



# **Study of the Baha'i Writings on Economics**

**Talk**

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# Introduction

There is no doubt that the subject of Economics is one of the most important and overwhelming questions of our time. Whether at the individual level or at the national level, everyone is trying to solve their economic problems. The economic situation of the world at present is in a state of confusion and mankind is looking for a solution. But there does not seem to be a solution in sight except in re-examining the fundamental values and standards of the present economic system and replacing them. We have to keep in mind that the present economic system is a by-product of the old order which is dying out. It is dying because of the separation of economic advancement from spiritual advancement and because of the exclusion of spiritual and human values in the formulation of economic theories. The present economic system is a system without life and spirit. In 2008 the economic system of the world almost collapsed due to greed and a lack of morality in the system. Even though some insiders knew that their actions were wrong, they did not do anything to correct them. In spite of economies becoming more interdependent due to technological advancement and the flow of information, the hearts of people are far apart.

We are in the stage of transition from a system that is fundamentally decaying to a new system but its outlines have yet to be defined. As Baha'is we are assured that the World Order of Baha'u'llah will bring with it a new economic system with its foundation in the hearts of people. But until then, it is essential for us to increase our understanding and knowledge of the Writings on the subject. We know that there is no "Baha'i economic system" at this time but there are guidelines within the Writings. In future, the Universal House of Justice, in consultation with Baha'i economists, will formulate a Baha'i economic system. In the meantime, we need to examine the present economic system in the light of the Baha'i Writings and get involved in the economic life of our society. Our participation will set the example for the rest of the world and at the same time prepare the ground for the time when the World Commonwealth will come into being. The Universal House of Justice reminds us that our economic actions should reflect our spiritual beliefs.

***"Nevertheless, there are certainly practices a Bahá'i would eschew, such as dishonesty in one's transactions or the economic exploitation of others. Faithful adherence to the divine admonitions demands there be no contradiction between one's economic conduct and one's beliefs as a Bahá'i. By applying in one's life those principles of the Faith that relate to fairness and equity, a single soul can uphold a standard far above the low threshold by which the world measures itself..."***

*-Ridvan Message 2012*

Great care should be taken, while doing so, not to get lost in discussing details and the technicalities of economic systems and in keeping the focus on the full picture. The economic field is vast and traditionally a setting for long and argumentative discussions with no definite conclusions. Avoiding this pitfall is important. It should also be made clear that our aim is not to discredit the economic thoughts or the economists of the past and present. Instead, we can appreciate their hard work in formulating economic theories which have led to the present

system. To the best of their abilities, they have tried to solve the problems of an ever-changing world. Their failure to do so is humanity's failure to recognize the spiritual needs and destiny of man. Their solutions to the problems without divine guidance were doomed to fail.

Through this study of the Writings, we will increase our understanding of the importance of the changes that needed to happen and to what extent we are the agents of change. We are witnessing the turning-point of human history and standing by is not the solution. Actions based on sound understandings of the Baha'i Writings and whole-hearted commitment to transform the economic side of our lives is needed. In that way we are laying the foundation for the new system that has been promised throughout the ages – the golden age of human history.

Abdu'l-Baha states:

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

- Abdu'l-Baha, The Baha’i World, Volume 1V, p. 448

Shoghi Effendi further explains the above statement:

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

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

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

-Abdu'l-Baha, Portals to Freedom, p.156

Abdu'l-Baha summarizes the state of our world’s affairs and explains the nature of the problems:

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

-Abdu'l-Baha, Foundations of World Unity, p. 38; and Star of the West, Vol. XIII, p. 227–228.

The other problem, survival of the fittest, which originates in human nature, has followed man from the days when he lived a primitive life in the jungles to the present time. Nowadays it is called:

## COMPETITION

***“This [survival of the fittest] is the very source of error and misapprehension in the opinions and theories of men who fail to realize that the world of nature is inherently defective in cause and outcome ....and that the defects therein must be removed by education.”***

-‘Abdu'l-Bahá: The Promulgation of Universal Peace, p. 400. (Talk dated 7 November 1912 in Washington, D.C.)



A key feature of the divine economy which differs fundamentally from other economic theories, is the recognition of the importance of the spiritual advancement of man, along with his material advancement.

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

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

Unlike the popular belief today that material advancement brings happiness, Baha'u'llah reminds us:

***“O SON OF BEING!***

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

- Baha'u'llah, Hidden Words (Arabic), #55

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

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

## **VOLUNTARY SHARING**

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

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

The most crucial mistake that the economists have made is their failure to recognize man's high station. So it is not surprising to see man being reduced to one of the factors in production (labour), along with land and capital. In their theories, the definition of man has been very limited. He has been depicted most of the time as a selfish and greedy being who has no other goal except satisfying his own needs (consumer) without regard for the welfare of others. This view is far removed from what God has ordained for man. Baha'u'llah explains:

***“The station of man is great, were he to cling to truth and righteousness and be firm and steadfast in the Cause... His station is the highest and his signs are the educator of the world.”***

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

This is Abdu'l-Baha's guidance to assist man to achieve his true station by balancing his spiritual and material efforts.

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

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

## **WORK AND PROFESSION**

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

-Shoghi Effendi, Directives of the Guardian, p.83 (Letter written to National Spiritual Assembly of the Baha'is of USA and Canada, dated March 22, 1937)

## **ECONOMIC RESOURCES**

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

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

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

## **ECONOMIC BARRIERS**

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

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

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

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

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

## **WORLD CURRENCY**

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

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

## **WORLD COMMONWEALTH**

In the light of the Writings we have studied, it will now be easier to understand the vision of Bahá'u'lláh's world commonwealth.

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

-Abdu'l-Baha, Foundations of World Unity, p.10

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

-Bahá'u'lláh, Synopsis and Codification of the Kitab-i-Aqdas, p. 27

***“It is the superstructure of that self-same order, attaining its full stature through the emergence of the Baha'i World Commonwealth - the Kingdom of God on earth - which the Golden Age of the (Baha'i) Dispensation must, in the fullness of time, ultimately witness.”***

-Shoghi Effendi, God Passes By, p.26