

POLICIES FOR POST-CAPITALIST SOCIETY

A guideline for a just, ethical and progressive human society

By Prout Research Institute of Australia

This document is not a manifesto or platform, but a guideline which sets out how Prout might be applied in the near future in a developed country such as Australia. With minor adjustments, these policies can be adopted in any country.

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First Edition, 2001;
Fifth Edition, 2002**

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CHAPTER 1

HUMAN ASPIRATION

1.1 The aim of human life:

- a) Each human being is composed of three basic aspects: physical, mental and spiritual. The physical aspect is the realm of the physical body, the mental aspect is the realm of the mind, of thoughts and feelings, and the spiritual aspect is the realm of the soul and Infinite Consciousness.
- b) Human beings have longings associated with each of the basic aspects in their nature, and these longings in turn give rise to various desires. The most fundamental of all these longings, however, is the longing for the Infinite. The longing for the Infinite can only be satisfied fully in the spiritual realm, which is by nature infinite.
- c) The purpose of human life is to awaken the longing for the Infinite and merge one's individual, entitative existence into Infinite Consciousness. Thus spiritual development is the primary aim of human life.
- d) Spiritual development, however, also requires proper physical and mental development. In order to develop spiritually, people have to learn how to develop themselves properly in the physical and mental realms.

1.2 All-round human development:

- a) To develop their all-round potential, people will have to learn how to develop themselves fully in each of the physical, mental and spiritual realms. An important part of this process involves learning how to transform physical longings into mental longings and then how to transform mental longings into spiritual realization.
- b) Acquiring such knowledge and putting it into practice is essential if humanity is to take the next step on the path of human evolution. Such knowledge is a birthright, therefore it will have to be made freely available to all.
- c) People today are immersed in the physical realm, in materialism. They have very little understanding of spirituality, nor do they know how to develop their spiritual potential. Moreover, they are still trying to learn how to develop their full physical and mental potential.

1.3 Human needs and human desires:

- a) Human needs are few in number. People generally need very little in order to lead satisfying and successful lives.
- b) Human desires, on the other hand, are endless. Whether or not they are aware of it, each human being is engaged in an endless effort to try and satisfy their desires. The moment one desire is fulfilled another arises, hence trying to satisfy all these desires is a never-ending process.
- c) Human beings thus have few needs and endless desires.
- d) As a matter of principle, the physical, mental and spiritual needs of all people will have to be met. But in order for the needs of all to be met, people will have to agree on what constitutes a common set of needs, implement a system which actually enables them to get those needs met, and ensure that in such a system the actions of some do not jeopardize the ability of others to get their needs met on a continuing basis.
- e) People's endless desires, on the other hand, cannot be satisfied in the same manner. The only way for people to satisfy their endless desires is for them to awaken the

longing for spiritual development. That is, their endless desires will have to be transformed into the longing for the Infinite.

1.4 Redirecting endless human desires away from the physical realm:

- a) If people's endless desires are allowed unrestricted expression in the physical realm, they will try to accumulate an infinite amount of physical wealth.
- b) The amount of physical wealth, though vast, is limited. The accumulation of physical wealth by an individual, a group or a society, over and above an amount which may be reasonably considered to be necessary to meet their physical needs for the present and the foreseeable future, will automatically reduce the amount of physical wealth available to others.
- c) Thus people will have to redirect their endless desires away from the physical realm into the mental and spiritual realms if the physical needs of all are to be met.
- d) In fact, in order for the physical needs of all to be met, there is no alternative but for people's endless desires for limited physical wealth to be curtailed and redirected away from the physical realm into the mental and spiritual realms.

1.5 Steps on the path of human progress:

- a) We may say that there are three basic steps on the path of human progress.
- b) The first step on the path of human progress is for people to have their needs in the physical realm met. Unless people's physical needs are met, they will not be able to survive let alone develop their mental or spiritual potential. However, if their physical needs are met, they will then have the opportunity to develop themselves in all the realms.
- c) The next step on the path of human progress is for people to learn how to redirect their endless desires away from the physical realm into the mental and spiritual realms. This process is the necessary precondition for people to develop themselves fully in both of these realms.
- d) The third step on the path of human progress is for people to transform their endless desires into the longing for the Infinite. This is the prerequisite for lasting spiritual development, which is the purpose of human life.

1.6 The most urgent problem in the world today:

- a) Today many people in undeveloped and developing countries, as well as some people in developed countries, are struggling to get their physical needs met.
- b) The most pressing issue today is to provide all the people in the world with their physical needs. This is by far the most urgent problem in the world today.

1.7 A new socio-economic system:

- a) To ensure that the physical needs of all do get met, people will have to adopt a new socio-economic system which guarantees all members of society the minimum requirements of life.
- b) In addition to guaranteeing all members of society the minimum requirements of life, such a socio-economic system will have to restrict the expression of people's endless desires in the physical realm, provide them with the opportunity to develop their potential in all the realms, and encourage them to transform their endless desires into the longing for the Infinite.
- c) There is no alternative.

CHAPTER 2 HUMAN SOCIETY

2.1 The nature of human society:

- a) Social progress may be defined as the movement from the first expression of ethical consciousness to establishment in universal humanism.
- b) "Society" is the name given to those who are moving together to bridge this gap.
- c) Establishment in universal humanism is the goal of society. Universal humanism is humanism expanded and transformed by spirituality. It includes the welfare of animals and the protection of the environment. Universal humanism is synonymous with spiritual humanism, or Neohumanism.
- d) A society in the true sense of the term has yet to be established. People today have only a very vague idea of what a genuine society really would be like.
- e) Every effort must be made to build a society in the true sense of the term.

2.2 The importance of high ethical standards:

- a) Morality is the foundation upon which society must be built.
- b) There are two types of morality: simple morality and spiritual morality. Simple morality includes secular morality and religious morality. Spiritual morality includes Neo-ethics and cardinal human values. Following cardinal human values is the first step on the path of spirituality; unless people follow cardinal human values, they will not be able to develop themselves spiritually in either their personal or social lives.
- c) Ethical values will have to be based on spiritual morality. Such values will provide people with guidance about how to move towards the spiritual realm, towards merger in Infinite Consciousness, the goal of human life.
- d) The practice of spiritual morality makes the mind increasingly penetrative, and establishes it in a subtle, cognitive state. It teaches a person how to discriminate between regressive and progressive forces, between the path of degeneration and the path of benevolence.
- e) The spirit of morality should be instilled in human beings from the moment that they first begin to learn the lessons of social interaction.
- f) Parents have to take the primary responsibility for teaching moral education. Teachers, and the education system in general, also will have to take up this responsibility, especially if parents fail in their duty.
- g) Moral education should be taught in all schools and universities, and it should be a compulsory subject for all students.
- h) Those who assume positions of leadership in society must be people of the highest ethical standards.
- i) Ethical values also should be the basis for human interaction with the animal and plant worlds and the environment.

2.3 Human society is one and indivisible:

- a) Human beings are the members of one universal family. All people laugh when they are happy, cry when they are sad, and experience pain when they feel remorse. Viewed from this perspective, human society is fundamentally one and indivisible.
- b) Different groups contribute to the building of society in different ways. If diversity had not existed, human beings would not have advanced to the present stage of civilization. Thus we have to impartially consider and support all the diverse ideas, forms and colours which are conducive to fostering personal growth and social development among human beings.

- c) People must not be discriminated against on the basis of class, education, race, sex, age, etc.
- d) The principle of unity in diversity should guide society. However, if the diverse ideas or actions of various groups violate ethical values and attempt to undermine the fabric of society, they will have to be opposed.
- e) The idea of oneness is fundamentally a spiritual idea. Individually and collectively, people will have to accept the Infinite and the path to realize the Infinite as the highest goal of human life.

2.4 One human culture:

- a) Culture is a vague term; it is the collective name for the different expressions of life. People eat, dance, welcome each other and express themselves in a variety of ways; the collective name of all these expressions is “culture”. The underlying urge that people have to express themselves in various ways is common to all humans, and it is this underlying, universal urge for expression that is the essence of culture. There is actually no such thing as different cultures; there are only differences in cultural expression and in cultural legacy.
- b) There is only one culture and it is human culture. Human culture is one and indivisible. Multiculturalism is a misnomer.
- c) Those human expressions which unite people and bring them closer together should be supported; those which divide people and take them further apart should be opposed.
- d) At the same time, different cultural practices and legacies should be supported, provided they do not contravene ethical values or divide society.
- e) Cultural evolution has brought about and is continuing to bring about a considerable change in society. This change is taking place almost uniformly in all the countries of the world.
- f) The impact of cultural evolution is immensely positive: the human race, knowingly or unknowingly, is gradually building a new human culture through mutual cooperation.

2.5 Coordinated cooperation:

- a) People should endeavour to progress together in all spheres of life through genuine cooperation with each other.
- b) The spirit of cooperation should not be based on the relation of master and servant but on mutual cordiality. Cooperation among people should not be subordinated cooperation but coordinated cooperation.
- c) Coordinated cooperation should be accepted as more than just a concept. It should be embraced as an ideal which is to be implemented in every area of social, economic and political life.
- d) If people’s goal is a pure and pervasive one, and if the efforts they make to reach the goal are in harmony with human psychology, they will be able to harmonize the rhythm of their diverse ideas and ideologies and progress together. As a result they will gradually transform the inherent individualism and disparity of social life into one symphonic cord, one united rhythm, which will become the genuine prototype of a progressive human society.

2.6 Human rights:

- a) Human rights are those rights which reflect ethical values.
- b) Human rights should be accepted as the basis of human interaction in all areas of life.

- c) In particular, human rights should be the basis of all social, economic and political activity. All aspects of social, economic and political life should be based on human rights. This is not the case today.

2.7 The abolition of patriarchy:

- a) Patriarchy, meaning as a social order dominated by men, will have to be abolished. People cannot progress together nor can society develop properly if patriarchy is allowed to continue.
- b) Patriarchy should be replaced by a new social order which is based on coordinated cooperation and human rights.
- c) However, the patrilineal system is better than the matrilineal system and therefore should be retained.
- d) The patrilineal system has two main advantages: it precludes the possibility that the identity of the father will remain unknown or concealed, and it awakens in the father a proper sense of responsibility for his children.

2.8 New technology:

- a) The introduction of new technology should be welcomed and supported.
- b) However, new technology should be adopted only after the impact of its introduction has been thoroughly assessed and deemed beneficial, and every effort has been made to minimize any possible negative repercussions of its introduction.

9.1 Universal in spirit and regional in approach:

- a) Universal humanism embraces all people: it is universal in scope, transcending limited national boundaries and narrow national sentiments.
- b) Based on the perspective of universal humanism, social and economic problems should be solved by taking a local, regional approach.

2.10 The transformation of the nation-state:

- a) The concept of the nation-state is obsolete and should be replaced.
- b) It should be replaced with a new collective identity, one in which each country is transformed into either a single socio-economic unit or a network of socio-economic units.
- c) Each socio-economic unit should be based on universal ideals, become self-sufficient in the production and distribution of the minimum requirements of life, guarantee increasing purchasing capacity to all their citizens, and ensure their all-round welfare.
- d) Australia should be transformed into a single socio-economic unit, one founded on the ideals of universal humanism, ethical values and human rights.
- e) Similarly, all the nation-states in the world should be transformed into socio-economic units.
- f) In this new, worldwide, socio-economic system, there should be a world government, a world militia, a global constitution, a worldwide bill of rights, a universal penal code, and a uniform, worldwide legal system.

9.1 Socio-economic units:

- a) A socio-economic unit can be formed based on the following factors: common economic problems, uniform economic potential, ethnic similarity, common sentimental legacy, and similar geographical features.

- b) Two or more adjoining socio-economic units can merge together to form a single larger unit if they achieve economic parity, have a high degree of cultural mixing, share common communication facilities, and achieve a high level of administrative efficiency.
- c) Today several countries in the world have begun the process of coming together to form larger socio-economic zones. This trend will accelerate in the future and become much more systematic. As a result, the various countries of the world unite together to form several large socio-economic units.
- d) Eventually, all the countries of the world will unite together to form one, worldwide socio-economic unit.

2. 12 Political centralization and economic decentralization:

- a) Political power should be centralized in the hands of capable ethical leaders. (See “The Political System”.) On the other hand, economic power should be decentralized, and in the hands of local people. (See “The Economy”.)
- b) The present trend towards globalization is a move to transcend national boundaries and increasingly concentrate economic power in the hands of multinational corporations. Such a trend is detrimental to local people, rural communities, and undeveloped and developing countries. This type of globalization should be opposed and replaced with a policy of economic decentralization, based on socio-economic units.
- c) In essence, economic decentralization means that each socio-economic unit should concentrate economic power in the hands of local people by establishing various types of cooperative enterprises.
- d) Cooperative enterprise, or cooperative entrepreneurship, is far superior to private enterprise. It is the best economic system.

2.13 Communism and capitalism:

- a) Communism and capitalism are both materialistic systems, and in both systems political and economic power is centralized. The centralization of both political and economic power should be opposed.
- b) Communism centralizes political and economic power in the hands of the state. Communism proved to be a disastrous system, and cannot be supported under any circumstances whatsoever.
- c) Capitalism centralizes political power in the hands of the state and economic power in the hands of private enterprise. Today increasingly private enterprise is controlled by multinational corporations which exploit both local people and natural resources for their own profit. Like communism, capitalism also cannot be supported.
- d) Criticisms of capitalism generally fall into three main areas: environmental, psychological (including cultural) and economic. Economic criticisms mostly revolve around the issues of unemployment, poverty, the increasing gap between the rich and the poor, the non-utilization and misutilization of surplus wealth, and the proletarianization of the middle class.
- e) However, the most powerful criticism of capitalism is ethical: capitalism is an immoral, antihuman and anti-spiritual system which is based on the exploitation of the weak by the strong and of the poor by the rich.
- f) Capitalism has inherent systemic problems which in the near future will result in its disintegration. The final phase of capitalism began in 1997 with the Asian economic crisis, which was followed closely by the Russian debt default and the collapse of the Long Term Capital Management hedge fund. Japan, the country with the second largest economy in the world, is on the verge of bankruptcy. America, the country with the largest economy, recently

- implemented a policy of phased tax cuts, which promise massive tax cuts for high-income earners starting in 2006, placing enormous pressure on the country's financial system. Argentina is also on the verge of economic collapse.
- g) The stage is set for a global economic meltdown, possibly starting as soon as the end of the next business cycle.

2.14 Post-capitalist society:

- a) Post-capitalist society, if it is to be better than the materialistic systems of the second half of the twentieth century, will have to be based on universal humanism, ethical values, human rights, cooperative enterprise, and protection of the environment.
- b) To create such a society will require nothing less than a radical transformation in human consciousness and a revolution in social outlook.

CHAPTER 3 THE ECONOMY

3.1 The structure of the economy:

- a) Economic activity may be divided into three types of enterprise: cooperative enterprise, private enterprise and state enterprise.
- b) As far as possible, industry, trade, agriculture and commerce – almost everything – should be managed by cooperative enterprises.
- c) Cooperative enterprises are enterprises which are owned and managed by the people who work in or are members of them. Those who do not work in or become a member of a particular cooperative enterprise have no right to own any part of the enterprise or to manage it.
- d) Private enterprises should be limited to enterprises which are difficult to manage on a cooperative basis because they are either too small, or simultaneously small and complex. Private enterprises should be restricted to enterprises which involve only one individual.
- e) The federal or state governments should take the responsibility for setting up large-scale enterprises, enterprises which cannot be conveniently managed as cooperatives because they are either too large, or simultaneously large and complex. Such enterprises should be regulated by federal legislation, owned by the federal or state governments, and subject to an independent annual audit.
- f) However, large-scale enterprises should be decentralized and managed as autonomous bodies, independent of the government. Autonomous bodies should be established to perform a variety of social, political and economic functions. In the economic sphere, large-scale industries should be managed as decentralized autonomous bodies.
- g) As a general rule, the management of industrial, agricultural, trade and commercial enterprises should not be in the hands of the federal or state governments. Such enterprises should be managed as cooperative enterprises or autonomous bodies.
- h) The less the federal and state governments are involved with the public in the areas of production and distribution, the better, and the less power they have in these areas, the better.
- i) The less private enterprise is provided with business opportunities and the more production and distribution is carried out through cooperative enterprises and autonomous bodies, the better.
- j) During the transition to a market economy based on cooperative enterprise, special facilities, such as incentives or tax exemptions, will have to be provided to cooperatives wherever necessary.
- k) Banks and financial institutions also should be managed as cooperative enterprises.
- l) Thus, a free market based on cooperative enterprise should be supported, but a free market based on private enterprise should be opposed.
- m) The federal government should enact new legislation setting out the scope of cooperative enterprise, private enterprise, and large-scale enterprise in the economy. The new federal legislation governing cooperative enterprise should replace the existing state cooperatives acts. It should specify that a legally incorporated cooperative may be formed with only two members.

3.2 Goods and services:

- a) The various types of goods and services may be classified into three basic categories: essential, semi-essential and non-essential.

- b) Essential commodities are those commodities which are considered to be necessary to sustain human life. They include most foods, most clothing, medicines, housing materials, education materials such as text books, pure water, and various forms of energy. Semi-essential commodities include some types of food and clothing, books other than text books, most electronic goods, various household items, etc. Non-essential commodities include luxury goods.
- c) The power to classify commodities into essential, semi-essential and non-essential commodities should be in the hands of the federal government. It should not be in the hands of the producers of the commodities.
- d) With continued economic progress, both the number of commodities in each of the three categories, and the number of non-essential commodities reclassified as semi-essential or essential commodities and the number of semi-essential commodities reclassified as essential commodities, will increase. An item which is considered to be a luxury today may be considered to be a semi-essential or essential commodity tomorrow.
- e) Cooperative enterprises should have the right to produce and distribute all types of commodities. In addition, they should have the sole right to produce and distribute all semi-essential and essential commodities.
- f) Private enterprises should not have the right to produce or distribute semi-essential and essential commodities. At most, they should have the right to produce and distribute only non-essential commodities.
- g) Essential services come within the scope of the essential commodities. Such services include hospitals; public transportation, such as the railways and airlines; energy production; telecommunication networks; etc. Essential services should be either regulated by federal legislation and managed as autonomous bodies on the federal or state level, or managed as cooperative enterprises. Autonomous bodies which provide essential services should be subject to an independent annual audit and classified as key industries.
- h) Some essential services, such as regional water supplies, should be regulated by federal legislation and managed as autonomous bodies on the state or local level.
- i) Other essential services, such as those associated with health care, and including health care practices, medical centres and health maintenance clinics, should be run as service cooperatives. They should be owned and managed by the health care practitioners themselves.
- j) Semi-essential services and non-essential services come within the scope of the semi-essential commodities and the non-essential commodities respectively. As far as possible, enterprises which provide such services should be managed as cooperative enterprises.
- k) Private enterprise should not have the right to provide essential services. They should be limited to providing semi-essential and non-essential services which cannot easily be provided by cooperative enterprises.
- l) Only commodities which are made in Australia, by Australian owned enterprises, and from Australian raw materials should be permitted to carry the label "Australian owned and made". Commodities which are made overseas, by foreign owned enterprises in Australia, or from foreign raw materials should not be permitted to carry such a label.

3.3 The production and distribution of essential commodities:

- a) Essential commodities include most food, most clothing, medicines, housing materials, education materials, pure water, and various forms of energy. (For policies on the production and distribution of medicines, see "Health Care".)
- b) The preservation and utilization of agricultural land, which is essential for producing food, should be the responsibility of the state and local governments.

- c) Agricultural production should be carried out through farmers' cooperatives or farmers'-cum-producers' cooperatives composed of actual farmers, and through producers' cooperatives.
- d) The right to distribute foodstuffs should be in the hands of consumers' cooperatives.
- e) Private enterprises should not have the right to produce or distribute foodstuffs.
- f) The same basic system should be followed for the production and distribution of essential clothing and essential fuel. Producers' cooperatives should have the sole right to produce essential clothing and fuel, and local consumers' cooperatives should have the sole right to distribute essential, though not all, varieties of clothing, and as far as practical, essential fuels.
- g) At most, private enterprises should have the right to produce non-essential food and fuels.
- h) Materials used in education, such as reading and writing materials, text books, computers, etc., should be produced by producers' cooperatives. The distribution of education materials should be through consumers' cooperatives.
- i) Similarly, materials used for constructing houses, such as cement and metal products, should be produced by large producers' cooperatives, and the distribution of construction materials should be through consumers' cooperatives.
- j) Private enterprises should not have the right to produce or distribute essential commodities, including both education and housing materials. They should have the right to produce and distribute only non-essential or luxury items.
- k) If necessary, tax concessions, such as exemption from sales tax, duties, etc., may be granted to cooperatively owned manufacturing industries which produce essential commodities.

9.1 Key industries:

- a) All essential large-scale industries should be classified as key industries. Like other large-scale industries, key industries should be regulated by federal legislation, function as autonomous bodies, and be subject to an independent annual audit. But unlike other large-scale industries, they should be centralized.
- b) Key industries include industries involved in essential energy production; specialized industries, such as defence industries, telecommunication networks, etc.; industries which produce goods required by essential services such as hospitals and nursing homes; industries engaged in essential research and development; the gold mining industry; and industries which process raw materials for producers' cooperatives.
- c) Essential services, such as public transportation systems and regional water suppliers, and major infrastructure projects, such as highways, railways, ports and airports, also should be classified as key industries.
- d) Some essential services associated with health care also should be considered key industries. Such enterprises should be run as service cooperatives.
- e) As far as possible, all key industries structured as autonomous bodies should be run on a "no profit no loss" economic policy. That is, key industries structured as autonomous bodies will have to set the sale price of their goods or services at a level which ensures that on the one hand they do not make a loss, and on the other they are able to continue to grow and innovate. Hence their goods and services will not be priced to make a profit.
- f) As a matter of principle, all large-scale industries which process raw materials for producers' cooperatives will have to be classified as key industries. Such industries will have to adopt a "no profit no loss" economic policy.
- g) The decision whether or not a particular industry should be classified as a key industry should be made by the federal cabinet. Important national economic decision should not be made by the treasurer alone.

- h) No key industry should be owned or controlled even in part by a foreign power or foreign owned enterprise. Federal legislation should be enacted to make such a practice illegal.
- i) In particular, no defence industry, installation or project should be owned or controlled even in part by a foreign power. As a case in point, the 2001 decision by the treasurer to permit the sale of Optus, which operates a national defence communication satellite, to Sing-Tel, a company controlled by the Singapore government, should be reversed immediately.

9.2 Avenues of production and distribution:

- a) In an economy based on cooperative enterprise, commodities will be produced and distributed through three main avenues.
- b) First, farmers' cooperatives, farmers'-cum-producers' cooperatives and producers' cooperatives will produce goods for distribution by consumers' cooperatives. For example, most types of food will be produced and distributed through this avenue.
- c) Second, key industries will supply raw materials or processed raw materials to producers' cooperatives which will supply finished products to consumers' cooperatives. In this case, key industries will be centralized.
- d) Third, key industries will supply raw materials or processed raw materials to producers' cooperatives which will produce various types of components and supply them to large-scale industries, which in turn will assemble finished products and supply them to consumers' cooperatives. In this case, key industries will be centralized but large-scale industries will be decentralized.
- e) This basic system of production and distribution will eliminate various levels of "middlemen" and create an extremely efficient economy.

9.3 Minimum requirements:

- a) In order to survive and lead meaningful lives, all human beings need certain minimum requirements.
- b) The minimum requirements of life are: food, clothing, housing, education and medical care. Supplemental requirements include ready access to pure water, sources of cheap energy, and transportation.
- c) The minimum requirements of life come within the provision of essential goods and services. With continued economic progress, both the range and quality of the goods and services that make up the minimum requirements will increase.
- d) As a matter of principle, all human beings will have to be provided with the minimum requirements of life.
- e) The foremost economic duty of a socio-economic unit is to provide the minimum requirements of life to all its citizens. In order to fulfil this duty properly, each socio-economic unit will have to become self-sufficient in the production and distribution of the minimum requirements.
- f) While it is not the responsibility of governments to distribute the minimum requirements to each individual person, it is their responsibility to guarantee the minimum requirements to all by promoting cooperative enterprise and establishing autonomous bodies to ensure the adequate provision of essential goods and services.

3.7 Full employment:

- a) The right to employment is a fundamental human right. Every effort must be made to ensure that all members of the workforce stay fully employed.

- b) As a matter of principle, no one should be retrenched from their job unless alternative employment has been arranged for them.
- c) If there is full employment in the workforce, all people will be automatically guaranteed the opportunity to secure the minimum requirements of life.
- d) It is the responsibility of governments to pursue policies which maintain full employment in the workforce.
- e) It is not possible to maintain full employment in an economy which is based on private enterprise. Full employment can only be maintained in an economy which is based on cooperative enterprise.
- f) Cooperative enterprises themselves will have to play a major role in maintaining full employment in the workforce and in meeting the needs and aspirations of workers.
- g) Labour market policies will have to be designed keeping in mind the various levels of skill in the workforce, the level of demand for various types of labour, and the differing needs of manual and intellectual workers. Such policies also will have to be flexible enough to create the conditions which both absorb surplus labour and supply workers to regions or sectors of the economy with deficit labour.
- h) There will have to be a continuous effort to fulfil the needs and aspirations of all the members of the workforce by taking such measures as retraining workers, starting up or expanding the appropriate enterprises, and adjusting the number of people employed in any one sector of the economy.

3.8 Increasing purchasing capacity:

- a) Measuring the extent of people's purchasing capacity is the best way to assess their standard of living and the economy's health and vitality.
- b) At the very least, purchasing capacity must be set at a level which guarantees people the minimum requirements of life, including food, clothing, housing, education, medical care, fuel, power, water and transportation. That is, the minimum level of purchasing capacity must be set at a level which guarantees people all the essential goods and services necessary to secure the minimum requirements.
- c) As a matter of principle, all the members of society must be guaranteed increasing purchasing capacity.
- d) Increasing purchasing capacity means that all wage and salary earners in the economy will have to have their incomes progressively increased at a rate which is higher than the rate of inflation. Thus all wage and salary earners will have to have increasing opportunities to purchase an increasing range of all types of goods and services.
- e) Increasing purchasing capacity is so important to people's economic well being that it should be enshrined in the constitution as part of a bill of rights. Thus, if a government fails to pursue policies designed to provide increasing purchasing capacity, people will have the right to take legal action in a court of law against the responsible government minister.
- f) Guaranteeing increasing purchasing capacity will have far-reaching economic consequences. For example, the principle of equal pay for equal work may have to be replaced with the principle of purchasing capacity for all. A married man with a wife and two children who is the sole provider for his family may have to be paid more than a single man with no children doing the same work. Such changes are possible only in an economy based on cooperative enterprise.

3.9 A purchasing capacity index:

- a) A Purchasing Capacity Index, PCI, (or a Purchasing Power Index, PPI,) should be established to accurately measure the level of purchasing capacity at any given time during the progress of the economy.
- b) The minimum level in the PCI must be set at the minimum level of income required to guarantee the people earning that income all the essential goods and services necessary to secure the minimum requirements of life.
- c) The minimum level of purchasing capacity permitted in Australia should equal the minimum level of purchasing capacity in the PCI.
- d) The PCI should be graduated to include the incomes of all wage and salary earners in the economy, going all the way up to those earning the maximum salary.
- e) The PCI will have to be updated at regular intervals to include all the new goods and services that become available in the economy. It also will have to be adjusted regularly to include both the non-essential goods and services reclassified as semi-essential or essential goods and services and the semi-essential goods and services reclassified as essential goods and services.
- f) Thus the PCI should start with those earning the minimum wage and graduate to those earning the maximum salary, correlating people's income with the cost of purchasing the various types of goods and services available in the economy, and at the minimum level equal the cost of purchasing all the essential goods and services necessary to secure the minimum requirements of life.

3.10 The rate of inflation:

- a) The rate of inflation will have to be calculated over a given period of time based principally on the increased cost of purchasing all the essential goods and services necessary to secure the minimum requirements of life.
- b) This rate will have to be taken as the core rate of inflation.
- c) Thus the core rate of inflation over a given period of time will have to measure the increased cost of purchasing all the essential goods and services that make up the minimum level of purchasing capacity in the PCI.
- d) In a capitalist economy, the rate of inflation tends to fluctuate significantly over short periods of time.
- e) In an economy based on cooperative enterprise, on the other hand, inflation is likely to stay extremely low for comparatively long periods of time. All members of society will be guaranteed the minimum requirements of life, the cost of capital will remain low, capital will not be invested solely for profit, and the wealth generated by cooperative entrepreneurship will be spread equitably throughout society.

3.11 A just minimum wage:

- a) A just minimum wage must be set at an amount which ensures that those earning the minimum wage are guaranteed the minimum requirements of life. That is, the amount of the just minimum wage will have to be set so that it equals the minimum level of purchasing capacity allowed by society.
- b) In other words, the just minimum wage will have to be set at an amount which ensures that those earning the minimum wage have sufficient purchasing capacity to purchase all the essential goods and services necessary to secure the minimum requirements. Thus the just minimum wage will have to equal the minimum level of purchasing capacity in the PCI.
- c) Furthermore, the amount of the just minimum wage will have to be progressively increased so that those earning the just minimum wage have the level of their purchasing capacity progressively increased. Progressive increases in the just minimum wage will have to be set based on increasing levels of purchasing capacity in the PCI.

- d) The just minimum wage will have to be automatically indexed to the rate of inflation.
- e) The just minimum wage can be increased either by increasing the amount of the minimum wage itself or by adjusting the related components of the minimum wage.
- f) Several components will have to be taken into consideration when calculating the just minimum wage, and include the following: i) the hours in a working day; a working day should be set at eight hours work a day between the hours of 6.00am and 6.00pm, Monday to Saturday; ii) the hours in a working week; a working week should be set at a total of forty hours work a week, thus eight hours work a day for five working days would equal a forty hour working week; and iii) the minimum hourly rate of pay; the minimum hourly rate of pay should be set for work done during any working day, and the minimum hourly rate of pay for work done for a forty hour working week should equal the just minimum wage.
- g) Other components of a just wages policy should include the following: i) overtime; overtime should be paid for work done over and above a total of eight hours work on any working day, for work done over and above five working days a week, for work done over and above forty hours work a week, for work done between 6.00pm and 6.00am, and for work done on Sundays; ii) flexitime; wage earners should have the right to structure their working day and working week, within certain limits, so that their time spent working is flexible; iii) various entitlements, incentives and special benefits, which of course must be over and above the just minimum wage.
- h) It should be illegal for children below the age of fourteen to work in the workforce. Children between the ages of fourteen and sixteen should be limited to working twenty hours work a week, unless they are students and the work is part of their apprenticeship training. Any child or student working between the ages of fourteen and sixteen will have to be paid an hourly rate of pay which is equal to or greater than the hourly rate of pay of the just minimum wage.
- i) No rates of pay below the rate of pay for a just minimum wage should be permitted.
- j) A wages system based on a just minimum wage should replace the present minimum wage system. (In May 2002, the minimum wage was set at \$431.80 per week, or approximately \$22,500 per year. Over 1.5 million Australians earn the minimum wage.)
- k) It should be illegal for employment contracts to specify rates of pay below the rate set for the just minimum wage. Employers offering such contracts should be compelled to pay the just minimum wage.
- l) Employee entitlements, such as superannuation funds, pension plans, retirement schemes, etc., should not be controlled by the enterprise that is responsible for paying them. They should be paid into separate accounts controlled by totally independent financial institutions which should be managed as cooperative enterprises for the benefit of the employees.

3.12 Surplus wealth:

- a) Surplus wealth is the wealth available in society once the minimum requirements have been provided to all.
- b) Surplus wealth comes within the provision of semi-essential and non-essential goods and services.
- c) The surplus wealth should be distributed among meritorious people, those with outstanding talents and abilities, based on their contribution to society.
- d) Meritorious people should have access to a greater range of goods and services and thus have greater purchasing capacity than ordinary people, hence they should earn higher wages or salaries.

3.13 A rational maximum salary:

- a) While meritorious people should earn higher incomes than ordinary people, in order to ensure the rational distribution of wealth, they should not be allowed to earn exorbitant incomes.
- b) To prevent a small number of people in society earning exorbitant incomes, salaries should be capped at a rational maximum level.
- c) The amount of the rational maximum salary should be determined by including all the components of a salary package, such as share options, incentives, performance bonuses, personal expense accounts, etc.
- d) The amount of the rational maximum salary should not be fixed in isolation, but should be directly linked to the just minimum wage.

3.14 The ratio between the just minimum wage and the rational maximum salary:

- a) In developed countries with small populations and a uniform standard of living, such as Australia, the ratio between the just minimum wage and the rational maximum salary is likely to be neither high nor low.
- b) In undeveloped countries, because of the great disparity in incomes and the lack of economic resources, the ratio is likely to be much higher.
- c) In developed countries such as the US, although there is a great disparity in incomes, there are sufficient economic resources to raise the wages of those with the least purchasing capacity extremely quickly, thus the ratio is likely to be somewhere in between.
- d) Not only will the amount of the just minimum wage have to be progressively increased, but also the amount of the rational maximum salary will have to be progressively increased.
- e) At the same time, the ratio between the just minimum wage and the rational maximum salary will have to be gradually reduced. However, it should never be reduced to zero.
- f) An important economic indicator that two or more socio-economic units are at a point where they can successfully join together to form a larger unit is that in real terms they will have the same just minimum wage and the same ratio between their just minimum wages and their rational maximum salaries.
- g) As an initial measure, in Australia the ratio between the just minimum wage and the rational maximum salary should be set at no more than 1:10.

3.15 Increasing wages and salaries:

- a) Wages and salaries should be increased by: (i) increasing the wages of those with the least purchasing capacity; (ii) increasing the wages and salaries of all people in the workforce; and (iii) reducing the ratio between the just minimum wage and the rational maximum salary.
- b) In order to bring about the rational distribution of wealth in the shortest possible period of time, initially wages and salaries will have to be increased in inverse proportion. That is, the amount the just minimum wage and the income levels immediately above it will have to be increased at a greater rate than the amount of the rational maximum salary and the income levels immediately below it.
- c) For example, in Australia if the just minimum wage at current levels of purchasing capacity is calculated to be \$30,000, the rational maximum salary will be no more than \$300,000. If over a given period the income levels of those with the least purchasing capacity is increased by \$20,000 and those with the most purchasing capacity is increased by only \$10,000, the just minimum wage will become \$50,000 and the rational maximum salary will become \$310,000. The ratio between them will be reduced to 1:6.2.

- d) Through such a process, the rational distribution of wealth can be brought about very rapidly.
- e) In subsequent stages, the ratio between the just minimum wage and the rational maximum salary should go on being reduced based on the overall health and progress of the economy, but it should never be reduced to zero. In these stages, wages and salaries should be increased either in inverse proportion or at the same rate.
- f) A stage will come in the progress of the economy when an optimum ratio is reached, for example, 1:2.5 or 1:3. Thereafter, if the optimum ratio is to be maintained, all wages and salaries will have to be increased at a proportional rate.

3.16 A Wages and Salaries Commission:

- a) A Wages and Salaries Commission should be formed to set the just minimum wage and the rational maximum salary. It also should set the ratio between the two, based on guaranteed increasing purchasing capacity.
- b) The Wages and Salaries Commission should function as an autonomous body.
- c) The amount of the just minimum wage set by the Wages and Salaries Commission at any given time will have to be set at the same level as the minimum level of purchasing capacity in the PCI.
- d) The Wages and Salaries Commission also should have the power to set all wage and salary levels in the economy to ensure that all members of the workforce are guaranteed increasing purchasing capacity. It will have to ensure that all wage and salary levels are progressively increased so that all members of the workforce are guaranteed increasing purchasing capacity, based on the PCI.
- e) The Wages and Salaries Commission should meet at least once a year to review the amounts of both the just minimum wage and the rational maximum salary, as well as the level of purchasing capacity of all wage and salary earners. At this meeting, it will have to ensure that all wages and salaries at least keep pace with the rate of inflation.
- f) In an economy based on cooperative enterprise, the decisions of the Wages and Salaries Commission will have to be binding on all wage and salary earners working in the autonomous sector and the various branches of the public service. Although workers in the cooperative sector will have the freedom to set the amount of the wages or salaries that they pay themselves, they should not be permitted to pay themselves an income which is below the just minimum wage or above the rational maximum salary. The same restriction will have to apply to those working in the private sector.

3.17 The abolition of income tax:

- a) As a matter of principle, income tax should be abolished. It makes no sense to tax people's income when their income is supposed to guarantee them increasing purchasing capacity.
- b) However, income tax should not be abolished immediately for everyone, as that would only deprive the government of revenue and benefit those in high income tax brackets who already have sufficient income. Rather, it should be phased out gradually, starting with those earning the least.
- c) For example, as a first step income tax should be abolished immediately for all those presently earning the minimum wage. In effect, this would raise the tax free threshold on income from the current level of \$6,000 per year to approximately \$22,500 per year (i.e., the annualized rate of the minimum wage, which as of May 2002 was set at \$431.80 per week).

- d) As the next step, the tax free threshold on income should be raised to \$25,000, and the tax brackets immediately above that level reduced.
- e) As the step after that, the tax free threshold should be raised to \$30,000, and the tax brackets immediately above that level reduced.
- f) In this way, step-by-step, it will be possible to gradually abolish income tax, and to introduce a wages and salary system which has a just minimum wage and a rational maximum salary as well as a reasonable ratio between the two.
- g) Thus, income tax will be transformed into a mechanism which caps a salary at a predetermined upper limit. This upper limit will have to coincide with the rational maximum salary set by the Wages and Salary Commission.
- h) The loss of revenue to the government due to the abolition of income tax will have to be offset by reducing the size of the government, cutting wasteful government expenditure, and introducing a new system of taxation.

3.18 A new system of taxation:

- a) Along with the abolition of income tax, a new tax system should be introduced.
- b) The centre piece of a new system of taxation should be the introduction of a production tax and the abolition of the GST. In other words, taxes on goods should be levied at the point of production rather than at the point of purchase by the consumer, and taxes on services should be levied on the service provider for the services they provide.
- c) A tax system based on a production tax would provide the broadest possible tax base. All goods produced in the country would be taxed at the point at which they enter the economy and the tax would be paid by the producer, and all imported goods would be taxed at the point of importation and the tax would be paid by the importer. Similarly, taxes on services would be levied at the point at which they are provided to the consumer and the tax would be paid by the service provider. Thus, the government would have the opportunity to collect the greatest amount of revenue in such a system.
- d) Moreover, a tax system based on a production tax would be the fairest possible tax system for the consumer. Producers of essential, semi-essential and non-essential commodities would be taxed at varying rates, as would providers of essential, semi-essential and non-essential services. Essential goods and services would be taxed at the lowest tax rate, semi-essential goods and services would be taxed at a higher tax rate, and non-essential goods and services would be taxed at the highest tax rate. Each consumer would have the opportunity to choose which product or service they preferred, knowing that they would be paying varying rates of tax. Such a system is a better system than the GST which is a flat rate tax system and therefore disadvantages the poor and those with little purchasing capacity.
- e) The production tax levied on commodities will have to be paid only once for each commodity. That is, the production tax levied on commodities will be paid by producers only when they produce finished products and sell them to consumers' cooperatives. They will not need to pay the tax if they wholesale unfinished commodities to other producers' cooperatives, otherwise some commodities will be taxed more than once.
- f) Similarly, key industries which process raw materials for producers' cooperatives should be exempt from paying a production tax, otherwise both key industries and the producers' cooperatives they supply will have to pay a production tax.
- g) Commodities which are harmful for people's health, such as cigarettes and alcohol, should be taxed at rates which are significantly higher than the rates for non-essential goods and services. The revenue from such taxes should go to finance the health care system.

- h) Initially the amount of revenue collected in a new system of taxation based on a production tax should be calculated to match the amount of revenue currently collected by the GST. If necessary, it also should be calculated to make up for the revenue lost due to the abolition of income tax.
- i) After the introduction of a production tax, the rates of the tax should be gradually increased in order for other forms of tax to be gradually abolished. Thus, the current tax system should be made much simpler and more streamlined.
- j) Commodities which are permitted to carry the label “Australian owned and made” should be subject to lower rates of tax than commodities which are foreign made, made in Australia by foreign owned enterprises, or made from foreign raw materials.

3.19 Gross Domestic Product:

- a) The Gross Domestic Product (GDP) is the total value in money of all the goods produced and the services provided in a socio-economic unit in one year.
- b) The Gross National Product (GNP) is the GDP plus the total of the net income from abroad.
- c) Thus, the GDP of a socio-economic unit in any given year is the sum of the minimum requirements and the surplus wealth.
- d) In other words, the GDP of a socio-economic unit is the total value in money of all the essential goods and services and all the semi-essential and non-essential goods and services produced or provided in a year.
- e) In an undeveloped economy, nearly all of the GDP will go on the provision of essential goods and services. In a developed economy, a significant percentage of the GDP will go on the provision of semi-essential and non-essential goods and services.

3.20 Production for consumption:

- a) Production should be for consumption, not for profit. That is, production should be designed to meet the demands of the present and the foreseeable future, and should not be designed solely for profit.
- b) In a market economy based on cooperative enterprise, as far as possible production should be carried out through autonomous bodies, key industries, farmers’-cum-producers’ cooperatives and producers’ cooperatives, and consumption should be carried out through consumers’ cooperatives.
- c) As mentioned, the less the federal and state governments are involved with the public in the areas of production and distribution, the better, and the less power they have in these areas, the better.
- d) And the less private enterprise is provided with business opportunities and the more production and distribution is carried out through cooperative enterprises and autonomous bodies, the better.
- e) Cooperative associations should be formed by bringing together the various cooperative enterprises which function in any given area or sector of the economy. Such associations should coordinate and oversee matters such as the supplies of raw materials, the availability of markets, the quality of goods and services, research and development, technological innovation, worker safety, environmental protection, etc.
- f) Such a cooperative market economy will have many benefits: it will ensure low raw material prices, eliminate various levels of “middlemen”, keep consumer prices low, facilitate the rational distribution of wealth, function extremely efficiently, foster closer ties among people, and build community spirit.

3.21 The abolition of competition policy:

- a) Competition policy should be abolished. It serves no useful purpose.
- b) It should be replaced with a new economic policy based on cooperation. Cooperative entrepreneurship will have to become the corner stone of the economy.
- c) Federal legislation should be enacted to replace the various state cooperatives acts and make cooperative enterprise the centre-piece of the economy.

3.22 The gradual reduction of working hours:

- a) The number of hours in a working week should be gradually reduced, but a reduction in working hours must not result in a loss of purchasing capacity.
- b) Working hours should be reduced keeping in mind such factors as the rate of the just minimum wage, the level of purchasing capacity, productivity gains, the benefits of introducing new technology, and the overall health of the economy.
- c) The simplest way to reduce working hours without a loss of purchasing capacity is to reduce the number of hours in the working week and at the same time increase the rate of pay for the hourly rate of the just minimum wage. For example, if the number of hours in a working week is reduced from forty to thirty-eight and if the rate of hourly pay for work done to earn the just minimum wage is increased so that the wages earned from working a thirty-eight hour week equal those earned from working a forty hour week, there will be no loss of purchasing capacity.
- d) A day will come when people will need to work for only a few hours a week in order to earn the just minimum wage.

3.23 The rights of workers:

- a) All workers working in large-scale industries, key industries and essential services will have to have their rights protected.
- b) As a matter of principle, they should have the right to participate in the management of their industries.
- c) In addition, they should have the right to be provided with various types of incentives and the right to join trade unions.

3.24 Economic democracy:

- a) Economic democracy means that as far as possible people should have the right to make all the economic decisions which directly affect their lives. This right extends to many of the decisions that are currently being made on their behalf by governments and corporations.
- b) In practice, economic democracy means that people will have the right to make economic decisions within the cooperative enterprises in which they work and within their local communities. If people work in cooperative enterprises, which by definition they will own and manage themselves, they automatically will have the power to make the economic decisions which directly affect them. Cooperative members also will have the right to elect their own managers.
- c) Private enterprise supports economic centralization, therefore it will never support economic democracy. To be fully implemented, economic democracy requires economic decentralization.

3.25 Balanced economic planning:

- a) A balanced economy is one that is able to grow in such a way that the workforce is properly distributed throughout its various sectors: agriculture, industry, trade and commerce, service, retail, etc.
- b) A balanced economy is neither under- nor over-industrialized and maintains a balance between the agricultural and non-agricultural sectors. The agricultural sector is defined as farming, agrico-industries (“pre-harvest” industries) and agro-industries (“post-harvest” industries). The non-agricultural sector is comprised of industries that are not directly agrico- or agro-industries. The industrial system includes both agrico- and agro-industries and non-agricultural industries.
- c) An industrially developed economy should employ approximately 30% of the population in non-agricultural industries, 10% in trade and commerce, 10% in the service sector, administration and management, and the public service, 20% in agrico-industries, 20% in agro-industries, and 10% in farming. At most 50% of the population should be employed in the agricultural sector, and should be adjusted among agrico- and agro-industries and farming.
- d) Australia has a small percentage of its population employed in agriculture, which is an indication that the full potential of the agricultural sector is not being realized. The agricultural sector should be developed to a much greater extent.
- e) In addition, Australia has very few manufacturing industries: Australia exports raw materials and imports manufactured goods. Australia must develop its industrial system; in particular, it must develop a range of agrico- and agro-industries. Too many Australians are employed in the retail sector and in white-collar industries and too few in manufacturing industries.
- f) There needs to be a fundamental change in the balance of Australia’s economy: the service sector needs to be significantly reduced and the manufacturing sector needs to be greatly increased. Otherwise Australia will never become an industrially developed country, despite the fact that it has both the natural resources and the skilled labour necessary to become one.

3.26 End the exportation of raw materials:

- a) Natural resources and raw materials are the collective wealth of all the members of a socio-economic unit.
- b) To pursue policies which sell off natural resources and raw materials to foreign enterprises or governments, undermining the development of local manufacturing industries, should be considered economic sedition, if not economic treason.
- c) Key industries which process raw materials for producers’ cooperatives should be prevented by law from exporting overseas. They should only be allowed to sell processed raw materials to local producers’ cooperatives.
- d) Various types of key industries which process raw materials for producers’ cooperatives should be developed in order to produce all types of finished products.
- e) Thus, only finished products, or at most half-finished products, and not natural resources and raw materials, should be exported overseas.
- f) Ideally, the exportation of all natural resources and raw materials should be stopped immediately and made illegal.
- g) Alternately, the exportation of natural resources and raw materials should be made illegal in principle and all existing contracts phased out over two or three years. During this time frame, a range of manufacturing industries based on locally available natural resources and raw materials should be developed. (At present, 60% of Australia’s export earnings come from raw materials.)
- h) As a case in point, the cutting down of old growth forests for woodchips, which are exported to countries such as Japan, should be stopped immediately. Logging

should be banned immediately in all old growth forests. (Western Australia is the only state which has adopted such a policy. The other states should follow suit.)

3.27 The development of manufacturing industries:

- a) A range of manufacturing industries based on locally available raw materials and structured as producers' cooperatives should be developed to produce all types of essential, semi-essential and non-essential commodities.
- b) Particular attention should be given to the development of various types of agrico- and agro-industries in regional areas near ready supplies of raw materials. Such industries should be structured as cooperative enterprises.
- c) If necessary, tax concessions, such as exemption from sales tax, duties, etc., may be granted to farmers'-cum-producers' cooperatives and producers' cooperatives which produce essential commodities.
- d) The current policy of paying subsidies to foreign companies, especially foreign multinationals, to operate in Australia should be stopped immediately. The money should be redirected into establishing a range of producers' cooperatives based on locally available raw materials.

3.28 Free trade:

- a) As a matter of principle, free trade should be supported.
- b) However, free trade among countries should be adopted only if all the countries concerned enjoy economic parity, otherwise the poorer and weaker countries will be exploited economically by the richer and more powerful ones.
- c) Australia should implement bilateral free trade agreements with countries such as New Zealand, Singapore, Japan and the US, providing Australia's economic interests are not harmed and its quarantine restrictions are not violated.
- d) In order to bring about economic parity and accelerate economic growth in the region, Australia should support the step-by-step formation of an Asian free trade zone.
- e) As a first step towards the establishment of an Asian free trade zone, all import and export duties levied by Asian countries on perishable foodstuffs, such as fruit, vegetables and staple grains, should be phased out. However, foodstuffs should be imported under this policy only if they do not harm Australia's primary industries or violate Australia's quarantine restrictions.
- f) As a second step towards the establishment of an Asian free trade zone, all import and export duties levied by Asian countries on consumable commodities should be phased out.
- g) In this way, step-by-step, it will be possible to bring about economic parity in the region and establish an Asian free trade zone.
- h) Eventually, all the countries in the world will have to come together to form one free trade zone, one worldwide socio-economic unit.
- i) As far as possible, international trade should be conducted through cooperative enterprises.

3.29 Recessions and depressions:

- a) Recessions and depressions are inevitable in the capitalist system: capitalism moves through cycles of boom and bust, and nothing can stop this process occurring.
- b) Depressions will not occur in a cooperative enterprise economy. Periods of economic pause will occur, because pause is a natural phenomenon; that is, periods of little or no economic growth will occur, but depressions will not occur.

- c) Capitalism has inherent systemic problems which in the near future will result in its disintegration.
- d) The collapse of capitalism is likely to be accompanied by a worldwide depression. Such a depression not only will occur in the economic sphere, but also will occur in the social and collective psychological spheres.
- e) In the event that the country falls into an inflationary depression, the printing and issuing of monetary notes which have no bullion value should be stopped immediately, and new notes which have bullion value should be issued in new colours and shapes. No monetary notes should be issued by the government from then on without the assurance that it is prepared to pay the requisite amount of money in gold coins.

3.30 Gold reserves:

- a) As insurance against the possibility of an inflationary depression in the near future, Australia should immediately pay off its national debt and boost its gold bullion reserves.
- b) In the first half of 1997, the Reserve Bank sold 167 tonnes of gold from the country's gold reserves, reducing the country's official reserves to 80 tonnes. The funds from the sale were reinvested in foreign currency assets, which since 1997 have earned a substantial profit. Both the funds from the original gold sales as well as the profit from the foreign currency reinvestment should be used immediately to buy back gold bullion. This will ensure that the country's bullion reserves are returned to at least their pre-1997 levels.
- c) The gold mining industry should be classified as a key industry. It should not be in the hands of private enterprise or foreign interests.
- d) Gold bullion should not be exported. A percentage of the annual gold production should be used locally in industry, including the jewellery industry, and the rest should be added to the country's bullion reserves. Thus, only gold jewellery and finished products containing gold and not gold bullion should be exported.
- e) If proven gold reserves are discovered in environmentally sensitive or unique areas, the gold should stay in the ground instead of being mined. However, it should still be included as a part of the country's bullion reserves, but it should be included in a separate category as "never-to-be-mined" reserves. Such a policy will both protect the environment and boost the country's reserves.

3.31 A ceiling on the accumulation of wealth:

- a) Although the amount of wealth generated in Australia is vast, it is limited. Consequently it should be used wisely for the benefit of all Australians. A small number of exceedingly wealthy individuals should not be allowed to use a disproportionately large amount of wealth for their own purposes.
- b) As a matter of principle, society will have to set an upper limit on the amount of wealth that any one individual is allowed to accumulate. No individual should be allowed to accumulate more economic wealth than the upper limit set by society.
- c) The federal government should have the responsibility to set the upper limit on the amount of economic wealth that any one individual is allowed to accumulate. That is, the federal government should set the upper limit on the net assets that any one individual is allowed to own.
- d) The level of the wealth ceiling on net assets should be set by taking into consideration all the factors in the economy.
- e) As an initial measure, in Australia the wealth ceiling on net assets should be set at an amount which is no more than 1,000 times the annualized rate of the just minimum wage.

- f) All those whose net assets exceed the wealth ceiling will have to be compelled to reduce their net assets so that they comply with the set limit.
- g) The level of the wealth ceiling should be revised upwards from time to time, based on the overall health and progress of the economy.

3.32 Financial markets:

- a) In the future, the equities markets and the foreign exchange markets will no longer exist.
- b) In an economy based on cooperative enterprise, shares in cooperatives will not be publicly traded. People will have the right to own shares in the cooperative enterprises in which they work or are members, but they will not have the right to trade them. Furthermore, they will not have the right to own shares in the cooperative enterprises in which they do not work or are not members.
- c) A portion of the profits generated by cooperative banks and financial institutions should be paid out to their members in the form of dividends in proportion to the amount of their savings or investments. However, the dividends paid out to an individual cooperative member should not exceed the wealth ceiling set by society on an individual's net assets.
- d) Access to the foreign exchange markets should be limited to authorized traders. That is, only the authorized representatives of approved cooperative banks and financial institutions, and of approved cooperative enterprises and large-scale industries which produce, import or export commodities that are highly sensitive to foreign currency fluctuations, should have the right to trade in the foreign exchange markets. The markets should not be open to speculators.
- e) The Reserve Bank will have to have the automatic right to trade in the foreign exchange markets.
- f) In the future, when the whole world becomes one socio-economic unit, there will no longer be the need for different currencies. At that time, one common currency will have to be adopted throughout the world. The need for foreign exchange markets will then no longer exist.
- g) Similarly, access to the commodities markets should be limited to authorized traders. That is, only the authorized representatives of approved cooperative enterprises and large-scale industries which produce, import or export commodities that are highly sensitive to international commodity prices should have the right to trade in the commodities markets. The markets should not be open to speculators.
- h) Primary producers will always require a market in which to sell their products, hence commodities markets will need to exist for the foreseeable future.

3.33 Compulsory superannuation:

- a) Superannuation is a means of providing people with the minimum requirements of life in their retirement and old age.
- b) Superannuation should be compulsory for all members of the workforce. Everyone should have to save for their retirement and old age.
- c) Superannuation payments should be automatically deducted from a person's wage or salary.
- d) Superannuation funds should be managed by cooperative financial institutions for the benefit of their members.

9.1 Compulsory annuities:

- a) An additional way of providing people with the minimum requirements after they retire is through compulsory annuities.

- b) Annuities should be paid out to people after they retire on a monthly or quarterly basis, supplementing their superannuation income.
- c) Financial institutions which offer annuities should be structured as cooperative enterprises.

3.35 Personal financial information:

- a) All personal financial information held by banks and financial institutions must remain personal property.
- b) It should be illegal for banks and financial institutions to sell such information or make it available to other parties without the signed consent of the person concerned.
- c) A person should have the right to access and secure copies of their personal financial information upon request. Copies of their personal financial information should be free of cost.

3.36 Foreign aid:

- a) Emergency foreign aid should be based on humanitarian considerations and need. Development aid should be designed to guarantee people the minimum requirements, including clean water, nutritious food, clothing, housing, education, medical care and sources of energy, and to teach self-sufficiency.
- b) Aid should be in the form of personnel, materials and resources rather than money.

3.37 People's economy:

- a) People's economy is concerned primarily with the provision of essential goods and services and secondarily with the provision of semi-essential and non-essential goods and services. It aims to guarantee increasing purchasing capacity to all members of society.
- b) The above economic policies outline the macro-economic component of people's economy.
- c) The micro-economic component of people's economy is concerned with the micro-economic aspects of cooperative enterprise, economic democracy and economic decentralization.
- d) The relationship among the various aspects of people's economy is not static. Rather, the various aspects are in a constant state of adjustment which is designed to bring about the welfare of all members of society. Hence, people's economy may be described as "omni-dynamic".
- e) The relationship among the various aspects of people's economy and its omni-dynamic nature can be expressed mathematically, and is part of the science of dynamics.
- f) Other dimensions of a developed economy include general economy, psycho-economy and commercial economy.

CHAPTER 4 REGIONAL DEVELOPMENT

4.1 Defining a region:

- a) There are various regional classifications in Australia: agro-ecological regions, biogeographical regions; drainage divisions; administrative regions; sustainable development regions; regional divisions created by various political parties; etc. For the purposes of planning for economic development and environmental protection, administrative regions should be taken as the basic unit of planning.
- b) Each state and the Northern Territory differentiates between the metropolitan area around its capital city and the rest of the area in its state or territory. In the case of the states, the area outside the metropolitan area of the state capitals is divided into a number of regions; in the case of the Northern Territory, the area outside Darwin is considered to be one region. The states are divided into forty-eight such regions. If the Australian Capital Territory is considered to be one region, the area outside the metropolitan areas of the state capitals and Darwin can be divided into a total of fifty regions. (Seven million people live outside the capital cities in regional areas.)

4.2 Regional planning:

- a) All of these administrative regions, except the A.C.T., are classified as statistical divisions by the Australian Bureau of Statistics. The ABS compiles data on each region from the national census. This data is useful in drafting regional economic plans.
- b) Each administrative region is comprised of Local Government Areas, and each regional LGA compiles its own data on local rural economic activity. This data is also useful in drafting regional economic plans.
- c) Regional economic plans should be drafted for each region in the country using both ABS and LGA data.
- d) In addition, regional economic plans should take into account the local raw materials, the type of industrial development that can take place based on the local raw materials, the cost of production, the level of productivity, purchasing capacity, and collective needs.
- e) Each regional economic plans should be used as the basis for socio-economic development in the region.
- f) Regional economic plans should be revised and updated regularly to include the growth and development that takes place in the region.
- g) In the future, the boundaries of the administrative regions may need to be adjusted so that they match more closely such regions as agro-ecological regions or biogeographical regions.

4.3 Regional planning boards:

- a) Regional planning boards should be established by bringing together qualified representatives from each LGA in an administrative region.
- b) Each regional planning board should draft the economic plan for their region. During this process, the regional planning board should consult with the local community as much as possible.
- c) Thus, regional economic plans should be drafted for each of the fifty regions in Australia.
- d) Two or more regional planning boards will have to cooperate together to develop intra-region plans. Intra-region plans should not be confined to state boundaries.

4.4 Establishing farmers' cooperatives:

- a) Farmers' cooperatives should be established throughout Australia wherever possible.
- b) Farmers' cooperatives should be introduced in a phased manner, in keeping with the psychology of farmers.
- c) The size of farmers' cooperatives will vary from region to region. The minimum size of a farmers' cooperative should be determined by calculating the minimum area of land needed to form an economic landholding. An economic landholding is an area of land where output exceeds input.
- d) The process of determining the size of an economic landholding in a particular region should take into consideration factors such as the fertility of the soil, the productivity of the land, the topography, the climate, the sources of water, the skill of the managers, etc.
- e) The first phase in establishing a network of farmers' cooperatives should involve encouraging farmers who own adjoining uneconomic landholdings to amalgamate their farms into cooperatively owned economic landholdings.
- f) In the next phase, all farmers should be encouraged to form farmers' cooperatives.

4.5 Establishing producers' cooperatives:

- a) Farmers' cooperatives which produce finished products may be considered to be farmers'-cum-producers' cooperatives.
- b) Cooperatives which produce various types of finished products from raw materials supplied by farmers' cooperatives and key industries may be considered to be producers' cooperatives.
- c) Producers' cooperatives should be established to produce all types of finished products.
- d) In particular, producers' cooperatives should be established in regional areas near ready supplies of raw materials.
- e) Producers' cooperatives should sell their products to the public through consumers' cooperatives.

4.6 Agrico-industries and agro-industries:

- a) All types of agrico- and agro-industries should be established in regional areas.
- b) Agrico- and agro-industries should be structured as cooperative enterprises and classified as part of the agricultural sector.
- c) Preference should be given to the development of agro-industries which produce various types of products from crops.

4.7 Regional cooperative banks:

- a) Regional cooperative banks should be established in all regional areas.
- b) Apart from performing their usual banking functions, regional cooperative banks will have to make sure that people are properly educated about all aspects of cooperative entrepreneurship before they lend them money for the establishment of new cooperative enterprises.
- c) In particular, in order to help ensure that every new cooperative enterprise becomes successful, cooperative banks will have to take on the responsibility of developing a client's business plan.

4.8 Agriculture:

- a) As far as possible, farming practices such as organic farming, biodynamic farming and permaculture should be adopted.
- b) If such farming practices are not acceptable, sustainable agricultural practices, that is, practices which both protect the environment and use minimal chemical fertilizers and pesticides, should be adopted.
- c) Agricultural practices which do not rely on the killing of animals should be promoted.
- d) The planting of crops which produce a number of useful by-products should be encouraged and supported.
- e) Preference should be given to the development of agro-industries which are based on such by-products.

4.9 Agriculture should be structured as an industry:

- a) The agricultural sector includes farming, agrico-industries and agro-industries.
- b) The agricultural sector should be structured as an industry. In particular, farming must be managed as an industry.
- c) Thus all farming inputs should be properly costed, including the labour of the farmer, and included in the cost price of agricultural produce.

4.10 Agricultural insurance:

- a) Affordable agricultural insurance for all farmers' and farmers'-cum-producers' cooperatives should be made available.
- b) Such insurance should protect farmers from the vagaries of nature.
- c) Agricultural insurance should be classified as an essential service and provided by cooperative financial institutions.

CHAPTER 5 HEALTH CARE

5.1 A progressive approach to health care:

- a) Health care is a minimum requirement, therefore it must be provided to people according to their medical needs and not their financial or social status.
- b) The welfare of the patient must be the principal concern of health care practitioners, irrespective of the system of medicine used to treat the patient.
- c) Social service must be accepted as the main aim of the medical profession. Under no circumstances should the practice of medicine be categorized as a business.
- d) A new, progressive philosophy of health care needs to be developed, one which encompasses all aspects of the human personality, reflects a humanistic appreciation of people's medical needs, and scientifically integrates various medical systems.
- e) A uniform set of medical ethical standards and professional guidelines needs to be developed and adopted throughout the country.

5.2 A multi-disciplinary system of health care:

- a) A multi-disciplinary approach to health care should be adopted.
- b) Naturopathy, homeopathy, chiropractic, acupuncture, etc., should have the same status as allopathy.
- c) Hospital patients should be treated according to the system of medicine best suited to their medical needs, whether it is allopathy, naturopathy, homeopathy, chiropractic, acupuncture, etc.
- d) Medical centres and health maintenance clinics also should adopt a multi-disciplinary approach to health care.

5.3 Education and training:

- a) A progressive philosophy of health care and the values which reflect it should be taught during medical training.
- b) A multi-disciplinary approach to health care also should be taught during medical training.
- c) The first two years of training should be the same for all medical students, regardless of the system of medicine in which they propose to specialize.
- d) The uniform set of medical standards and professional guidelines also should be taught during medical training.

5.4 The standard of health care practitioners:

- a) Health care practitioners must be held to the highest professional standards.
- b) They must be imbued with universal ethical values and a sense of selfless service.
- c) They also must follow the uniform set of medical ethical standards and professional guidelines.
- d) Only those health care practitioners who have demonstrated both the management skills and the highest standards of personal and professional conduct should be allowed to take administrative positions within the health care system.

5.5 Professional registration:

- a) Health care practitioners, irrespective of their field of practice, should be required to have only one national certificate of registration which would entitle them to practise in any state or territory in the country.
- b) The current requirement of separate state registrations for medical practitioners should be abolished immediately.

5.6 A national medical board:

- a) A national medical board which is independent of the government should be established to oversee all health care matters.
- b) The board should comprise outstanding representatives of all the medical systems currently being practised in Australia.
- c) It should have the authority to set uniform medical education and training standards, uniform medical ethical standards, and uniform medical guidelines for professional standards and standards of conduct for all health care practitioners.
- d) The national board also should oversee the standard of health care and the staffing levels in hospitals and nursing homes.
- e) It should have the authority to establish sub-boards as and when required to carry out specific duties. For example, if necessary it could establish a national hospital board to ensure that the standard of health care in and the services provided by hospitals are uniform throughout the whole country.
- f) It also must have the authority to take whatever steps necessary to maintain the highest standards of health care.

5.7 The management of health care:

- a) Health care should be made the responsibility of the federal government. It should be regulated by the federal government, not the state or territory governments.
- b) The management of health care by corporations should be opposed. Australia should not adopt a US-style HMO (Health Management Organization) system.
- c) Health care practices, medical centres and health maintenance clinics employing three or more health care practitioners should be run as service cooperatives, owned and managed by the health care practitioners themselves.
- d) Hospitals and nursing homes should be structured as autonomous bodies, independent of the government. Each hospital or nursing home should be managed by a board of health care practitioners.
- e) The federal government should have the responsibility for financing the hospital system. Financing the hospital system should not be the responsibility of the state or territory governments.
- f) Each hospital and nursing home must have an independent annual audit, and the results must be made available to the public.
- g) The role of local governments in providing specific health care services should be increased. In particular, local governments should play a greater role in aged care.
- h) Local governments and local communities should work together to attract health care practitioners to and retain the health care practitioners already working in remote regional areas.

5.8 Health insurance:

- a) Medicare should be transformed into a national health insurance cooperative which is run independently of the government.
- b) Health insurance should be compulsory, and should cover both treatment by health care practitioners and hospital care.

- c) The Medicare levy (currently set at 1.25% of a person's wage or salary) should remain, and it should be paid directly to the national health insurance cooperative. The levy should be sufficient to cover the cost of both community health care and the hospital system.
- d) All existing private health insurers should merge with the national health insurance cooperative.
- e) The national health insurance cooperative must have an independent annual audit, and the results must be made available to the public.

5.9 Medical indemnity and litigation:

- a) The issue of medical indemnity and litigation should be carefully examined to ensure that the health care system in general as well as the rights of both health care practitioners and patients are protected.
- b) Exactly what constitutes medical negligence should be clearly defined so that the rights of both health care practitioners and patients are protected and excessive litigation is avoided.
- c) Medical insurance for health care practitioners should be provided by medical insurance cooperatives which are owned by the health care practitioners themselves.
- d) In the event of litigation against a health care practitioner or medical institution which results in compensation, the compensation should not be paid out in a lump sum amount but in weekly, fortnightly, monthly or quarterly installments. If necessary, a trust fund should be established for the purpose.

5.10 Worker's compensation:

- a) National work-cover legislation should be enacted to protect workers throughout Australia in the event that they are hurt as a result of workplace accidents. Such legislation should replace the existing state laws.
- b) The legislation also should establish a new system of worker's compensation whereby medical assessment rather than litigation determines the veracity of compensation claims.
- c) In the event of compensation payment, the compensation should not be paid out in a lump sum amount but in weekly, fortnightly, monthly or quarterly installments. If necessary, a trust fund should be established for the purpose.

5.11 Research and development:

- a) Undertaking medical research and development should be the responsibility of universities, hospitals, and research and development service cooperatives.
- b) Funding medical research and development should be the responsibility of the federal and state governments. If necessary, they should establish autonomous bodies to undertake medical research and development.
- c) Medical research and development should be taken out of the hands of pharmaceutical companies and private enterprise.
- d) Research and development should be conducted into all systems of medicine.

5.12 The production and distribution of medicines:

- a) Medicines should be produced by autonomous bodies, independent of the state or federal government, or by producers' cooperatives.
- b) Medicines should be distributed by either autonomous bodies or consumers' cooperatives.

- c) The production and distribution of medicines should not be in the hands of private enterprise.

5.13 Community health care:

- a) As far as practical, the elderly should be encouraged to live in their own homes.
- b) People should be able to receive medical care at home by their health care practitioner instead of spending extended periods in hospital.
- c) Community nursing services should be expanded in order to treat as many people as possible in their own homes.
- d) Home births should be encouraged, and home birth midwives should be provided with adequate health insurance.
- e) Knowledge regarding health care and preventative medicine should be taught in schools as part of a comprehensive health care syllabus.

5.14 Drug and alcohol dependence:

- a) Alcoholism and drug addiction should be viewed as medical problems and not criminal offences.
- b) Alcoholics and drug addicts should not be incarcerated in jail but cured of their medical problems in proper medical centres.
- c) Education regarding the dangers of drug and alcohol dependence should be taught in schools as part of a comprehensive health care syllabus.

5.15 Patients' medical records:

- a) A patient's medical records must remain the personal property of the patient.
- b) Patients must have the right to access their medical records and secure copies of them upon request. Copies of personal medical records should be free of cost.
- c) A patient's medical records may be shared among medical practitioners, but they may not be made available to other parties without the signed consent of the patient.

5.16 Medical aid:

- a) Australia should support the health care programs initiated by the World Health Organization.
- b) Australia should provide health care aid to countries facing major health crises or epidemics, such as those African countries currently facing an AIDS epidemic.
- c) Australia also should provide special medical assistance to those countries in the Asia-Pacific region facing medical problems.
- d) Australia should initiate research and development programs designed specifically to solve the medical problems confronting developing nations.

5.17 The approval of new medicines:

- a) Detailed research must be undertaken and extensive trials must be satisfactorily completed before new medicines are approved for use.
- b) Great care must be taken during the approval process for new medicines to ensure that they have minimum adverse side-effects.
- c) If approved medicines have unintended adverse side-effects, both the maker and the approval agency will have to be held accountable.

5.18 The Pharmaceutical Benefits Scheme:

- a) Only medicines which save lives or improve the quality of a patient's life in cases of incurable disease should be included in the Pharmaceutical Benefits Scheme.
- b) Medicines which do not meet this criteria should not be included.

CHAPTER 6 EDUCATION

9.1A progressive approach to education:

- a) Education is a minimum requirement of life, therefore it must be provided to all students regardless of their financial or social status.
- b) The aim of education is to awaken the thirst for knowledge in students and to provide them with the skills necessary to develop their all-round potential. In particular, education should elevate the intellectual and ethical standard of students.
- c) The principal concern of the education system is the all-round welfare of the student, irrespective of the method of education used to educate the student.
- d) A new, progressive approach to education needs to be adopted, one which recognizes the physical, mental and spiritual potential of each student, encourages every student to develop their positive human qualities, teaches them how to develop their interests, talents and abilities, and provides them with the skills necessary to build a successful life.
- e) A uniform set of ethical standards and professional guidelines for teachers and a universal set of educational standards for the education system in general need to be developed and adopted throughout the country.

9.2A universal philosophy of education:

- a) A new, universal philosophy of education also needs to be developed, one which encompasses all aspects of the human personality, reflects a Neohumanistic appreciation of a student's educational needs, articulates a comprehensive educational methodology, and scientifically integrates various educational pedagogies.
- b) Such an philosophy should be based on the inherent capabilities of the human mind and a thorough bio-psychological understanding of human nature.
- c) It also should be free from all types of dogmas and narrow sentiments, incorporate a universal set of ethical values, awaken in students a sense of idealism, and encourage them to develop a universal outlook.
- d) In addition, it must embrace coordinated cooperation as the modality of interaction among human beings, and teach students how to cooperate together in all areas of life. Students will have to be taught how to make coordinated cooperation the basis of their relationships and the way they exercise power.
- e) As well, it should embrace the most advanced learning techniques, such as speed reading, metaphoric and lateral thinking, the use of aesthetics, etc.
- f) Finally, it also will have to educate students about the goal of human life and how to achieve it.

9.3 Education must be free for all students.

- a) Education must be free for all students in the public education system at all stages of their education.
- b) As a matter of principle, primary, secondary and tertiary education should be free of cost. That is, students should not have to pay tuition fees in order to get an education.
- c) Tertiary education fees throughout the country should be abolished immediately. Students should not have to pay tuition fees to attend a tertiary institution.

However, if a student fails a tertiary subject, they should have to pay tuition fees in order to repeat it or to take a similar level of tuition in another course.

- d) While private primary and secondary schools have the right to charge fees for tuition, it is not the responsibility of the government to subsidize private schools.
- e) In essence free education means that it is the responsibility of the government to pay for expenses such as the salaries of teachers and administrators in the public education system, the construction and maintenance of public schools and tertiary institutions, and the cost of equipment and materials used in such schools and institutions, and that it is the responsibility of parents to pay for expenses such as texts books and school uniforms.
- f) Schools and tertiary institutions should have the right to collect donations and raise funds directly from the public to support their educational activities, but such programs should not be considered an indirect way of levying compulsory tuition fees on students.

9.4Funding education should be a federal responsibility:

- a) Funding education should be taken out of the hands of the state and territory governments and made the responsibility of the federal government.
- b) It should be the responsibility of the federal government to properly fund the public education system. Properly funding the public education system should be considered one of the most important duties of the federal government.
- c) The management of education and the formulation of education policy should not be in the hands of state, territory or federal bureaucrats and politicians.
- d) It is not the responsibility of government to fund private schools. That is, public funds should not be used to subsidize private schools.
- e) The system of per capita grants to schools should be abolished and replaced with a system of rational distribution of education funds based on the actual needs of each school or tertiary institution.
- f) Indicators such as class sizes, teach-to-students ratios, the quality of teaching materials and equipment, the availability of various resources, building sizes and standards, etc., should be used to assess the needs of schools and tertiary institutions.
- g) Under funded schools and institutions should be allocated additional financial resources so that they can be brought up to the desired standard.
- h) Once all schools and tertiary institutions reach a similar standard, the system of rational distribution of education funds should be maintained so that the standard of all schools and tertiary institutions in the public education system is continually improved and no school or tertiary institution is allowed to fall behind.

9.5Direct public funding of education:

- a) Although properly funding the public education system should be accepted as one of the most important responsibilities of the federal government, it is dangerous for schools and tertiary institutions to depend completely on government funding, because a reduction in government funds may jeopardize the viability of educational institutions.
- b) Educational institutions should be given every opportunity to collect funds directly from the public so that they are not totally dependent on the government.

- c) Institutions such as autonomous bodies, cooperative enterprises and private enterprises should be encouraged to financially support schools and tertiary institutions wherever possible.
- d) The financial contributions made by such institutions to support schools and tertiary institutions should not be subject to any kind of tax.

9.6A national board of education:

- a) A national education board which is independent of the government should be established to oversee all education matters.
- b) The board members should be outstanding educators who represent all areas of education.
- c) The board should have the power to set education policy, manage all education matters, prepare an annual education budget for the government, and disperse the education funds made available by the government.
- d) The national board also should oversee the standard of education and the staffing levels in schools and tertiary institutions.
- e) It should have the authority to set uniform education and teacher training standards, uniform education ethical standards, and uniform education guidelines for professional standards and standards of conduct for all teachers.
- f) It should have the authority to establish sub-boards as and when required to carry out specific duties. For example, if necessary it could establish a national university board to ensure that the standard of university education is uniform throughout the whole country.
- g) It also must have the authority to take whatever steps necessary to maintain the highest standards of education.
- h) Governments may submit their social and political needs to the board for consideration, but the board members should be free to accept or reject the governments' proposals without interference.
- i) Within the context of a national education policy, there must be sufficient scope for local and regional input, decision making and initiative.

9.7The role and standard of teachers:

- a) The role of teachers is to awaken the thirst for knowledge in students and to teach them the skills necessary to lead a successful life.
- b) Teachers must be selected carefully. High academic qualifications do not necessarily confer on a person the right to become a teacher.
- c) Teachers must possess such qualities as personal integrity, strength of character, righteousness, a feeling for selfless service, unselfishness, an inspirational personality and leadership ability. Thus it is not possible to accept just anyone as a teacher.
- d) Because teachers have an extremely important role to play, their professional standards must be very high.
- e) Teachers also must be imbued with universal ethical values and free from all kinds of narrow sentiments.
- f) They must follow the uniform set of educational standards and professional guidelines set by the national education board.
- g) Only those teachers who have demonstrated both the management skills and the highest standards of personal and professional conduct should be allowed to take administrative positions within the education system.

9.8 The salaries of teachers:

- a) The salaries of all teachers in the public education system should be gradually increased.
- b) Such salary increases should be designed to match the salaries paid to other professionals in the federal public service.
- c) Teacher salary packages should include all the benefits afforded to other public servants.
- d) In particular, teachers should enjoy the same financial benefits, including the retirement and superannuation benefits, as other professionals in the federal public service.
- e) Teacher salaries should be sufficient to attract the best and brightest people to the teaching profession.

9.9 Teacher training:

- a) Primary and secondary teacher training should be standardized throughout the country.
- b) Teachers should be able to teach in any school or tertiary institution in the country based on their standardized qualification.

6.10 The psychology of students:

- a) Students should not be subjected to undue pressure, intimidation, or verbal or psychological abuse. Corporal punishment should not be permitted under any circumstances.
- b) Students should not be taught through educational methods based on fear.
- c) A positive teaching environment should be created in schools and tertiary institutions, an environment in which teachers establish cordial relations with their students to enable the free and frank exchange of ideas.
- d) Children are inclined towards play and like fantasies and stories, so a thirst for knowledge in children should be awakened through the medium of both play and fantasies and stories.
- e) The adolescent mind begins to dream of the future, so without indulging in narrow-mindedness, adolescents should be taught through the medium of idealism.
- f) The minds of young adults are inclined towards realism, hence they should be taught through a harmonious blend of idealism and realism.
- g) Whatever the medium used to impart education to students, it should be based on a thorough understanding of their bio-psychology at each stage of their development.

9.1 The method of education:

- a) To date educators have not been able to develop a scientific method of educating the mind of a student.
- b) The single most pressing educational issue today is to develop a scientific method of education.
- c) Such a method will have to be based on the nature of the human mind, the psychology of students, their distinct bio-psychology at each stage of their development, the importance of creating a conducive learning environment, the capacity of the teacher, and the systematic presentation of lessons.

9.2 Educational research:

- a) In order to develop a scientific method of education and to improve the overall standard of education, intensive educational research needs to be undertaken.
- b) Such research also should be undertaken into specific areas of education, such as pedagogy, child psychology, pre-primary and primary education, special education, etc.

6.13 Secondary schools:

- a) An increasing body of research indicates that secondary students perform better both emotionally and academically when they are educated in single sex schools. Thus it is preferable for all secondary schools, that is, schools which teach years seven to twelve, to be single sex schools.
- b) Class sizes, that is, the number of students in each class, in secondary schools should be reduced.
- c) The teacher-to-student ratio in secondary schools should be increased.

9.1 Vocational guidance:

- a) Students between the ages of sixteen and eighteen for girls and seventeen and nineteen for boys begin to decide their vocation in life.
- b) Students of this age should be given comprehensive vocational guidance.
- c) Such vocational guidance should be incorporated into the syllabus of all secondary schools.

6.15 The curriculum:

- a) In the development of the curriculum, certain subjects in addition to a general knowledge of various subjects and academic knowledge should be considered compulsory for all students.
- b) These subjects should include moral education, that is, learning about cardinal human values; English, particularly English expression and grammar; vocational training; sports and various types of physical activities; health care; humanistic values; human relationships and coordinated cooperation; social justice; and spirituality, that is, learning about the goal of life and how to achieve it.
- c) Students should be taught grammar during the first phase of learning, in primary school.
- d) Activities which instill self-confidence, a sense of selfless service, a strong work ethic and develop good interpersonal skills and leadership ability also should be encouraged.
- e) Most importance should be given to the study of science and technology, followed by commerce, and then the arts. Only talented arts students should be given the opportunity to pursue higher studies in the arts. A small percentage of these students should be encouraged to study law, provided they can demonstrate proficiency in sociology, civics, political science and logic.
- f) Primary and secondary education should concentrate on providing a general and an ethical education; tertiary education should concentrate on providing an academic or technical and an ethical education.
- g) Primary, secondary and tertiary curricula will have to constantly strive to strike the right balance between an ethical, humanistic and spiritual education on the one

hand, and the proper blending of an extroversal scientific and an introversal philosophic education on the other.

CHAPTER 7 THE ARTS

9.1 The spirit of welfare:

- a) The real significance of the practice of art and literature is to keep abreast with the trends of life guided by the spirit of welfare.
- b) The spirit of welfare unites the needs, hopes and aspirations of ordinary people with the goal of human life.
- c) In order to bring people with different ideas and at different stages of development together, the same concept of welfare will have to be accepted by all people throughout the world and expressed through the various branches of art, literature and knowledge.
- d) The slogan “Art for art’s sake” has little value. A better slogan is: “Art for service and blessedness”.

9.2 The practice of art and literature:

- a) Like all other members of society, artists and writers will have to have their minimum requirements met and the opportunity to earn a good living, based on increasing purchasing capacity.
- b) If artists and writer are considered to be the guides of society, society will have to help them preserve their existence and ensure their well-being.
- c) This social duty is all the more necessary when art and literature is practised as an indispensable part of social service, and not as a profession.
- d) In a democratic state, the government, as the representative of the people, should play a major role in supporting art and literature. In a non-democratic state, people outside the government, in the cooperative and private sectors, will have to play a major supporting role.

9.3 Government support for the arts:

- a) Government support for the arts may take many forms. Some measures that governments can take include the following.
- b) Government subsidized arts centres and theatres should be established in rural towns and regional areas which do not currently have them. If necessary, assistance also should be given to arts centres in major cities.
- c) Arts centres and theatres should function as autonomous bodies.
- d) Artists should have complete freedom in the selection of the material portrayed in such centres. Furthermore, no political organization should be allowed to use the centres for political propaganda.
- e) A large percentage of the net profits from artistic events should be distributed among the artists as bonuses.
- f) Dramatists, regardless of whether they are professional or non-professional, should be paid a daily honorarium based on the number of days their dramas run.
- g) The custom of presenting books of poetry, containing poems by only one author, to worthy recipients at various festivals and social ceremonies should be introduced. Such books of poetry also should be selected as textbooks in higher secondary and tertiary studies.
- h) Art galleries should be maintained in major libraries so that original paintings can be lent to the members in exactly the same way as books are loaned. A percentage of the income generated should go to the artist.

- i) Artistic and literary awards should be given out by autonomous bodies comprised of non-political educators. The motivation behind bestowing such awards should not be political, but should be based on the spirit of welfare.
- j) Artists and writers should be encouraged to form cooperative associations in order to develop and promote their respective areas of art and literature.

9.4 Publishing cooperatives:

- a) As a matter of principle, the publishing business should be in the hands of cooperative enterprise; it should not be in the hands of private enterprise or the government.
- b) Of course, individuals may publish their own books themselves, but the publishing business itself should not be in the hands of private enterprise.
- c) Writers should take up the publication and distribution of their own books by forming themselves into publishing cooperatives.
- d) This approach will ensure that the profits generated by the publication and distribution of popular books go to the authors themselves rather than to private enterprise.

CHAPTER 8

THE MASS MEDIA

9.1 Fundamental rights:

- a) The fundamental human right of freedom of speech should be enshrined in the constitution as part of a bill of rights.
- b) The freedom of the press also should be considered a fundamental right. The press should be free from all governmental and political interference.
- c) This right should be interpreted to include the freedom of all broadcasting networks and the freedom of the mass media in general.

9.2 The ownership and management of the mass media:

- a) As a general rule, the mass media, including newspapers, magazines and broadcasting networks, should not be in the hands of private enterprise or the government.
- b) Newspapers and magazines should be owned and managed by publishing cooperatives.
- c) Similarly, broadcasting networks, including radio and television networks, should be owned and managed by broadcasting cooperatives.
- d) Both types of cooperatives should be owned and managed by the people who work in them.

9.3 Public broadcasting networks:

- a) Public broadcasting networks, such as the Australian Broadcasting Corporation (ABC) and the Special Broadcasting Service (SBS), should function as autonomous bodies, independent of the government.
- b) The management of public broadcasting networks should be in the hands of competent broadcasting professionals. Such managers also should be non-political, cultured educators.
- c) Public broadcasting networks should have complete editorial independence and be free of all political interference.
- d) As a matter of principle, it should be illegal for both current members of a political party and former politicians to take up management positions in or become board members of a public broadcasting network.
- e) The same restriction should apply to the subsidiaries of a public broadcasting network.
- f) Public broadcasting networks should have a special mandate to investigate and report on any illegality or corruption uncovered in the various branches of government.

CHAPTER 9

THE ENVIRONMENT

9.1 Water use:

- a) The availability of pure water is essential for the preservation of life. Without water, it is not possible to provide people with the minimum requirements of life.
- b) Australia is the driest continent in the world, consequently it needs to develop a comprehensive water strategy which aims to use existing water resources more efficiently and at the same time significantly expand storage capacity.
- c) The corner stone of such a strategy should be the conservation of as much surface water as possible.
- d) While laying out a strategy for the use of water resources, first priority should be given to perennial water sources, such as ice-fed rivers, and second priority should be given to non-perennial water sources.
- e) As far as possible, groundwater should not be used for domestic consumption, agricultural activity or industrial production.
- f) Each year, for example, groundwater provides 30% of Perth's public water supply and 65% of all water used. Perth should immediately develop water supplies based on the conservation of surface water.
- g) Other cities and towns in a similar position also should immediately develop water supplies based on the conservation of surface water.
- h) Groundwater should be used only on a temporary basis in times of emergency, such as during severe droughts.
- i) Major river systems, such as the Murray-Darling, should be carefully monitored to ensure that their water resources are not over used and that problems such as salinity do not degrade the system.
- j) The management of all major water resources in the country should be controlled by one federal authority, which should be given the power to conserve as much surface water as possible, ensuring that it is used wisely and efficiently, and to expand existing storage capacity.
- k) The management of local water resources should be controlled by the state or local governments. Small-scale water storage systems should be established by state or local governments wherever necessary.

9.2 Natural resources:

- a) Natural resources should not be indiscriminately exploited or exported overseas.
- b) If natural resources occur in environmentally unique or sensitive areas, they should be preserved.
- c) Otherwise, they should be used wisely for the benefit of all Australians. That is, they should be used as raw materials by key industries or producers' cooperatives to produce various types of finished products.
- d) Only finished products and not raw materials or natural resources should be exported.

9.3 Forest preservation:

- a) All old growth forests in the country should be made public property, turned into national parks, and preserved for future generations.
- b) Logging should be immediately banned in all old growth forests. (WA is the only state which has adopted such a policy. The other states should follow suit.)
- c) Logging should be permitted only in plantation forests.
- d) Deforestation and land degradation eventually lead to desertification. The only way to solve the problem of desertification is through reforestation.

- e) Extensive reforestation should be undertaken throughout the country, especially in regions with an arid climate and degraded land.

9.4 Nuclear energy:

- a) Nuclear power should be considered for use as an energy source in Australia only if technology is developed to make radioactive waste totally harmless both for human beings and the environment.
- b) The nuclear reactor at Lucas Heights should be closed down immediately.
- c) The radioactive isotopes needed for nuclear medicine and for research should be imported from overseas.

CHAPTER 10

SOCIAL JUSTICE

10.1 Assisting disadvantaged people:

- a) Today disadvantaged groups, such as the poor, the chronically ill, the neglected elderly and the long-term unemployed, often need special assistance in order to help them make ends meet or just survive. To assist such people, they should be given preferential social treatment.
- b) However, policies based on social preference should be regarded as a temporary measure. In post-capitalist society, everyone will be guaranteed fundamental human rights, the minimum requirements of life and increasing purchasing capacity, therefore preferential social measures will no longer be required.
- c) Disadvantaged people may be defined as those who have had little or no access to education and social services in the past. Such people should continue to get special assistance until all poverty in the country is eradicated; that is, until the minimum requirements of life are guaranteed to all.
- d) Preferential treatment or special assistance for disadvantaged people should be given on the basis of the degree of their need or deprivation. Thus, those with the greatest need should be given the greatest assistance.
- e) In order to assess the degree of people's need, four basic levels of need may be used.
- f) First preference in access to education and social services should go to poor people coming from deprived family backgrounds or socio-economic groups. Second preference should go to poor people coming from families or groups with no history of deprivation. Third preference should go to non-poor people coming from deprived family backgrounds or groups. Last preference should go to non-poor people coming from families or groups with no history of deprivation.
- g) Those on the third and fourth levels may in fact need very little special assistance or no special assistance at all, depending upon their circumstances.

10.2 The social security system:

- a) As a matter of principle, people must be provided with a sense of social security.
- b) It is the responsibility of the government to ensure that all people are guaranteed the minimum requirements of life. In the event that a person becomes unemployed, finds themselves without any money and is faced with no immediate means of assistance, as a last resort the government will have to provide them with social security.
- c) Several measures should be taken to make the present social security system more just and more humanistic.
- d) First, the level of social security payments should be increased so that they match the level of the minimum wage.
- e) Second, those who have been receiving social security payments for a given period and are capable of working full time should be found suitable full time employment. Alternately, they should have to undertake some type of compulsory social service work in order to continue to receive payments.
- f) Third, those who are incapable of working full time due to medical reasons but are able to work part time will have to be found suitable part time employment. If their part time work is not sufficient to earn them the minimum wage, they will have to be provided with social security payments in order to cover the difference.
- g) Fourth, elderly people with little income and those who are not able to work at all, such as those with a medical condition and single parents with young children, will have to be paid a pension which is commensurate with the minimum wage.

- h) Such measures, however, do not mean that in the future governments automatically will have to pay people social security payments.
- i) In post-capitalist society, programs such as compulsory cooperative employment insurance schemes, which should provide people with an income in the event of sudden or unexpected unemployment, and compulsory cooperative superannuation and annuity schemes, which should provide people with an income when they retire and grow into old age, should be established to replace the present social security system.
- j) In addition, if necessary various types of service cooperatives should be created to ensure that unemployed people have the opportunity to perform useful work.

10.3 Child support:

- a) In the event that a couple with children separate or split up and the custody of the children is awarded to one of the parents, the other parent will have to assist with the financial support of the children.
- b) If the parent refuses to fulfil this duty, child support will have to be automatically deducted from their wage or salary.
- c) The parent's legal responsibility to financially support their children will automatically end if their former partner remarries. The new spouse will have to take on the legal responsibility of sharing the financial support of the children.
- d) In the event of a dispute over the identity of the father in cases of child support, DNA evidence should be used to resolve the dispute.

CHAPTER 11

JUSTICE

11.1 The meaning of justice:

- a) The word “justice” may be defined as “a particular type of mental process to ascertain the truth”. Whatever appears to be the truth in the world of human actions, within society, is taken as the basis of justice.
- b) Human actions, and thus the basis of justice, vary according to time, place and person, therefore they are relative, not absolute.
- c) No one has ever been able to invent an absolute standard for measuring justice in the past. Nor will anyone ever be able to invent such a standard in the future. This is because the concept of justice, by its very nature, is a relative concept.
- d) The greatest benefit of the proper application of justice is that in the struggle between progressive and regressive forces, between good and evil, which is a permanent feature of society, the human intellect has an increasing number of opportunities to choose the path of righteousness.
- e) Society will have to define what constitutes a crime and what does not in accordance with a moral standard or code.
- f) Immorality may be defined as that which, in order to further the interests of an individual or group, aims to exploit another individual or group or the rest of society, or aims to deprive them of the right to maintain their existence. Behaviour based on such immoral intentions is a crime.
- g) In the event of a conflict between the moral code, or cardinal human values, and the criminal code, the moral code must take precedence. Thus, in such circumstances, upholding ethical values is more important for society than enforcing the criminal code.

11.2 The judicial system:

- a) The purpose of the judicial system is to uphold justice and take corrective measures against people whenever necessary. It is not the purpose of the judicial system to penalize people.
- b) From the social or human viewpoint, everybody has the right to correct the behaviour of everyone else. This is the birthright of every human being. The recognition of this right is indispensable for the health of society. Thus, taking corrective measures must be accepted as an essential part of social life.
- c) The judicial system must have the power to take corrective measures against those who are found guilty or at fault as the result of a judicial process. Corrective measures are necessary to compliment justice.
- d) Such an arrangement prevents the government getting any scope to impose a violent, cruel penal system and an oppressive dictatorship on the people. It also helps to ensure that the judicial system is based on rational, tolerant, humanistic ideas and benevolent sentiments.
- e) Since flaws will always remain in the judicial system, no matter how good it is, no human being should have the power to penalize another. Society will be adversely affected if an innocent person is penalized because of a defective judicial system. The term “penal system” should be deleted from social terminology.
- f) A judicial system based on corrective measures should have the power to give punishment to correct criminal behaviour, however such punishment should not be intended to penalize people.
- g) If a system of corrective measures is introduced and a mistake is made in the judicial process, no one will be permanently harmed. A person who is definitely

guilty will benefit from a system of corrective measures, and even a person who is not guilty will benefit from such a system.

- h) If the judicial system is to be totally accessible to the public, ordinary people will have to be able to afford it. Therefore one of the most important things to do is to increase the number of judges and their support facilities.
- i) While the judicial system must have the power to take corrective measures in order to rectify the behaviour of criminals, society should be more interested in preventing base criminal propensities from arising in human beings in the first place. Thus crime prevention policies should be given more importance than remedial action.
- j) The judicial system should incorporate both the adversarial and the inquisitorial systems. That is, judges should not only listen to the arguments of lawyers but also have the power to conduct their own investigations.

11.3 Administering justice:

- a) A judicial process ends once a verdict is reached and that verdict is implemented. In other words, the utility of justice in social life is felt only when a corrective measure for the concerned individual or group is implemented as per the verdict.
- b) If at any stage the judicial process does not reflect the truth beyond reasonable doubt, great care will have to be taken at the time of passing sentence on the accused in accordance with the verdict given.
- c) The corrective measures given at the time of sentencing must be consistent with both the category of criminal and the type of the crime the accused is found guilty of.
- d) When sentencing a criminal, the financial condition of their family will have to be taken into consideration. If necessary, the government will have to provide the family members with the means to earn an honest living.
- e) If there is any doubt at all about the accuracy of a judgement in a judicial process, no punishment should be given.
- f) All those involved in the judicial process will have to be committed to upholding justice and held to the highest ethical standards.

11.4 The role of judges:

- a) The role of judges is to make fair judgements based on the evidence before them in court. Judges alone should be responsible for making judgements in a judicial process.
- b) When sitting to pass judgement on an offender, the first thing for the judge to consider is whether or not the evidence shows that the accused has committed a crime.
- c) In effect, this means that during the course of a judicial process, judges have to judge to the best of their intellectual capacity whether or not the accused has committed a crime based on the evidence, the testimonies of witnesses, and the arguments of lawyers.
- d) In order to determine whether the evidence is genuine and the witnesses are telling the truth, judges have to take considerable help from detectives or other investigators. However, the investigations carried out into whether the evidence is genuine and whether the witnesses are telling the truth will have to be impartially verified again by the judge.
- e) While presiding over a trial, a judge should not be prejudiced against the accused, but should consider whether they have committed a crime or not; and if so, under what circumstances, and whether the crime was committed voluntarily or at the instigation of others. This is the main point for consideration during a trial.

- f) Where juries are involved in the judicial process, judges cannot be expected to agree with the jury in all cases because that would limit their authority. If the judge and the jury arrive at different conclusions, the judge's conclusion should carry more weight.
- g) Retired judges should be prevented from practising law.

11.5 The standard of judges:

- a) Because judges have the single most important role in the entire judicial process, they will have to be held to the highest possible standards. That is, judges will have to be people of the highest ethical, intellectual and judicial standard.
- b) Judges should be carefully selected from among those whose strength of character is irrefutable.
- c) Generally the number of judges in society is small compared to many other professions, and they are paid good salaries. Thus if proper effort is made, society should be able to find the required number of highly competent judges.
- d) If it is necessary to give greater responsibilities to judges to better administer justice, both the number of judges and the amount of their salary should be increased.
- e) The standard of judges should be closely monitored to see whether any degeneration has occurred in their intelligence, capacity for deliberation, or moral character.
- f) From time to time, as and when necessary, reports about the character and conduct of judges may be required by bodies representing the people.
- g) A judge who is a drunkard, of dubious character, or engaged in any form of antisocial activity has no right to pass judgement on others.
- h) Like judges, magistrates also will have to be people of the highest ethical, intellectual and judicial standard. All magistrates should be qualified lawyers.

11.6 The role of the jury:

- a) Judges may take the assistance of juries to help them arrive at a verdict in a judicial process. This will result in an increase in the importance in the jury system.
- b) The only criterion for the selection of members of the jury should be honesty. Educational qualifications and social status should not be taken into consideration.
- c) Local autonomous bodies should be given the responsibility for selecting members of the jury.
- d) Those who have vested interests, such as business people, brokers, political leaders and party workers, should not be made jury members.
- e) The final responsibility for a judgement should rest with the judge, not the jury.
- f) If the members of the jury become suspicious of the judge's conduct or dissatisfied with their behaviour during the course of a trial, the entire proceedings should be brought to the notice of a higher judicial authority before the judge delivers their final judgement in court.
- g) If the higher judicial authority shares the opinion of the members of the jury, it would be unwise to retain the judge.

11.7 The categories of criminals:

- a) In order to understand the type of crime committed by a criminal, and whether or not their offence was committed voluntarily or at the instigation of others, criminals may be classified into five basic categories.

- b) The first category of criminals is criminals by nature. Such criminals are born with a deranged mind, and the cause of their mental derangement is concealed within the defects of their body and glands.
- c) The second category of criminals is criminals out of habit. People can easily develop into habitual criminals if they have weak mental force or little moral integrity, or if social control is lax.
- d) The third category of criminals is criminals due to their environment. Environmental pressures cause some people to engage in antisocial activities. If they persist with such behaviour, they will become habitual criminals.
- e) The fourth category of criminals is criminals due to poverty. Most crimes throughout the world are committed due to poverty. Countries in which people have their minimum requirements of life met are exceptions to this rule.
- f) The fifth category of criminals is criminals out of momentary weakness. Sometimes a temporary criminal urge appears, a special type of mental disease which suddenly arises in a certain type of environment and again subsides after a short time.

11.8 The causes of crime:

- a) Poverty is the root cause of most crimes, but it is not the only cause.
- b) Even if the economic structure is sound, other factors which cause crimes may be present, jeopardizing social peace and discipline.
- c) With the eradication of poverty, crimes caused by keeping bad company and by personal difficulties may to some extent decrease, but there will be little decline in the number of crimes committed by born criminals or by habitual criminals.
- d) The obsession for power today and the considerable influence of political parties can gradually turn those involved in the practise of politics into habitual criminals. To prevent this possibility, the practise of politics will have to be transformed into a profession which is based on honesty, integrity and selfless service.
- e) Other causes of crimes, especially violent crimes, generally include: loss of judgement due to intoxication or extreme excitement; jealousy over property or wealth; a severe blow to one's prestige; uncontrolled passions or obsessions of various types; men fighting over or abusing women; and serious differences of opinion.

11.9 Capital punishment:

- a) As a matter of principle, capital punishment can never be supported. Capital punishment contains no corrective measures and has no purpose other than to instil fear in people's minds.
- b) In a civilized society, nobody has the right to take the life of another in the name of justice.
- c) No matter how bad the criminal offence, it is the responsibility of society to endeavour to ensure that every criminal has the opportunity to correct their behaviour and become an asset to society.

11.10 Mandatory sentencing:

- a) Mandatory sentencing is an arbitrary penal measure which is not intended to correct criminal behaviour.
- b) In fact, it contains no corrective measures and therefore should be abolished.

11.11 Prison reform:

- a) Prisons are not for punishing prisoners or inflicting penal measures on them. Rather, prisons should be regarded as corrective centres where prisoners are reformed of their particular type of criminal behaviour.
- b) If prisons are to become genuine corrective centres, prison environments will have to be made more wholesome and more humane.
- c) Prisons should not be privatized. Running the prison system should remain the responsibility of the government.
- d) Prison administrators will have to be trained in psychology and have the same type of qualities and abilities as a judge.
- e) Prisoners will have to be fed healthy food, made physically fit, taught ethical values and shown how to increase their mental strength. In addition, they will have to be taught how to develop their all-round human potential.
- f) While serving their sentence, prisoners will have to perform some type of useful productive work. They should not just live off the state.
- g) Once prisoners have completed their sentence, the government will have to arrange to find them suitable employment so that they will be integrated back into the community and able to earn an honest living.
- h) Alcoholism and drug addiction should be viewed as medical problems and not criminal offences. Thus, alcoholics and drug addicts should not be incarcerated in jail but cured of their medical problems in proper medical centres.

11.12 A universal penal code:

- a) A universal penal code will have to be adopted, one which is accepted throughout the world and applicable to all humanity.
- b) The solution to most complex social problems, except those social problems which are caused by various environmental factors such as natural calamities, may be found by implementing a universal penal code.
- c) It is not desirable for different laws to bind different peoples, countries or communities. People should not be separated from each other by artificial distinctions.

11.13 A global constitution:

- a) A global constitution also will have to be adopted, one which is binding on all the countries in the world.
- b) The global constitution should be drafted by a worldwide organization recognized by the people. That is, it should be drafted by the world government.
- c) The global constitution should contain a bill of rights. (For details on the bill of rights, see “The Political System”.)
- d) Once the world government is established, it should have the power to draft all primary law. National governments should no longer be permitted to have this power. They should have the power to draft only secondary law, that is, laws which are designed to support the primary law.

11.14 A worldwide court system:

- a) The supreme authority to judge or to try a person should be vested in the world court.
- b) The highest level of the world court should be a court of appeal.
- c) The creation of a worldwide court system also implies the establishment of a uniform, worldwide legal system.

CHAPTER 12

THE POLITICAL SYSTEM

12.1 The role of government:

- a) The role of government is to govern honestly and effectively and to serve the people. Its responsibilities include to ensure the defence and security of the country; to implement policies which guarantee increasing purchasing capacity for all members of society; to pay for the cost of the public education system; to provide essential services, such as the postal service; to maintain the health care system, including essential services such as hospitals and nursing homes; to promote cooperative enterprise; to establish autonomous bodies for various purposes; to build and support various infrastructure projects; to protect the environment; to initiate research and development programs; and to undertake various other projects.
- b) The less the government is involved in production and distribution, the better, and the less power it has in these areas, the better.
- c) The power of governments must be limited and clearly defined. Governments cannot be expected to solve every conceivable social problem.

12.2 Democracy:

- a) Democracy may be divided into two types: economic democracy and political democracy. Political democracy may be divided into restricted democracy and general democracy. Economic democracy always should be supported, and until a better system of government is developed, political democracy also may be supported.
- b) Restricted democracy is a better political system than general democracy.

12.3 The separation of power:

- a) The powers of the judiciary, legislature and executive should be clearly defined and separate from each other. A member of one of the branches should have no power over a member of any other branch. In addition, the members of the public service should be accountable to the chief secretary, and not to government ministers, and they must have the scope to act independently. Thus, government ministers should have no power over members of the public service.
- b) A fourth branch of power should be created: an audit department, headed by an auditor general.
- c) The audit department should have the power to audit the accounts of the judiciary, legislature and executive, including the various government departments, and the autonomous bodies.
- d) If the audit department finds evidence of financial mismanagement, it should have the power to initiate criminal proceedings.

12.4 Electoral reforms:

- a) Australia's electoral system should be reformed in several ways to minimize manipulation by politicians and political parties.
- b) Fixed four-year terms of parliament should be introduced in all territories and states, and on the federal level. All territory and state elections should be held at the same time, and they should take place in the middle of a four-year term of federal parliament.

- c) The Australian Electoral Commission should set out guidelines for the content of election manifestos. Candidates standing for election must publish their manifestos according to the Australian Electoral Commission's guidelines.
- d) Every candidate standing for election must sign their election manifesto in the form of a statutory declaration. If a candidate contravenes their manifesto once elected, based on their speeches and voting record in parliament and public comments, they should be charged with breach of contract and have to defend their actions in a court of law. If found guilty, they should be immediately thrown out of office and prevented from standing for election for a specified period. If a by-election results from their conviction, they should not be permitted to stand.
- e) All elections must be government funded. No candidate standing for election should be allowed to accept funds from any source other than the government. Thus, funds collected by political parties could not be used for fighting elections.
- f) Donations made to political parties must be limited to no more than \$1,000 per person or organization per year.
- g) All donations made to political parties must be placed on public record. Anonymous donations should not be permitted.
- h) The Australian Electoral Commission should directly manage all electoral matters. To ensure impartiality, it should be structured as a branch of the judiciary and headed by a high court judge.

12.5 Ethical voters:

- a) The right to vote should not be restricted by age, but should be given to people who have the following qualities: education, moral integrity, and socio-economic-political consciousness. Such voters may be considered to be ethical voters.
- b) The Electoral Commission should establish an electoral college of ethical voters.
- c) To ascertain whether or not people qualify as ethical voters, the Electoral Commission should conduct examinations. Such examinations should be designed to test whether or not people have the qualities required.
- d) Those who pass the exam should be issued a voting licence which entitles them to vote. (Thus, people would qualify for a voting licence just like they qualify for a driving licence.)

12.6 Ethical leadership:

- a) Every effort must be made to ensure that those who stand as candidates and assume positions of public office are ethical leaders.
- b) Candidates standing for election must be members of the electoral college. They also must have a history of social service, and proven expertise and administrative skills. Such requirements will help to ensure that leaders have the highest ethical standards.
- c) The constitution should contain the requirement that those in positions of power be ethical leaders.

12.7 An Australian republic:

- a) Australia should become a republic as soon as possible.
- b) Minimalist models of an Australian republic should be rejected. Rather, a comprehensive republican system should be adopted.
- c) Australia should establish a presidential system in which the president is both the head of state and the head of government.
- d) The roles of governor and premier on state level should be combined.

- e) The president and the premiers should be directly elected, and they should have the power to appoint the members of their administrations from among the ethical voters.
- f) The state constitutions should be abolished, and the state parliaments also should be abolished. The power to make laws should be vested solely in the federal parliament.
- g) The president should be restricted to serving two consecutive terms of office and the premiers to three consecutive terms of office.

12.8 A new constitution:

- a) Australia should adopt a new, democratic, republican, federal constitution.
- b) The principle of the separation of power should be enshrined in the constitution, and the role of the fourth branch of power, an audit department, should be clearly defined.
- c) An electoral college system of ethical voters and a system which requires leaders to be ethical leaders must be set out in the constitution.
- d) The constitution should include a bill of rights, which should guarantee: the security of plants and animals; increasing purchasing capacity; and fundamental rights, including rights such as the right of education, the recognition of one's cultural legacy, indigenous linguistic expression, and the freedom of spiritual practice. If the practice of any of these rights violates cardinal human values, that right should be immediately curtailed.

12.9 A world government:

- a) In the near future, a world government will have to be established.
- b) The world government should have two houses: a lower house and an upper house. In the lower house, representatives should be sent according to the population of the country. In the upper house, representatives should be sent country-wise.
- c) First bills should be placed before the lower house, and after their final acceptance, they should be duly discussed in the upper house. The upper house should not adopt any bill unless it has been passed by the lower house, but the upper house should reserve the right to reject the decisions of the lower house.
- d) Small countries which cannot send a single representative to the lower house will have the opportunity to discuss the merits and demerits of proposed acts with other countries in the upper house.
- e) Initially, the world government should go on working merely as a law-framing body. It also should have the right to make decisions regarding the application or non-application of any law, for a limited period, in any particular country.
- f) In the first phase of the establishment of the world government, the governments of different countries will have only administrative power. As they will not have the authority to frame laws, it will be difficult for them to inflict atrocities on their minorities.
- g) There should be a world militia, but the numerical strength of the military should be gradually reduced. The need for a military force will always remain.
- h) Besides divergent national interests, the main obstacle to the formation of a world government is the fear of national leaders that they will lose their leadership.

12.10 A change in social outlook:

- a) The establishment of a world government will be the result of a change in social outlook among the people of the world.

- b) Other changes that will need to accompany the establishment of a world government include: i) the acceptance of a common philosophy of life: such a philosophy would be based on the understanding that progress and development must occur in all spheres of human life: physical, mental and spiritual; ii) the establishment of a common constitutional structure: this would involve the adoption of a world constitution that would contain a bill of rights; iii) the creation of a universal penal system: this would mean the establishment of a penal system that would be binding on all the people of the world; and iv) the guaranteed provision of the minimum requirements of life: this would mean that proper food, clothing, housing, education and medical care would have to be made available to all members of society through guaranteed purchasing capacity.

12.11 A change in collective psychology:

- a) A profound change in collective psychology is in the process of occurring: capitalist collective psychology is in the process of being replaced by a martial collective psychology. This change will have far-reaching social and economic ramifications.
- b) It also will have far-reaching political and constitutional changes. It is quite possible that democracy will be replaced by another form of government.
- c) In the post-capitalist martial era, ethical martial leaders and spiritual warriors will have the responsibility of leading society.

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