third quadrant, indicates the parity of the profit share “ R/V ” and the investment share “ I/V ” at all points on the Ray. The two 45-degree Rays linked at the Origin produce the *straight diagonal shaft*. By connecting T/r at unity with R/V at unity produces a straight line in the second quadrant. Also, by connecting W/V at unity with I/V at unity produces another straight line in the fourth quadrant. Along these three straight lines, the “square-form diagram” indicating the balanced “supply-side” moves sliding downward, as part of the *balanced* socio-economic development.

The above two diagrams, Figures 5 and 6, appear the same (except for some of the depicted variables), representing interchangeably the basic construct (or, the five basic equations) of our theoretical framework for a *balanced* socio-economic development. Such basic theoretical construct will be amplified and explained from different angles in the following subsections: i.e., Optimal Development Path, Necessary and Sufficient Conditions of the *balanced* socio-economic development, Virtuous circle of Value-Real Interactions for *balanced* development, and so on. All such theoretical explanations, in turn, serve as foundations for the ensuing explanation of personal, societal and global Virtuous Circles for “Integral Amenity”.

5.3. Necessary and Sufficient Conditions

Based on the above-mentioned theoretical construct, a *balanced* socio-economic development can be explained by two fundamental conditions, namely, Necessary and Sufficient Conditions [9,26].

Such conditions can be derived from Equation (1): $T/r = C/V$. Now, the equation is changed into the following expression after dividing by the left-hand term " T/r ":

$$1 = (C/V) \times 1/(T/r),$$

The term " $1/(T/r)$ ", being equal to the term " $1/(C/V)$ " by definition, can be interpreted here as the "long-term multiplier" for the determination of the aggregate value-added " V ". For simplicity, the term " Q " is now used to replace the term " $1/(T/r)$ " in the above expression, as $1 = (C/V) \times Q$. Multiplying both sides of this expression by " V ", we now obtain a simple equation to determine the long-term aggregate value-added, as follows:

$$V = C \times Q.$$

This expression can also be translated into the following identity (*Bold Italic* expression) that shows the *percentage changes* in all the variables. *Bold-Italic "V"* now indicates the rate of the *balanced* socio-economic development (or, balanced development rate):

$$V = C + Q.$$

Similarly, by manipulating Equation (4), $T/r = W/V$, we obtain the following identity of *percentage changes*:

$$V = W + Q.$$

For calculation of per-capita change (development per-capita), both of the equations ($V = C \times Q$) and ($V = W \times Q$) have to be divided by the population " N ", as follows, in which " V/N ", " C/N " and " W/N " mean, respectively, per-capita value-added, per-capita consumption, and per-capita wage income:

$$V/N = (C/N) \times Q$$

$$V/N = (W/N) \times Q.$$

The respective equations can be expressed for simplicity as ($v = c \times Q$) and ($v = w \times Q$), where " v " means per-capita value-added in the respective short-hand forms. Now the percentage changes can be stated in *Bold-Italics*, respectively, as follows:

$$v = c + Q$$

$$v = w + Q$$

The above two *Bold-Italicized* identities of *percentage changes* indicate the "per-capita rate" of *balanced* socio-economic development. In other words, the socioeconomic development per capita " v " can be explained by either the sum of the per-capita consumption growth rate " c " and the growth rate of the long-term multiplier " Q ", or the sum of the per-capita wage growth rate " w " and the growth rate of the long-term multiplier " Q ". Here, the Necessary Condition is represented by " c " or " w ", and the Sufficient Condition by " Q ".

Going back to our initial setting (without significant population change), the Necessary Condition is represented by the percentage change of either the long-term aggregate consumption " C " or the long-term aggregate labor income " W ". The positive rate of increase, " C " or " W ", indicates the long-term improvement of the people's living standard.

The variable " Q ", referring to a change in the "long-term multiplier," indicates the Sufficient Condition for *balanced* socio-economic development. The Sufficient Condition represents the long-term augmentation of the *society-general future orientation* (expressed by a decline of " T "). As indicated above, the term " Q " is the abbreviation of the term " $1/(T/r)$ ". Since the Trend Preference Rate " T " must

decline ahead of the Trend Interest Rate “ r ”, in accordance with our *lead-lag assumption*, “ Q ” increases gradually with the *balanced* socio-economic development.

It is important to note that the Sufficient Condition for the *balanced* socio-economic development represents the dynamics of the Value Aspect. The Sufficient Condition also prescribes the nature of the Necessary Condition in such a way as the growth in consumption as characterized by a continuous shift from the *short-term* focus to the *short-and-long-term* balance, from the *quantity* bias to the *quality* orientation, and from the *material* centeredness to the *personal-spiritual-intellectual* emphasis (or Cultural emphasis) in the process of *balanced* socio-economic development.

Likewise, the long-term growth in “simple” labor income (that satisfies the Necessary Condition) is also prescribed by the Sufficient Condition to reflect the on-going improvement in personality, spirituality, intellectuality and productivity of the workers in general. Hence, the Sufficient Condition also encourages the on-going improvement of both the standard minimum knowledge/skills and the standard minimum Cultural contents to be incorporated into “simple” labor. In this manner, the Sufficient Condition prescribes the Necessary Condition to improve generally the living standard and to enrich the native Culture over time. Then, the Necessary and the Sufficient Conditions, together, encourage the long-term *trilateral virtuous circle* of balanced socio-economic development, comprehensive human-personal development and holistic culture enrichment. This *virtuous circle* will be explained later in Section 5.5.

To sum up, our long-term theoretical framework requires both a continuous rise in the *living standard* (Necessary Condition) and a continuous reinforcement in the long-term *society-general future orientation* (Sufficient Condition) for the *balanced* socio-economic development. A constant satisfaction of both the Necessary and Sufficient Conditions of the *balanced* socio-economic development, therefore, suggests the importance of the accelerated increase in human-capital formation as well as of the continuous endeavor for personal-character building, spiritual development and human-personal maturation, on the basis of the growing long-term orientation to the future. Such acceleration and continuity of comprehensive human-personal development must be based, by necessity, on the constant and sound enrichment of own native Culture. In other words, the Necessary and Sufficient Conditions suggest that a *balanced* socio-economic development depends primarily on the comprehensive and general human-personal maturation that is constantly augmented by the holistic culture enrichment.

5.4. Integral Balance between “Ideal and Practical”

The Optimal Development Path (abbreviated as “ODP”), as shown in the following diagram, Figure 7, indicates an “integral balance” between the theory and the practice in the socio-economic activities [9]. Here, the growing long-term *society-general* orientation to the future (or, the declining Trend Preference Rate “ T ”) represents the “ideal”, while the growing long-term economy-specific orientation to the future (or, the lagged decline of Trend Interest Rate “ r ”) represents the “practical”. It is assumed here that the long-term *society-general* future orientation has precedence over the less general *economy-specific* future orientation. A decline of the Trend Preference Rate (equivalent to a decline of the *society-general* “present-time” preference), is revealed by a decline of the long-term *social* discount rate. Likewise, a decline of the Trend Interest Rate (equivalent to a decline of the *economy-specific* “present-time” preference), is revealed by a decline of the long-term *economic* discount rate. By our *lead-lag assumption*, a growing *economy-specific* future orientation (the decline of its “present-time” emphasis in economic activities) is to follow in some coherence to the growing *society-general* future orientation. This is what our *lead-lag assumption* means: i.e., a decline of the Trend Preference Rate “ T ” leads that of the Trend Interest Rate “ r ” in the range of the “bow-like” ODP, which is derived theoretically from the assumed continuous changes of the Basic Ratio “ T/r ” [9,26].

reflects the steadily increasing adjustment of the *economy-specific* future orientation to the *society-general* future orientation. In other words, the decline of the relevant “ r ” proceeds in such a way as to catch up in a greater speed with the decline of the corresponding “ T ”. Such increasing adjustment of “ r ” to “ T ” reflects the willing, matured and constructive attitude of the economic entities toward the *society-economy harmonization* for a continuous promotion of the *balanced* socio-economic development. The process of Maturation may largely rely on the enhancement of the “people’s own invisible hands” (“Own Hands”) that indicates a steady improvement of the personal and societal *thought-frames* in time and space, reflecting the on-going comprehensive personal-spiritual development on the basis of the constant enrichment of the native Culture.

5.5. Balanced “Value-Real” Virtuous Circle

Arguably, a long-term comprehensive socio-economic theoretical framework must base itself on the premise of a *long-term integral approach* to human behaviors and socioeconomic phenomena, which is indispensable for the study of both short-term and long-term needs of people and society. Such a theoretical framework reasonably corresponds to that of *balanced socio-economic development*, which is represented theoretically by the normative Optimal Development Path (ODP) that is assumed “society specific” and “changeable” over time. Such a normative path refers to the *lead-lag assumption*, meaning that the *society-general* future orientation leads the *economy-specific* future orientation in a *continuously balanced* development. Such balanced development now relates to a continuous interaction of the Value Aspect (or, psychological/motivational changes in the “future-time consciousness” of the relevant people) with the Real Aspect (or, the “space-material oriented” socio-economic activities of the relevant people) for *balanced* socio-economic development [9]. This Value-Real interaction represents the summary expression of the basic theoretical construct consisting of five equations.

Each and all five equations of the basic theoretical construct facilitate the Value-Real interactions between the “left-hand” term (Value Aspect) and the “right-hand” one (Real Aspect) [9,26,28]. The Value Aspect in the form of the Basic Ratio “ T/r ”, as represented by the Trend Preference Rate “ T ” and the Trend Interest Rate “ r ”, is postulated to interact with the Real Aspect that is also expressed in the form of ratios consisting of the long-term socio-economic variables. Such ratios of the Real Aspect include the long-term consumption share “ C/V ” (the consumption/value-added ratio), the saving share “ S/V ”, the investment share “ I/V ”, the wage share “ W/V ” and the profit share “ R/V ”. Since “ C/V ” and “ W/V ” are equivalent by definition, and “ S/V ”, “ I/V ” and “ R/V ” are likewise equivalent over time, we may summarily express the *basic construct* of our theoretical framework as: $T/r = A/V$ or $T/r = 1 - (B/V)$, where the summary variable “ A ” represents the variable “ C ” and/or “ W ”, and the summary variable “ B ” represents the variable “ S ”, “ I ” and/or “ R ”.

The Value Aspect “ T/r ”, or the left-hand term of all the five equations, is assumed to take the initiative for interaction with the Real-Aspect for *balanced* socio-economic development. Here, the Value Aspect “ T/r ” basically reflects the long-term dynamics of the constantly enriched native Culture, while the Real Aspect “ $1 - (B/V)$ ” reflects the long-term real activities for socio-economic development. The most important effect on the *balanced* socio-economic development, no doubt, involves comprehensive human-personal development that includes soundly cultured intellectual and spiritual development, personal-character building, human-capital formation, and thought-frame enhancement. Such human-personal development, to be natural and effective, must base itself inevitably on the sound enrichment of the own native Culture. One cannot easily develop oneself without one’s own Cultural foundation, since the Culture provides the mother tongue, mores, spirit, knowledge, wisdom, ingenuity, traditions, convention, amongst other things.

The constantly enriched own Culture may be closely inter-related with other Cultures on the basis of the dynamic human-personal development. As a result, the Culture can acquire further stimulation to enrich itself, and the enriched Culture can, in turn, become a better basis for sound human-personal and socio-economic developments. The human-personal and socio-economic developments, together, may generate a richer Cultural foundation for harmonious social relations as well as for balanced

personal and societal maturation. Thus, the perpetual interactions of the Value Aspect with the Real Aspect may take the form of a multi-faceted and synergistic *virtuous circle*, which facilitates the perpetual interaction of holistic culture enrichment, comprehensive human-personal development and balanced socio-economic development.

The *virtuous circle* of the Value-Real interactions, as shown in Figure 8 [9,11], can be explained, as follows. An untiring endeavor for sound Cultural enrichment, bringing about a constant improvement in the social value system (such as Integral Harmony), enhances the people's positive orientation to the future, among other things. Such enhancement of *society-general* future orientation is symbolically represented by a *decline* of the Trend Preference Rate "*T*", which is equivalent to a decline of the "present-time" emphasis (i.e., a growth of the "future-time" emphasis). A resultant change in the social value system influences coherently the time frame of socio-economic activities (or, elongation of the people's time frame). Thus, the enhanced orientation to the future of the social constituents at large induces a somewhat *lagged decline* of the Trend Interest Rate "*r*" as shown by Arrow 1. The downward movement of the economy-specific time-preference rate "*r*" indicates the augmented *economy-specific* future orientation. In short, the enhanced *society-general* future orientation brings about a decline of "*T*" and the lagged decline of "*r*".

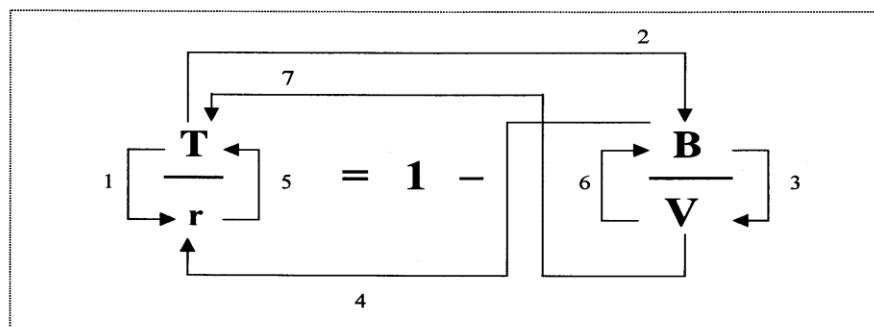


Figure 8. Balanced "Value—Real" Virtuous Circle.

At almost the same time, the enhanced *society-general future orientation* may increase "*B*", implying the synchronous long-term growth of the aggregate saving "*S*", investment "*I*" and capital income "*R*", as shown by Arrow 2. The growing "*B*" now implies the growth of investment in the human-and-material capital "*I*". The investment growth stimulates the synchronous processes of human-personal development, socio-economic development and holistic culture enrichment, expanding the long-term aggregate value-added "*V*", as shown by Arrow 3. Also, the increased investment enlarges the stock of human-and-physical capital and enhances the *economy-specific* orientation to the future, shifting the Trend Interest Rate "*r*" downward, as implied by Arrow 4. The declining Trend Interest Rate now influences the Trend Preference Rate "*T*" downward, as implied by Arrow 5.

In the meantime, the expanded aggregate value-added "*V*", indicating the socio-economic development, feeds back to "*B*", as implied by Arrow 6, to increase the aggregate saving, investment and capital income. Thus grown "*B*" now enhances both the *economy-specific* and *society-general* future orientation (as implied again by Arrows 4 and 5). Also, the expanded value-added (*V*), providing the justification as well as the means, induces a further *trilateral virtuous circle* of comprehensive human-personal development, *balanced* socio-economic development and holistic culture enrichment. The implied enrichment of the Culture, bridging the past, present and future of the society, reinforces the *long-term future orientation* of the social constituents in general, inducing a further decline of the Trend Preference Rate "*T*", as hinted by Arrow 7.

This may start anew the "Value-Real" virtuous circle, propelling a further socio-economic development, human-personal development and holistic culture enrichment. Such processes

refer to both the Necessary Condition and Sufficient Condition of the *balanced* socio-economic development, as explained above. For, such socio-economic development may reinforce constantly the material-spiritual well-being of the people at large (indicating the Necessary Condition), while the simultaneous Cultural enrichment and human-personal development enhance continuously the *society-general* future orientation (indicating the Sufficient Condition) to guarantee the continuous *virtuous circle* of holistic culture enrichment, comprehensive human-personal development and balanced socio-economic development.

As seen from the diagram of the Balanced “Value-Real” Virtuous Circles (Figure 8), sound Cultural enrichment plays the *pivotal role* in both the human-personal development and socio-economic development. This idea may suggest that the continuous enrichment of native Culture is essential for our “Balance Paradigm” promoting Sustainable Development. Also, such Cultural enrichment is the most important precondition to the enhancement of empathy, mutual trust and interdependence, as well as of a sound social value system, general thought frames and *society-general* future orientation. All such enhancements, together, may guarantee the overall long-term invigoration of each society and economy. It may also imply that the constant *conscious* endeavor for the enrichment of diverse Cultures all over the world may counterbalance the pervasive market-fundamental mindset (Market mindset) in such a way as to induce a fair and viable market function for human survival and well-being (suggesting the function of “Own Hands”). Thus, a constant shift to the “Balance Paradigm” is indispensable for Sustainable Development (and vice versa).

5.6. Balanced Comprehensive “Personal-Societal” Development

To be sure, it is often highly important to combine a large variety of relevant aspects, factors and dimensions, whether visible or invisible, tangible or intangible, material or nonmaterial, for an integral methodology of research and education, in order to attain a comprehensive grasp of complex objects and phenomenon. Such an integral, comprehensive, multi-dimensional and multi-faceted approach, however, has been largely absent both in research and education, perhaps, due mainly to the modern “proof-oriented” approach that is closely related to materialism, reductionism, rationalism and opportunism, as well as to the accustomed minute/fragmented approaches. In the absence of such comprehensive and “big picture” methodology, we are more or less prone to view a highly biased or fragmentary “result” as “fact” and/or “truth”, often persuaded by the self-styled “objective” observers, scientists, specialists and/or educators.

As a challenge for possible comprehensive understanding, we offer here the following diagram, which indicates an integral methodology: i.e., a complex framework of *multilateral-value enhancements* that may explain from a different angle the virtuous circle of comprehensive human-personal development, well-balanced socio-economic development and holistic culture enrichment, as shown below by Figure 9 (Balanced “Personal-Societal” Development) [9,10].

This framework consists of *four axes* and *four curves* in terms of the integrated four-quadrant diagram. The mutually reinforcing horizontal axes (i.e., Axis Ft and Axis Lt) roughly suggest the “time-mental” dimensions reflecting the future orientation of the people at large (or, *society-general* time-preference). Representing such “time-mental” dimensions, Axis Ft indicates the “planning range” of the society and Axis Lt the “average life expectation” of the social constituents. The “planning range” and “life expectation” are assumed to be coherent over time to each other by their mutual reinforcements. In contrast to such horizontal axes, the vertical axes (i.e., Axis Ih and Axis Is) roughly suggest the personal and societal “space-material” dimensions that are considered here as the “long-term *policy amenable* spheres”. Axis Ih indicates the personal and societal “human-capital formation” broadly defined, and Axis Is the personal-societal “investment in socioeconomic soft-and-hard infrastructure”. In this framework, the *policy-amenable* vertical axes of “space-material” dimensions, by interacting for the mutual augmentations with the horizontal axes of “time-mental” dimensions, promote simultaneously comprehensive human-personal development,

balanced socio-economic development, holistic culture enrichment and sound social value system (such as Integral Harmony).

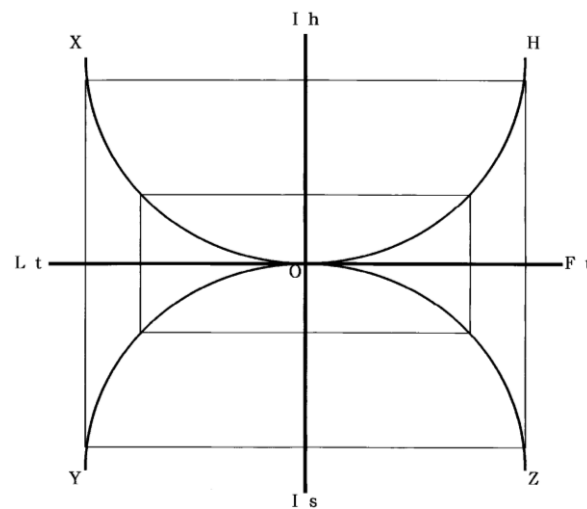


Figure 9. Balanced “Personal-Societal” Development.

The above interactions of *four axes* are now related to the *four curves* that are shown in-between the horizontal-and-vertical axes of the relevant quadrants. To begin with, Curve H indicates the personal-societal *thought-frame enhancement* (i.e., closely related to elongation and broadening of “time-space” in integrated thoughts and perspectives), as implied by the enhancement of *society-general future orientation* (reflected on Axis Ft) that augments mutually with the “personal-societal” human-capital formation (reflected on Axis Ih). Accordingly, Curve H indicates both the enhancement of “intellectual and planning values” and on-going human-personal development especially of “long-term perspectives”. Secondly, Curve X shows the personal-and-societal *human-value enhancement* (i.e., closely related to improvement of overall human values), as implied by the growing “personal-spiritual” capital formation (reflected on Axis Ih) that augments mutually with the “average life expectation” (reflected on Axis Lt). Accordingly, Curve X indicates both the enhancement of “personal-spiritual values” and the on-going human-personal development of “character-building” with moral-spiritual emphases.

Thirdly, Curve Y shows personal-and-societal *lifestyle enhancement* (i.e., closely related to enrichment of the Culture and social value system), as implied by the growing “average life-expectation” (reflected on Axis Lt) that augments mutually with the “investment in soft-and-hard socio-economic infrastructure” (reflected on Axis Is). Accordingly, Curve Y indicates both the enhancement of “life-and-health values” and the on-going human-personal development, especially of sound and aesthetic living. Fourthly, Curve Z shows the personal-and-societal *common-goal enhancement* (i.e., closely related to improvement of personal-and-societal vitality and life/living), as implied by the growing “investment in soft-and-hard socio-economic infrastructure” (reflected on Axis Is) that augments mutually with the “*society general future orientation*” (reflected on Axis Ft). Accordingly, Curve Z indicates both the enhancement of “long-term social and common values” and the on-going human-personal development, especially of long-term mutual concerns, collaborative consciousness and relational mutuality.

Finally, all the processes of *thought-frame enhancement* (reflected on Curve H), *human-value enhancement* (reflected on Curve X), *lifestyle enhancement* (reflected on Curve Y) and *common-goal enhancement* (reflected on Curve Z), all together, indicate the *integrated Grand Process* that is expressed by the on-going long-term eight-way expansions of a “balanced rectangle” linking all the *four axes* and *four curves*. In other words, this integral overall process suggests the on-going simultaneous and

synchronous movements away from the origin (O), as reflected on the *four axes* and *four curves*. The Grand Process promotes the “trilateral virtuous circle” of comprehensive human-personal development, balanced socio-economic development and holistic culture enrichment. Also, the Grand Process leads continuously to the reinforcement of personal-and-societal vitality, as well as to the enrichment of the native Culture and social value system. The Cultural enrichment constantly augments the “personal vitality and mutual concerns”, the “centripetal force of society” and the “social harmony, societal amenity and human-and-nature symbiosis” for the sustainability of the people and society. Moreover, the Grand Process, through constant interactions with that of other societies worldwide, promotes the mutually reinforcing “trilateral virtuous circle” of personal happiness, socio-economic fairness and global harmony for the promotion of a sustainable human future. This is shown more concretely in the explanation of the following framework of “Integral Amenity”.

5.7. Constant Reinforcement of “Integral Amenity”

The term “Integral Amenity” here indicates the constantly reinforced combinations of personal amenity (or, personal happiness), socioeconomic amenity (or, socioeconomic fairness) and global amenity (or, global peace/harmony) as depicted in the following Figure 10 [10,29]. Personal Happiness, arising broadly from a constant trilateral virtuous circle of “full life” (FL), “good health” (GH) and “meaningful career” (MC), refers here to an integral enhancement of personal health, comfort, attachment, fulfillment, peace of mind and longevity (among other things). Socioeconomic Fairness, arising broadly from a trilateral virtuous circle of “holistic culture enrichment” (HCE), “comprehensive human-personal development” (CHD) and “balanced socio-economic development” (BSD), refers here to an integral enhancement of the socio-politico-economic environment for accommodation, recognition and fairness to all social constituents (among other things). Global Harmony, arising broadly from a constant trilateral virtuous circle of “culture of peace” (CoP), “global humanity” (GHu) and “sustainable development” (SD), refers to an integral enhancement of global environment, peace, empathy, order and sustainability.

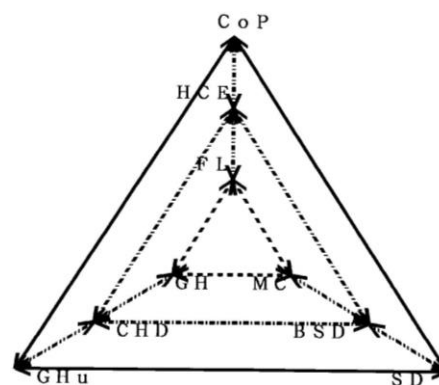


Figure 10. Interactions of Happiness Triangles.

In the above diagram, the three levels of trilateral virtuous circles are integrally connected and synchronized for mutual reinforcements. To begin with, FL (“full life”) as part of Personal Happiness at the *innermost triangle* interacts with HCE (“holistic culture enrichment”) as part of Socioeconomic Fairness at the *middle triangle*. In turn, HCE interacts with CoP (“culture of peace”) as part of Global Harmony at the *outer triangle*. Likewise, GH (“good health”) as part of Personal Happiness at the *innermost triangle* interacts with CHD (“comprehensive human-personal development”) as part of Socioeconomic Fairness at the *middle triangle*. In turn, CHD interacts with GHu (“global humanity”) as part of Global Harmony at the *outer triangle*. Similarly, MC (“meaningful career”) as part of Personal Happiness at the *innermost triangle* interacts with BSD (“balanced socio-economic development”) as

part of Socioeconomic Fairness at the *middle* triangle. In turn, BSD interacts with SD (“sustainable development”) as part of Global Harmony at the *outer* triangle.

The constant and consistent “inter-triangle” interactions for mutual reinforcements among “full life” (FL), “holistic culture enrichment” (HCE) and “culture of peace” (CoP) indicate the integral personal-societal-global endeavors for a long-term amicable human environment that leads to a sustainable future. Such interactions may, most likely, encourage an orderly, peaceful and sustainable lifestyle with the morality of moderation in all things and the sound social value systems in all societies. Also, the interactions may promote the constant enrichment of the native Culture in each society, accompanied by the lifestyle of future orientation and relational mutuality. Further, such mutually reinforcing interactions between “holistic culture enrichment” (HCE) and “culture of peace” (CoP) may encourage the collaborative endeavors for the blossoming of personal potentials in mental, spiritual, moral, social, political, economic, academic, aesthetic, artistic, physical and other aspects for the enjoyment of personal life, as well as for the personal contribution to the society and the Culture. Also, such endeavors may enhance the personal and societal “thought-frames” [4], leading over time to constant overall endeavors for “culture of peace” (COP).

Likewise, the on-going “inter-triangle” interactions for mutual reinforcements of “good health” (GH), “comprehensive human-personal development” (CHD) and “global humanity” (GHu) indicate the integral personal-societal-global endeavors for a lasting sound human-personal environment. Such environment may encourage a healthy/balanced human mental-physical development for responsible personal activities in each society, as well as for humanities-oriented common interests in the global community. Also, the on-going consistent interactions between “comprehensive human-personal development” (CHD) and “global humanity” (GHu) may, most likely, encourage each society and people to endeavor for empathy, mutual trust and a sound social value system. Further, such interactions may enrich diverse Cultures across the world by means of the personal and societal endeavors for a coordinated global movement, i.e., “New Enlightenment” [4]. Based on the enrichment of diverse Cultures, such integral endeavors may contribute to the constant enhancement of healthy lifestyles and global-personal orientation to mutual respect.

Similarly, the “inter-triangle” interactions for mutual reinforcements of “meaningful career” (MC), “balanced socio-economic development” (BSD) and “sustainable development” (SD) indicate the integral endeavors for a resource-treasuring/economizing human endeavor that encourages an effective and sustainable utilization of all human and material resources. The constant interactions between the societal endeavors for “balanced socio-economic development” (BSD) and the global endeavors for “sustainable development” (SD) may profoundly support deeply Culture-oriented career development and long-term stable-and-flexible employment in each society and the global community. In other words, such societal-and-global interactions may encourage a constant development of Culture-integrated versatile knowledge and skills for stable, flexible and worthy work, as well as a sustainable use of human-and-material resources for a sustainable human future. Also, such societal-and-global interactions may encourage integral endeavors for constant improvement of personal career with a steady growth of socio-economic and Culture-oriented amenities. Such career improvement may, in turn, encourage a sustainable way of life in the global community on the bases of constantly enriched diverse Cultures across the world. Accordingly, such career improvement may lead to a sustainable lifestyle in each society on the basis of constantly augmented personal skills/knowledge and personal satisfaction with meaningful/fruitful work, along with the work environment of ample “Culture-oriented” employment opportunities.

The overall “inter-triangle” interactions for mutual reinforcement and synchronization of the essential components may reveal many important aspects of the highly complex and multi-faceted natural and human-made environments. Such synchronization and mutual reinforcement may also reveal the complex and dynamic relationship of the closely inter-related personal, societal and global amenities. The constant interactions for mutual reinforcement *within the respective* personal, societal and global spheres provide the “big picture” (for instance, the “Grand Process” in the above) that

indicates a theoretical design for the perpetually improving Integral Amenity in view of a sustainable human future. Such improvement of Integral Amenity, most likely, works for a steady reduction of personal-societal-global disparities, biases, contradictions and inconsistencies.

6. Balanced Employment of Continuous Integration

6.1. Culture-Oriented Employment System

The Culture (society-specific holistic culture of each society) and the Market (the prevailing market fundamentalism) are, respectively, blessed with inherent dynamism of different kinds. To speak simplistically, the Culture deepens and enriches itself over time, while the Market expands and strengthens itself. In other words, the Culture tends to reproduce and accumulate (the inherent “deepening” feature”), while Market tends to expand its demand and supply, as well as its sphere for trade (the inherent “spreading” feature) [9]. Such dynamic characteristics of both the Culture and the Market, respectively, coincide with the *Ethos of Culture* and the *Ethos of Market*. If we can find the way in our contemporary world to have the Market assume a “sound-and-fair” function that serves diverse Cultures worldwide properly, respecting and enriching them, all peoples and all societies throughout the world may benefit incalculably. However, if we let the Market stifle the diverse Cultures, all of us may lose drastically and irreversibly. Thus, it is important to recognize that both the diverse Cultures and the “sound-and-fair” market function constitute indispensable human heritages for improving human-personal development and a sustainable future.

Thus, for a sustainable human future, a good balance between the “Culture-oriented” employment system and the “sound-and-fair market-oriented” employment system is required to rectify the prevailing “Market-centered” employment system. This section focuses on the theoretical difference between the *Market-centered* employment system (that ignore the Cultural contents in human resources) and the alternative *Culture-oriented* (or *Culture-enriching-and-integrating*) employment system with adequate payment for the Cultural contents in human resources. The present theoretical examination reveals that the *Market-centered employment* may eradicate, in a few generations, the important Cultural contents in labor services at large. As a result, we are going to face an unsustainable human future, losing the necessary Cultural foundation everywhere. Also, the contrasted theoretical examinations reveal that *Culture-oriented employment* may solidify and reinforce the Cultural foundation for a greater socio-economic employment opportunity. As a result, the Culture-oriented human resources may carry out a well-balanced perpetual socio-economic development into the future. These rather opposite cases will be presented in diagrammatic contrasts, to show as clearly as possible that *a full accounting* for human resources with adequate compensation for the Cultural contents under the *Culture-oriented employment* is much more productive over time than the *Market-oriented employment* that ignores Cultural contribution to productive activities.

The issue of human employment, by necessity, must address the Cultural foundation, since the broadly-defined Culture is largely incorporated into the workforce that is, perhaps, the most important and indispensable component of the relevant productive activities. It is the very contents of the Culture that are intimately incorporated into the underlying *general capacity* of the social constituents in all socio-economic activities. Since their *general capacity* offers indispensable services for such activities, it is a truism that the “sound-and-fair” market tends to function appropriately in a society largely on the basis of its own Culture. Such Culture embraces important socio-economic values including honesty, reliability and mutual trust of the social constituents, as well as their inherited aptitudes, skills, knowledge and wisdom (among other things). In the prevailing economic theory, the so-called “market”, by nature, treats any things abundant as “free goods,” including the abundant Cultural contents in the workforce. It is no wonder that market fundamentalism (Market) tends to exploit the abundant Cultural contents of human resources, as well as the abundant natural resources, thoroughly to the point of practical exhaustion.

Such exploitation implies that the very abundance of the Culture-oriented *general capacity* of the social constituents works against itself in the market system characterized by market fundamentalism ("Market"). This gives rise to a serious paradox that the "Market Approach" degrades over time the Cultural values and functions, eventually to obliterate the long-accumulated Cultural foundation that is essential for market activities to continue and proliferate. Perhaps, this paradox suggests a *fatal flaw* of the short-sighted "Market Approach" and, for that matter, it is the *basic flaw* of the modern economics that regards abundant resources as "free goods", while, at the same time, strongly encouraging the dogma of "free market competition", "individual self-interest" and "profit maximization". Then, the Market that adheres dogmatically to the "Market-alone" approach has naturally been the very cause of the on-going Cultural and environmental devastation.

Put differently, the very short-sighted and expansionist flow-oriented Ethos of Market leads the diverse Cultures and the natural environment to their eventual devastation, despite the fact that their existence is most essential to human life, socio-economic activities and continuation of market function. In order to rectify the on-going tendency of undesirable hurtling toward Cultural and environmental exhaustions, as well as toward the eventual dead-end of the market function, the "Culture-oriented" employment practice may become indispensable and inevitable. The *Culture-oriented* employment may lead to a balanced and synergistic interaction between the Culture and the "sound-and-fair" market for accelerating worker productivity, as well as for enriching the Culture and augmenting the market function. Also, such interaction may indirectly contribute to the conservation and protection of the environment. Thus, the "integral and balanced" Culture-and-market interaction for mutual reinforcements is the focal point in our present introduction of the "Culture-oriented" approach to the employment of human resources.

6.2. Employment: "Market-Centered" vs. "Culture-Oriented"

The theoretical concept of "invisible hand" ("free and competitive" market function) goes back to the publication in 1776 of *The Wealth of Nations* by Adam Smith [30]. The Western societies, regardless of their understanding Smith's "invisible hand" properly or not, have largely adapted themselves, over time, to a way of thinking based on the politico-economic concepts of "free and competitive market" and "self-interest" (often meant the derogatory representation of human nature). Also, the modern economists inculcated by such classical economics have spread the theoretical thoughts and concepts throughout the world. The concepts such as "invisible hand" and "self-interest," when spread to the non-Western societies by means of violence or force of persuasion, have drastically degraded their Cultural foundations only to uphold the competitive-market model of employment.

Such a shortsighted "Market-alone" approach has drastically underestimated the costs paid to accumulate (over numerous generations) the "abundant" Cultural contents of human resources and has rewarded only the scarce *Market-demanded skills*. The shortsighted Market has paid little attention, in particular, to the non-Western long-accumulated Cultural foundations. This denigration of the Cultural worth over time may have resulted in the impoverished Cultural foundations, upon which newly *Market-demanded skills* of often lopsided/unbalanced sophistication have been formed by an increasingly smaller proportion of workers. Thus, Cultural denigration, accompanied by the growing disparity in income, wealth and amenity among societies, may have induced the contemporary socio-economic polarization and politico-economic animosity we see across the world.

The term "Culture", representing the cumulative endeavors of the people in numerous generations to weave together a great variety of personal, social and environmental fabrics in time and space, aiming at the continuity of the own society, is assumed here to have a desirable tendency to enrich itself over time and, simultaneously, to work toward general harmony and comfort of the people at large. This interpretation emphasizes the *Keynote of Culture*, namely, the Cultural inclination toward mutual trust, empathy, identity, amenity and harmony. This rather simplistic statement of the *Keynote of Culture* is useful for contrasting the Culture with the Market in their respective effects on employment. It is arguable that a harmonious interaction/integration for mutual reinforcements

between the Culture and the “sound-and-fair” market function, by dealing appropriately with the highly important Cultural contents of human resources, may lead to the synergy of the harmonious invigoration of market function and well-balanced socio-economic development. For such synergy effects, the presently proposed *long-term model of employment* (or, “Culture-oriented employment”) may offer useful analogical and analytical frameworks, as well as meaningful policy implications.

Any employment practices to function reasonably well, to be sure, require contributions from the native Culture. The arrival of the modern industrial age, however, has induced a gradual abstraction of labor from the underlying Culture to reinforce the “Market-alone” approach. According to such an approach, economic activities are deemed totally dependent upon “demand and supply” under the assumption both of “individual self-interest” and “free market competition.” According to labor economists, L.G. Reynolds et al. “The broad (theoretical) argument is that, given free and informed competition among workers and employers, each worker must be paid the value of his contribution to production” [31]. Such employment assumes, among other things, numerous small-scale employers competing for labor, with no collusion among employers or among workers, and adequate channels of information. Such theoretical “competitive-market employment”, however, is a far cry from the actual employment practices of many large, powerful and, often, monopolistic and oligopolistic buyers of labor services in our contemporary world.

6.3. Economic Globalization and Inhuman Employment

In view of the Market neglect/slighting of indispensable contributions derived from the diverse Cultures and the natural environment, we have reasons to suspect that the Market-determined wages cover, at most, the cost of acquiring *market-effective* special skills, at the same time, disregarding the cost of *culture-oriented* general skills and the cost of sustaining the relevant Cultural foundation. The actual market function and self-interested human motivation in the course of the Industrial Revolution and the Imperialistic pursuit of power, not only ignored the value of diverse Cultures but also set conditions convenient to the abstraction of “labor” from the underlying Culture for the sake of the “short-run competitive model” of employment. Moreover, the “competitive labor market” has come to treat the living and spiritually-inclined workers similar to goods and machines. Such *inhuman* treatment has seldom taken heed of the known “peculiarities” of labor markets, particularly, the inseparability of worker from his/her labor services, as pointed out by Alfred Marshall [32].

The concept of “self-interest,” on the other hand, has helped reduce human motivation to a “short-run self-satisfaction” and encourage a constantly self-seeking aggressive character among workers. The two concepts, “invisible hand” and “self-interest”, together, regardless of the meanings initially intended, have made employment “cut-and-dry”, as well as made human lifestyle and work motivation grossly distorted over time. As an extension of individual “self-interest,” the national self-interest (“national interest”) has excused the modern powers to indulge in Imperialism and neo-Imperialism (economic globalization), to deprive the other peoples and societies of their essential resources and, in the process, spread Western thoughts and lifestyles pertaining to such distorted politico-economic concepts, as if they are models to emulate.

It is no wonder why we often come across the well-worn argument that favors the “competitive model of employment” applied all across the world. Such favoritism is based on the “allegedly” common features among modern, modernized and modernizing nations, despite existing differences, such as capital sizes, climatic features, geopolitics, politics, native languages, and cultural characteristics [31]. Almost all business organizations in the Western world support the “competitive model”, and many adherents to the neoclassical economics presume and utilize it as “truly authentic model”.

Now that the economic globalization has become the *leitmotif*, the logic of global capitalism asserts itself under the wing of global corporations and financiers (as agents of Big Market), reviving the crude “law of the jungle” to the detriment of the diverse Cultures and humanities everywhere. Accustomed to their own convenient definitions of “self-interest,” almost all the global/multinational corporations

and financiers, with their economic, financial and political influences beyond their national boundaries, have attempted to lord it over or to impose their own rules on almost all societies across the world, ignoring the differences of Cultures and human environments. Speaking of the far-reaching nature of the on-going economic globalization, William Greider in his *One World Ready or Not* [33] puts it: “The past is up-ended and new social values are created alongside the fabulous new wealth. Yet, masses of people are also tangibly deprived of their claims to self-sufficiency, the independent means of sustaining hearth and home. People and communities, even nations, find themselves losing control over their own destinies, ensnared by the revolutionary demands of consumers.” Even George Soros, an enigmatic personage, in *The Crisis of Global Capitalism* [34] declares: “It is market fundamentalism that has rendered the global capitalism unsound and unsustainable.”

The revived “law of the jungle” under the guise of authentic and ideal “free market competition” has exerted the drastically negative effects on the diverse Cultures, regardless of rich and poor countries, shattering their already slighted values. This predicament of the diverse Cultures, in turn, has affected the life of workers everywhere, as many global corporations and financiers, together, try to change working conditions and even reshuffle workers throughout the world on one pretext or another for reducing the proportion of labor cost in the total cost. They have been replacing the highly paid workers in the industrially advanced nations by means of the worldwide network of sophisticated computers, as well as by the exploitation of cheap professional workers in the developing nations.

6.4. Illustrated Contrast of Employment Practices

Our modern world has been witnessing the Market-driven economic globalization stifling and destroying the diverse Cultures across the world. If we simply look on as passive observers, all Cultures will most likely be trampled upon in all regions of the world, soon to the point beyond hope of recovery. This *overshooting* popularity and momentum of modern “Explosion Paradigm”, however, may not be the end of the story, for such a doom on the diverse Cultures will certainly visit the Market (and its manipulator, “Big Market”), too, leading it to a doomsday. To explain this simplified surmise, a diagrammatic contrast may illustrate the likely future of the typical models respective to the *competitive-market employment* and the *Culture-oriented employment*, as depicted in the following Figure 11 (Figure 11A,B) [9].

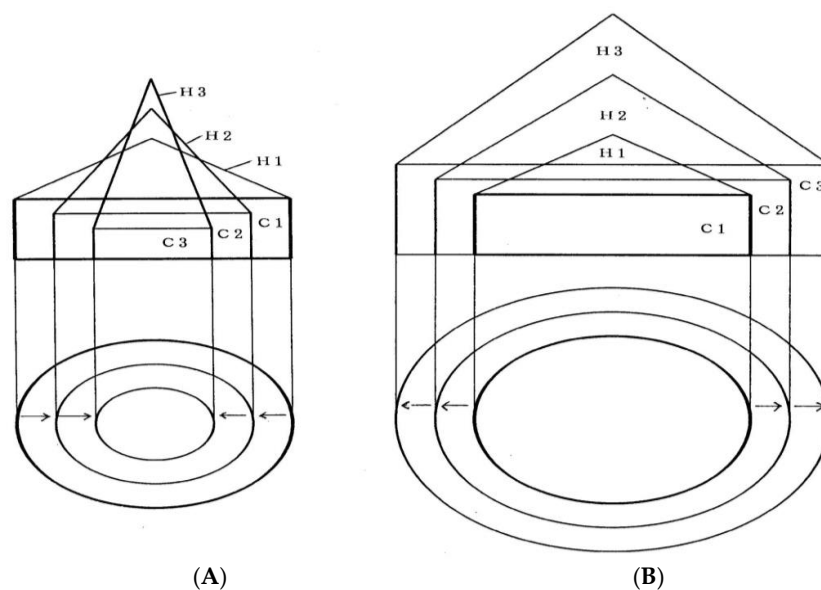


Figure 11. Analogical Contrast of Employment Systems (A) and (B).

6.4.1. The Case of Discontinuous Integration (Figure 11A)

Now, let us begin with a reasonably rich Cultural foundation (C1) as shown in (Figure 11A), prior to the introduction of the Market (market fundamentalism) into the picture [9,35,36]. In the initial long-term period, the Market demand for the *Market-effective special skills* that refer to the specific skills for the production of goods and services demanded currently by the Market, leads to forming an echelon of human capital (H1) on the Cultural foundation (C1). For simplicity, the Market is assumed to pay the workforce only for the *Market-effective special skills*. This means that the Market ignores the indispensable support of the *Culture-oriented general skills* that are supplied simultaneously by the same work-force. Such general skills are derived from the Cultural foundation—C1. The *Culture-oriented general skills* are constantly provided by their own native Culture that accumulates and integrates constantly personal-societal experiences, knowledge, wisdom, mores, and values (among other things). Here, we assume that the Market treats the Culture and the *Culture-oriented general skills* strictly as “free goods”.

Such a biased/unbalanced rewarding scheme, of course, entails a serious result in the contemporary world where “Money speaks”. The following generation of workers, sensing their *Culture-oriented general skills* contributed little to their prospective income (neither in terms of “monetary” reward nor “psychic/emotional” reward of recognition), may naturally become hesitant and shy of acquiring *Culture-oriented general skills*, thus drastically diminishing the Cultural foundation over the sequence of worker generations. Now, in response to the Market demand for the new *market-effective special skills*, a second echelon of human capital (H2) is to be formed on the much diminished Cultural foundation (C2). Such capital formation may, at best, relate only partially (or negligibly) to the stock of human capital formed in the previous generation of workforce.

The new generation of workers responding/catering to the new Market demand are now amply rewarded, despite (or because of) their much reduced orientation to the Culture. The Market, by ignoring again the Cultural contents in the labor services, lets the new generation of workers discouraged to acquire the *Culture-oriented general skills*. As a result, their Cultural foundation is degraded still further. Upon this much-degenerated Cultural foundation (C3), a third echelon of human capital (H3) is formed by responding to the new change in market demand, and so goes on, toward the eventual obliteration of the Culture as insinuated by Figure 11A. Such drastic Cultural degeneration may, sooner or later, lead the Market to a dead end.

In the above explanation of the “Discontinuous Integration” between the *Culture-oriented general skills* and the *Market-effective special skills*, as well as between the different echelons of human-capital formation, we intentionally ignored, for the sake of simplicity, the actual practices of *competitive employment* that, when necessary, might have rewarded nominally the workers in one way or another for the Cultural contents of their services. Being increasingly pressed for a greater profit, however, corporate managers in our contemporary world may usually take a short view of things and consider the immediate market demand first and foremost. Thus, even in the actual situation we can safely assume that the long-term sequences, such as H1 to H2 and H2 to H3, tend to be largely disconnected from one another, due to the rapid degeneration of the Cultural foundation over time. In our simplified illustration, each different generation of the workforce responds in its own way to the change in market demand. Also, the average workers may become increasingly detached from their own Cultural foundation over the long-term sequences. This may, in turn, imply that the Market faces a growing difficulty and uncertainty in its own expansion over the sequence of different generations.

It is most likely that the sequentially demanded new *Market-effective special skills* of increasing sophistication are provided by a rapidly decreasing proportion of the workforce over generations, thus accelerating both the socio-economic polarization and the politico-economic animosity among the workers, as well as between the workers at large and the employer. Also, the people in general may, over time, tend to lose a sophisticated command of their own language (part of the Cultural foundation), despite the fact that growing specialization and sophistication of skills may require more intricate and effective communication among the workers of different specializations and between

the highly sophisticated workers and the other workers. Further, the social constituents at large may tend to lose the catalysis provided by their own Culture in their inter-personal communication and relationship amid the rapidly growing realities of “cut-throat” competition and “cut-and-dry” lifestyles.

Worse, perhaps, the people tend to lose interest in their Culture-bound sense of responsibility and public spirit in the midst of “explosive” self-interpreted “freedom”, “equality”, “democracy” and “human rights”, which are, in a sense, encouraged by the Market slogans of “individual self-interest”, “free market competition” and “emancipated wants and lusts”, as well as by the Market-centered lopsided income growth of the market-specialized workers. A point may be reached, at which more and more businesses have to operate at extremely high risks based on an increasingly shaky Cultural ground. They have to face both their workers and customers, who are increasingly aggressive, demanding, self-seeking, capricious, personally immature and unreliable. Mutual reliability and mutual trust among the social constituents may tend to dissipate rapidly under the much degenerated Cultural foundation (including the social value system) that may result in the practical collapse of market function and social harmony.

6.4.2. The Case of Continuous Integration (Figure 11B)

Alternatively, we can at least choose in theory a more appropriate employment practice, namely, the “Culture-oriented employment” (or “Culture-enriching and Culture-integrated employment”) that reinforces both the Cultural foundation and the “sound-and-fair” market function, simultaneously [9,35,36]. Our theoretical model encourages over time a harmonious and synergistic interaction for mutual reinforcements between the Culture and the “sound-and-fair” market function with two basic principles. The first principle asserts that the “sound-and-fair” market must account reasonably well for both the *Market-effective special skills* and the inseparable *Culture-oriented general skills*, paying equitably and adequately for the both skills. The second principle asserts that all firms and all levels of government must encourage and strive for the continuity and enhancement of both *Culture-oriented general skills* and *Market-effective special skills* to have both the skills accumulate steadily and reinforce mutually over time. Such endeavors naturally enrich the native Culture over time, reinforcing the Cultural foundation for socioeconomic activities and augment synergistically the capacity and sophistication of the society and social constituents in the rapidly changing world.

Now, the *Culture-oriented employment* is contrasted with the above *competitive-market employment*. Again, we begin with a reasonably rich Cultural foundation (C1) under the “sound-and-fair” market, as seen in Figure 11B. Now, a first echelon of human capital (H1) is formed in response to the change in market demand. In the present case, we assume that an equitable and adequate wage payment, accounting for both the relevant *Culture-oriented general skills* and *Market-effective special skills*, encourages and facilitates comprehensive human-personal development over time. No doubt, the human-personal development results in the enrichment of Culture to augment both the Cultural foundation and the “sound-and-fair” market function at the same time. Such a fair payment scheme for the workforce encourages a greater human capital formation broadly-defined and facilitates the synergistic interaction between the two types of skills, augmenting a balanced socio-economic development. Also, such encouragement and reinforcement of both skills may contribute to the well-balanced and Culture-embracing sophistication of the people in general.

Upon such reinforced Cultural foundation (C2) a second echelon of human capital (H2) is to be formed in response to the change in market demand. The equitable and adequate payments for both the *Culture-oriented general skills* and the *Market-effective special skills*, again, may enhance the *compatibility* of both skills to induce their *synergy effects*, augmenting worker/labor productivity. Accordingly, such fair payment scheme increases the joint productivity of both skills, along with the reinforced Cultural foundation and the accelerated human-personal development. Likewise, a third echelon of human capital (H3) is to be formed on the much reinforced Cultural foundation (C3) to meet a further shift of market demand, and thus goes on to enrich the Culture and augment the “sound-and-fair” market

function and labor productivity, simultaneously, as depicted in the above diagram. More importantly, Culture-oriented employment may even change the nature, kind and quality of market demand.

In this manner, Culture-oriented employment (or, the employment system of “Continuous Integration”) facilitates the harmonious and synergistic interactions between the Culture and the “sound-and-fair” market to enhance the thought frames (namely, personal and societal scopes of thought in time and space) and the lifestyles of people in general. Correspondingly, such an employment practice/system may improve the future prospects and augment the “virtuous circle” of holistic culture enrichment, comprehensive human-personal development and balanced socioeconomic development. To rectify our contemporary plutocracy-driven world, a rapid integration of the *Culture-oriented general skills* and the *Market-effective special skills*, as well a reasonably accounted equitable and adequate payment for the recognized and integrated skills of the workforce in general, may become crucially important for pursuing a sustainable human future.

6.5. Implications of “Culture-Oriented” Employment

Given the on-going thrust of the market fundamentalism (Market), as well as the accumulated momentum of economic globalization, the Market emphasis on the short-sighted *competitive-market employment* may prevail throughout the world into the foreseeable future. Particularly because of the self-seeking global corporations and financiers have been spreading the *grossest profit-motivated messages*, the crudest imaginable Market may be well on the way. Regardless of being keenly apprehensive or not, we humans mostly tend to follow the example of the mainstream that is trampling on our diverse Cultures across the world. If we go on like this, we all lose the chance of enhancing our thought-frames, value systems and lifestyles for a sustainable future, by digging our own graves without much awareness. While fully aware of the formidable nature of the challenge, we must continue to argue for the *Culture-oriented employment* (“Culture-enriching and Culture-integrated” system of employment).

It is very clear from the above contrast of *Culture-oriented employment* (Continuous Integration) with *competitive-market employment* (Discontinuous Integration) that the former is not only superior in productivity but also much more desirable than the latter, at the least, in view of *human-personal career development*. Further, the *Culture-oriented employment* implies that the workers in general may accumulate a much greater human capital than the workers of the *competitive-market employment*. Still further, the case of working under the *Culture-oriented employment* may generally contribute to greater (than the other case) worker productivity, satisfaction and self-achievement, as well as a higher *society-general* future orientation.

Incidentally, the *Culture-oriented employment* may offer a better strategy to up-grade and strengthen both the *absolute advantages* and the *comparative advantages* of all societies for a sound (without “cut-throat” competition) international trade to flourish. In other words, all societies would cooperate (rather than compete) for enhancing mutual benefits from trade, while providing their respective peoples with opportunities for native Culture-enriching meaningful work and enjoyment, as well as for the respective human-personal maturation and sense of accomplishment. Moreover, the proposed system of *Culture-oriented employment*, as being sound, fair, continuous and integrally balanced, may indicate a more appropriate employment practice for the prospective global community that seeks a sustainable human future.

Such Culture-oriented conditions of employment, no doubt, contribute to the fruitful and meaningful career development in general. Such conditions also contribute to moderating the stressful work environment under the prevailing discontinuous, disintegrated, instable, insecure and uncertain *competitive-market employment*. With the long-term continuity and stability provided by the *Culture-oriented employment*, the social constituents may be able to design and enhance their respective long-term careers without unreasonable disruption by the Market initiated rapid changes. Such continuity and stability contribute also to the good health of workers and social constituents in general, without undue stresses of disruptive employment and cut-and-dry working conditions.

For that matter, “Culture-enriching and Culture-integrated system of employment” contributes to the wholesome life of the social constituents by enhancing personal amenity, comfort and happiness. All these merits of *Culture-oriented employment*, together with each Culture-based sound social value system (Integral Harmony), may constitute the most important conditions for a sustainable human future in the prospective global community.

7. Concluding Remarks

The present argument for “Balance Paradigm” is straightforward. As a step to rectify the prevailing socioeconomic biases to the plutocracy-driven Market, it is inevitable to promote Sustainable Development with the alternative/seminal theoretical backup. For this purpose, our theoretical framework of long-term socio-economic development provides the main theoretical pillar that is accompanied by two supportive pillars: i.e., the framework of Integral Harmony (the native Culture-based sound social value system) and the framework of native Culture-oriented employment (the employment system integrating Culture-oriented general skills, Market-effective special skills and the native Cultural foundation). All three frameworks emphasize the importance of Sustainable Development to move toward Post-Plutocracy, as well as toward the prospective global community that seeks a sustainable human future.

For such theoretical arguments, the most important foundation comprises the diverse sound Cultures across the world. However, our diverse Cultures have been largely devastated by “modern men” mostly unaware of the importance of diverse sound Cultures for human sustainability. Thus, the normative “proxy” of a sound Culture—Integral Harmony—becomes important during the lengthy processes of Cultural restoration and revitalization worldwide. Integral Harmony, on the one hand, integrates and balances such opposite values as “the material and the spiritual” (aiming at *personal integrity*), “the individual and the collective” (aiming at *social solidarity*), “the traditional and the progressive” (aiming at *societal continuity*), “the self-interested and the altruistic” (aiming at *relational mutuality*); and “amity and enmity” (aiming at *social harmony*). On the other hand, Integral Harmony coordinates the overall interactions of personal integrity, social solidarity, societal continuity, relational mutuality and social harmony for overall mutual reinforcements. Such function of Integral Harmony, specifically catering to the native Culture, may help restore and revitalize each Culture over time. Also, native Culture-oriented employment may help revive and invigorate each Culture, by constantly enriching it through continuous integration of Culture-oriented general skills, Market-effective special skills and the native Cultural foundation. Such employment system, being long-term stable, may contribute to personally/socially fruitful and meaningful career development for the people at large, as well as moderate the otherwise stressful work environment under the prevailing Market-driven competitive employment.

The theoretical framework for long-term balanced socio-economic development with a number of theoretical corollaries discussed in this article may stimulate personal, societal, national and global awareness and appreciation of the most important human heritage and property—diverse Cultures. Further, such theoretical frameworks, all together, may encourage the promotion of human-personal development and give impetus for the enhancement of Culture-based personal fulfillment, achievement and enjoyment, consequentially enriching the diverse Cultures. Furthermore, they may lead to improving empathy, mutual trust, mutual reliability and mutual responsibility in each society, as well as improving the sense of relational mutuality and symbiotic mutuality among the peoples worldwide, resulting in a further enrichment of diverse Cultures.

Counterbalancing the “reckless run” of Modern Civilization, which has been induced by the Market and Big Market, requires a wholehearted close attention to “integrating and balancing” academic disciplines, educational directions and human-personal development, in addition to social value systems and employment systems. Along with such close attention, critical examinations and modifications of our own material-biased lifestyles and activities may become indispensable, in view of our long inculcated thoughts and values. Also, we need to modify and rectify our accustomed

“positivist” extreme views, for it is very clear that seemingly opposite phenomena, such as “positive and negative”, “life and death”, “gain and loss” or “rise and fall”, may become apparent that they comprise each other, when broadly and integrally viewed. Further, our highly growth-biased economic activities need to be rectified by a greater emphasis on the importance of stability and security for reasonably decent and comfortable personal/social life.

Still further, cultivation of well-integrated and balanced methodology in our approach to the impending global issues/problems may open up a new horizon for our resolution and aspiration to a sustainable future. Furthermore, by variously dealing with our contemporary phenomena in the light of the Culture-oriented and the Civilization-oriented; the market-amenable and the nonmarket-amenable; the life-conscious and the power-conscious; short-term phenomena and long-term phenomena; and so on, we may come to a reasonable solution and rectification of the “reckless run”. Moreover, it is crucially important to modify and rectify the prevailing plutocracy-driven lopsided social value system to countervail the “reckless run”. For the Market-oriented value system has been accelerating the “reckless run” against a sustainable human future, by constituting the mutually reinforcing ideologies of materialism, individualism, progressivism, egotism and antagonism.

Therefore, it is not far-fetched to say that the greatest problem of our contemporary world is the *fading* of sound social value systems along with the devastated diverse Cultures. Such *fading* may let humanity to *fade* under the escalated mechanization of humanity and the unstoppable “reckless run” of Modern Civilization. Indeed, we now stand at the crossroads whether to leave our destiny to the prevailing “Explosion Paradigm” or to pursue earnestly the “Balance Paradigm”.

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Appendix A. Derivation of Our Theoretical Construct

The basic construct of our long-term socioeconomic framework consists of the following equations (*approximations*) [9,26]:

$$T/r = C/V \quad (\text{A1})$$

$$T/r = 1 - (S/V) \quad (\text{A2})$$

$$T/r = 1 - (I/V) \quad (\text{A3})$$

$$T/r = W/V \quad (\text{A4})$$

$$T/r = 1 - (R/V) \quad (\text{A5})$$

The basic construct of our framework owes much to F. Ramsey’s mathematical formulation [37,38] containing Irving Fisher’s concept of time preference rate [39], as seen in the following:

$$S/Y = e\{(i - t)/i\}$$

This equation indicates that the saving ratio (S/Y) is a function of interest rate (i) and time-preference rate (t), where the reciprocal of the constant (e) is the elasticity of marginal utility. A set of our basic equations is derived by the use of a similar premise as the one adopted by Ramsey. The following derivation process, however, modifies Ramsey’s steps for our *long-term, supply-side* and *socioeconomic* applications (Hiwaki 1979, 1998a).

The long-term *demand-side equation (approximation)* to be derived first is, as follows:

$$T/r = C/V$$

which includes the Trend Preference Rate (T), the Trend Interest Rate (r), the long-term real aggregate consumption (C) and the long-term real aggregate value-added (V). This equation is derived by letting $U = U(c)$, where U stands for utility and c for real consumption. The marginal utility is expressed as:

$$M = dU/dc$$

and the law of diminishing utility can be now stated as:

$$dM/dc = (d/dc)(dU/dc) < 0$$

Now, let e be expressed in terms of equation: i.e., $e = -(dc/c)/(dM/M)$, where $1/e$ is the elasticity of marginal utility. For simplicity let us assume that an average household is reasonably rational about consumption in the long term (or e being *approximate* unity). The equation is rearranged, as follows:

$$(c_1 - c_0)/c_0 = -(M_1 - M_0)/M_0 \quad (A6)$$

The law of equal marginal utility asserts that $M_0(1 + t_0) = M_1(1 + i_0)$, where t is the long-term time-preference rate and i is the corresponding interest rate. By substituting this equation into Equation (A6), the following equation is obtained:

$$(c_1 - c_0)/c_0 = (i_0 - t_0)/(1 + i_0) \quad (A7)$$

Next, let us assume a constant growth rate of income, as well as a constant saving ratio. Then, the above equation becomes equivalent to the following:

$$(v_1 - v_0)/v_0 = (i_0 - t_0)/(1 + i_0) \quad (A8)$$

Now, v_1 can be stated as $v_1 = i_0s_0 + v_0$, where v and s stand for long-term household income and saving, respectively. By substituting $i_0s_0 + v_0$ for v_1 in Equation (A8), an equation is obtained for long-term saving ratio as $s_0/v_0 = (i_0 - t_0)/(i_0 + i_0^2)$. Since i_0^2 amounts to a trifle, it can be abstracted to derive the following simple equation (*approximation*):

$$t_0/i_0 = 1 - (s_0/v_0) \quad (A9)$$

Now, Equation (A9) is generalized, as follows:

$$T/r = 1 - (S/V)$$

where S/V represents the long-term saving ratio of average household. Then the generalized equation is modified for a long-term socioeconomic relation, as follows:

$$T/r = 1 - (S/V)$$

where T stands for the Trend Time-Preference Rate, r for the Trend Interest Rate, S for the long-term real aggregate saving and V for the long-term real aggregate value-added of the relevant society. Then, S/V denotes the long-term saving ratio (or long-term saving-value-added ratio).

Assuming $S = I$ in the long term, the above equation can be alternatively expressed, as follows:

$$T/r = 1 - (I/V)$$

where I is the long-term real aggregate investment and I/V is the long-term propensity to invest. Now, on the assumption of $1 = I/V + C/V$, the following equation is obtained:

$$T/r = C/V$$

where the *Basic Ratio* (or ratio of the Trend Preference Rate to the Trend Interest Rate) is set equal to the long-term consumption ratio (or long-term consumption-value-added ratio). This is exactly the same equation (*approximation*) as stated in the outset.

More simply, the equation ($T/r = C/V$) can be derived directly from the above Ramsey's equation, as follows;

$$S/Y = e\{(i - t)/i\}$$

By the assumption that e is approximately unity, the above equation can become simply $S/Y = (i - t)/i$. Then, replacement of i and t by our symbols r and T , respectively, shows the same equation as $S/Y = (r - T)/r$ which can now be expressed as $T/r = 1 - (S/Y)$ or $T/r = C/V$.

Now, the long-term *supply-side equation (approximation)* to be derived next is the following:

$$T/r = W/V$$

where W stands for the aggregate long-term income of 'simple labor' in real term (the income of 'effective' human capital excluded). Now, the *Basic Ratio* is set equal to the long-term share of 'simple labor' income (W/V). The derivation of this equation (*approximation*) is similar to that of the demand-side counterpart.

A household utility function of real 'simple labor' income is expressed as $U = U(w)$, and the marginal utility of labor income is expressed as $M = dU/dw$. Now, the law of diminishing utility can be states as $dM/dw = (d/dw)(dU/dw) < 0$.

Let e be expressed in terms of equation, i.e., $e = -(dw/w)/(dM/M)$, where $1/e$ is the elasticity of marginal utility. For simplicity it is assumed that an average household is reasonably rational about real labor income in the long term (or e being *approximate* unity). With the simplification, the modified equation is shown, as follows:

$$(w_1 - w_0)/w_0 = -(M_1 - M_0)/M_0 \quad (1s) \quad (A10)$$

Next, the law of marginal utility, namely, $M_0(1 + t_0) = M_1(1 + r_0)$, is substituted into Equation (A10), to obtain the following:

$$(w_1 - w_0)/w_0 = (i_0 - t_0)/(1 + i_0) \quad (A11)$$

Assuming a constant growth rate for income and a constant share of capital income, I may restate the above equation, as follows:

$$(v_1 - v_0)/v_0 = (i_0 - t_0)/(1 + i_0) \quad (A12)$$

which is equivalent to Equation (A8). Now, v_1 is defined as; $v_1 = i_0 p_0 + v_0$, where p stands for the capital income (the income of human capital included) accruing to the capital stock owned by the average household. Here, it is assumed that the capital income is put aside entirely for reinvestment.

The derivation step leading to the equation (*approximation*) corresponding to Equation (A9) is skipped her to state only the result, as follows:

$$t_0/i_0 = 1 - (p_0/v_0) \quad (A13)$$

Now, Equation (A13) is generalized as $T/i = 1 - (p/v)$, where p/v stands for the long-term share of capital income of average household. The generalized equation (*approximation*) for a long-term socioeconomic relation is now shown as follows:

$$T/r = 1 - (R/V) \quad (\text{A14})$$

where R stands for the long-term real capital income and R/V for the long-term share of capital income. The above equation can be stated alternatively, as follows:

$$T/r = 1 - (I/V) \quad (\text{A15})$$

which is equivalent to the equation as $T/r = 1 - (S/V)$ by the above assumption $I = S$. Now, these three equations, together, indicate $I = R = S$ as the *long-term equilibrium condition* for a Balanced Socioeconomic Development.

By letting $1 = R/V + W/V$, the following equation is now derived, as follows:

$$T/r = W/V \quad (\text{A16})$$

This formula equates the *Basic Ratio* to the long-term share of labor income (i.e., the ratio of wage income to value-added).

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