

Prout's Concept of Balanced Economy: A Solution for Japan's Economic Crisis

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This paper outlines the Proutist concept of "Balanced Economy" which, contrary to free trade theory, proposes that all healthy economies require more or less fixed proportions of labour in the various economic sectors and that maintaining such proportions is a vital factor in both national and international stability. The paper contrasts the moral, economic, social and environmental implications of current economic thinking with those of balanced economy and argues that Japan's prolonged recession is a manifestation of natural, social and economic forces working to push the Japanese economy back towards a balanced state. It concludes by showing how, having understood the direction of these forces, progressive elements might facilitate this healing process through a renaissance in agriculture and rural industries.

Keywords: alternative economics, Japan futures, ethics

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Journal of Futures Studies, November 2000, 5(2):129~144 129

Introduction

Economists supporting free trade argue that there should be division of labor amongst the world's economies with each country specializing in the area of greatest natural advantage. As early as the Meiji era however, Japanese intellectuals, searching for models for Japan's economic development, saw through to the real implications of the free trade policy. Sadamasu Oshima, a leading Meiji period (1868 -1912) intellectual, said, "the ultimate implication of the theory of free trade is that agricultural nations must remain agricultural and industrial nations must remain industrial"¹. Such early insights lead to Japan making strenuous efforts to build up its industrial and military capacity so that it should not be forced to accept unequal and exploitative trade relationships. More than a hundred years later Oshima's insight remains true, however now Japan is an industrial giant, occupying a very large share of the global market and, to that extent, limiting possibilities for industrial development in third world countries and having a painful impact on the industries of competitors such as America and Europe.

What Oshima did not realize however, was that over-industrialization can also threaten the viability of the host economy. Japan itself is now suffering from the effects of over-industrialization: Centralization of the labor force in large cities has created restrictions on land and living space, choking the expansion of the building and household goods industries, the main engines of the domestic economy. Emphasis on re-investment in industrial capacity rather than distribution of profits in wages and salaries has resulted in domestic demand lagging behind production, also weakening the domestic market. Excess of investment capital and loose financial controls produced a speculative bubble which, when it burst in 1991, caused a wave of bankruptcies and financial insecurity which further sapped the capacity of the domestic economy.

On the international scene, appreciation of the yen, rising production costs and the growing quantity and quality of industrial exports from the Tiger economies and Mainland China, are reducing Japan's domination in the industrial sector. Unlike Europe and America, Japan has not developed a competitive agricultural sector nor has it demonstrated the culture of creativity necessary to become a leader in the services and information industries. This leaves Japan with little room to maneuver. Add the Asian crisis and a general slowdown in the world economy and the outlook for Japan is grim. As Ravi Batra² points out, specialized economies are more vulnerable to changes in the global economic environ-

ment than diversified economies. This puts a question mark on the so-called Japanese model of economic development with its virtually exclusive prioritization of industrial exports.

The weakness of the Free Trade System and the idea of "Greatest Natural Advantage" is that it is subject to exaggerated fluctuations which create suffering and instability for almost everyone (at least amongst the working classes) sooner or later. Natural advantages tend to be temporary and influenced by changing labor costs and the spread of technology. Such a temporary combination of factors permits spectacular growth in particular economies for a certain period of time. Despite allowances for the overall growth of the world economy, to the extent that the expansion of a particular economy overflows its own borders, the labor forces of other countries are affected, causing retrenchment, falling purchasing capacity, redeployment in poorer sectors, or the simple continuance of lack of opportunities apart from subsistence agriculture. Once the period of spectacular growth is over, these very same problems return to cause similar sufferings amongst the workforce of the now contracting economy. Furthermore, while it may sound nice to say that everyone should do what they are best suited for, some sectors are more profitable than others, and in reality everyone wants a piece of the wealthiest pie. Ravi Batra illustrates the absurd situation that this leads to: "There is not enough global demand to support excessive production of manufactured goods in every country. The auto industry is a case in point. In Japan the production capacity for cars is at 12 million autos per year. In the United States the total (production) capacity is for 20 million cars. But the combined auto demand in the US and Japan is for only 22 million cars. There is then extra capacity for 10 million cars in the two countries. This is one reason for currently stagnant wages in both nations."³

The idea of Greatest Natural Advantage, like a great deal of modern economic theory, is really a way of justifying greed. Imbalances, however, are never tolerated by nature for long. In the absence of self-imposed moral restraints, we find the scales being righted by means of recessions, depressions, terrorism, outbursts of racist anger, war and revolution. Nature herself, responds with floods, droughts, disease and other natural disasters. Seeing all this suffering and understanding the underlying message that imbalanced development is unsustainable in the end, would we not be better off making our own efforts to establish balance rather than leaving it in the hands of the harsher forces of retribution?

The Spiritual Basis of Balanced Economy

Before focusing on the specifics of balanced economy let us briefly examine the world-view which gives rise to it. Balanced Economy is part of a larger socio-economic theory known as PROUT or Progressive Utilization Theory, formulated and expanded upon between the years 1959 and 1990 by the great Indian social thinker, P.R. Sarkar.

Prout is based on a spiritual view of life. The universe is seen as a living entity moving in a cycle from consciousness to matter and back to consciousness. Consciousness is condensed to matter. From matter life-forms emerge and from life-forms consciousness evolves. Within this cycle, every unit of life, once having emerged from matter, is in a process of evolution, knowingly or unknowingly seeking to liberate its potentiality of consciousness. The ideal society is seen as one that both sustains and facilitates this process not just for human beings but for all life. In the Prout view, the underlying universal momentum towards consciousness is considered irreversible. Social and economic systems which support this momentum will be invigorated and sustained by it, achieving lasting success. Whereas systems which attempt to oppose this momentum will initiate a conflict of forces leading inevitably to their own downfall. As such, in the field of social and economic planning, the primary key to enduring vitality and sustainability lies in understanding and facilitating the universal flow of life towards higher consciousness.

Balanced Economy

Over-development or under-development in any country creates economic and political imbalances which disrupt the progress of human beings in general and have catastrophic effects on other life-forms. No country can hope to benefit from such a system for any length of time. Nine years of recession in the Japanese economy is an example of this fact. Therefore Prout advocates the concept of "Balanced Economy." If the global community accepts and promotes a system where no country holds a disproportionate share of the lucrative manufacturing sector we can assume that gradually all economies will conform to similar proportions according to the peoples needs for various types of goods.

Such proportions, shaped in the spirit of fairness, will prove beneficial and enduringly successful for all countries. Deviation from these balanced proportions, on the other hand, will encourage the decline of even the most prosperous economy. At the start of his discourse on bal-

anced economy the founder of Prout, P. R. Sarkar, makes a fascinating assertion about the decline of prosperous cities and states. He says, "There are three main reasons why cities and states in the past lost economic balance and declined after achieving the height of prosperity. First, if the city or state developed following the course of a river system and the river suddenly changed direction or dried up, its economy was adversely affected. Secondly, if industries moved away from rural villages, the balance of the economy was also destroyed. The third reason was a defective educational system. If there are defects in the rural educational system and the social system, economic balance is lost."⁴

The Proportions of Balanced Economy

What then are the proportions of a balanced economy? Emphasizing the needs of poorer nations, Sarkar gave his original figures for undeveloped economies having no non-agricultural industries. Such countries could still have a balanced economy if village industries (agrigo and agro-industries) were well developed and the number of people directly engaged in agriculture could be kept within 40% of the population. His proportions are as follows:

Sector of Economy	% of Population
Agriculture	30-40 %
Agrico Industries (agricultural inputs, equipment, etc)	20%
Agro Industries (processing of agricultural outputs)	20%
Trade and Commerce	10%
Intellectual or White Collar Jobs	10%

As the economy develops and non-agricultural industries are created, the labor-force for this sector can be formed by reducing the number of people directly engaged in agriculture, agro-industries and agrigo industries. If the percentage of people engaged in non-agricultural industries is kept within 20-30 % Sarkar indicated that this was the state of a really balanced economy. The proportions of such an economy might resemble the following:

Sector of Economy	% of Population
Non-agricultural industries (steel, oil, chemicals, etc.)	25%
Agricultural Sector	25%
Agrico Industries (agricultural inputs, equipment, etc)	15%
Agro-industries (processed agricultural outputs, e.g. bread, etc.)	15%
Trade and Commerce	10%
Intellectual or White Collar Jobs	10%

Once the number of people engaged in non-agricultural industries exceeds 30% an economy becomes "over-industrialized" and has to attempt to bring agricultural countries under its control as satellites, using them as sources of cheap agricultural products and as markets for their consumer goods. Competition for such satellites has been the primary cause of wars in the industrial age, including the Cold War between the United States and the Soviet Union. Loss of such markets results in economic depression and unemployment, a fate suffered in varying degrees by Germany after World War 1, Britain after World War 2, the United States and Australia as Japanese goods dominated world markets, Russia after the loss of Soviet satellites and now Japan as China and other Asian economies grow in industrial strength. It is interesting to note that as the Asian industrial age gets into top gear regional conflicts are now at the top of the agenda in recent ASEAN talks.

Sarkar also warns that if the number of people engaged in agriculture falls below 30% (20% in developed economies, allowing for the expansion of non-agricultural industries) agriculture will be neglected. In 1998 only 4% of the Japanese population were engaged in farming. Agricultural produce was 2% of gross domestic product and Japanese self-sufficiency in food was estimated at 30% and declining. Many Japanese consider this a serious potential threat to national security. Apart from security of food supply, human beings also need an agricultural sector to maintain a link with nature. No amount of appliances can make up for the loss of this link. Sadly most Japanese live in an unbroken urban sprawl utterly suffocating to the human spirit. Sarkar warned in 1986, "The harmful internal consequences of over-industrialization not only affect the personal, social and national health of the people, they also precipitate gradual individual and collective psychic degeneration. A type of psychic epidemic may arise which can poison almost all expressions of life and destroy them. This may not happen today but it will surely happen in the very near future."⁵

Questions Regarding Balanced Economy in the Light of Current Trends and Future Possibilities

In the U.S. and many Western economies both the agricultural and the industrial sector have dwindled and the largest percentage of people work in the services sector. In the U.S. 3% of the population work in agriculture, 26% in industry and 71% in services. Considering the booming U.S. economy it may be asked, "Does this not contradict the logic of balanced economy?" Here we have to question the means by which the health of the economy is measured. If it is measured in company profits then the U.S. economy is performing well. However, if we use real wages and purchasing capacity as the measurement it is another story. According to Ravi Batra⁶ real wages reached their peak in the United States during the mid 1970s when the United States was still a diversified or balanced economy. In the 80s and 90s the proportion of manufacturing fell sharply. Now real wages for some service workers are below those prevailing before the First World War! In reality only a small percentage of people are benefiting from the so-called boom. The average worker is working harder and longer for less. This shows that behind the American boom there is tremendous exploitation of labor.

With falling real wages how does the U.S. maintain such a high level of consumption? Banks have extended credit freely allowing the household savings rate to turn negative and thus keeping demand artificially high. In other words, the real decline in purchasing power is being hidden by debt (the U.S. foreign debt is presently \$2 trillion). This suggests that the boom is unsustainable and that the crunch, when it finally comes, will be all the worse for the delay.

The United States, with only 3% of the labor force employed in agriculture, is nevertheless an agricultural exporter. This also appears to undermine the logic of balanced economy. Yet if we look deeper we see that such a low percentage has been achieved at the cost of environmental abuse and social injustice. Most agriculture is now conducted by agribusinesses employing heavily mechanized mono-cropping techniques and large amounts of chemicals over very large acreage. Such practices require huge amounts of investment capital and have enabled them to bring prices very low putting all but the largest landowners out of business. As a result middle class farmers, have also been tossed into the low-wage service sector. If profits were distributed more equitably (Prout advocates agricultural cooperatives) and sustainable farming techniques were employed the agricultural sector would support a larger percentage of

the population.

Some futurists suggest that as a result of technological development the day is not far off when only ten percent of the world's population will work. Does the concept of balanced economy have any relevance in such a scenario? If this vision is the logical endpoint of current trends it means decreasing numbers of people working longer and harder for less under pressure from technological development, oversupply of labour and threat of cheap international competition. Here technology really benefits nobody but a tiny minority of capitalists. Integrity and economic independence are equally desirable to all human beings. The ninety per cent of people without work will certainly be, to a greater or lesser extent, marginalised. The social, economic and environmental tensions created by "progress" towards such a vision would most likely upset the process long before the figure of ten per cent is reached. This vision assumes tremendous technological development and minimal, even negative, moral development.

Sarkar's vision of the benevolent application of technology is a society where everyone has the dignity of employment yet there may ultimately be no need to work more than five minutes a week! The remaining time could be spent in recreational, cultural and spiritual pursuits. Even in a highly developed world environmental sustainability, economic democracy and the great variation of conditions and resources from place to place point to the need of bio-regionalism and regional self-reliance. However small the amount of labour required to produce necessities, the principle remains that this labour should be distributed in a balanced way amongst the various components of the economy. The components themselves may indeed change over time but the principle that an economy should maintain all necessary components (as opposed to specializing) and keep balance amongst them should remain universally valid.

Sarkar's vision is based on the ultimate victory of rationality and co-operative and humanitarian sentiments. If in the future, these sentiments become so universally and firmly established that it is no longer necessary to protect one region or group of people from another, then it is conceivable that the relevance of balanced economy will be diminished. However, we see that it is moral development rather than technological development which will be the deciding factor. Fortunately there are signs that the moral development required to materialize this vision is occurring as well, at least in some places. In Germany for example, we find workers promoting reduced working hours and job-sharing in or-

der to create job opportunity for others. It remains to be seen which trend will be the stronger and how long it will take for the penny of cooperation to finally drop.

Often today we feel that economic logic and moral logic fail to coincide. Yet from the Proutist perspective if something is right it should be consistently right on all levels and if something is wrong it will prove wrong on all levels. Balanced economy makes sense economically, socially, ecologically and morally: On the economic level it offers stability, security and prosperity; On the social level, diversity, integrity and freedom from war; On the ecological level preservation of our relationship with nature and elimination of the environmental impact of unbalanced development; And on the moral level, the priceless sense of a "live and let live" relationship with all creatures. The strength of Balanced Economy comes from a harmony with underlying universal laws that all of us are familiar with in our innermost hearts.

Applying Balanced Economy in Japan

The Japanese economy faces substantial indicators that the present level of industrialization is no longer sustainable internationally or domestically. Internationally it is threatened by a combination of world over-capacity, the high value of the yen and the growing indebtedness of its major consumer, the United States. Domestically, despite all-out efforts to stimulate the economy and rejuvenate the banking system, domestic demand is not responding. Here in Japan there is an almost fatalistic sense of worse to come - that the old era has come to end and that trying to revive it is like flogging a dead horse. Before people will begin buying more cars, houses and household goods, they want space, better living conditions, a healthy environment and a future they can believe in.

As yet, however, no new direction has emerged. The most painful decision and the most difficult break with the past will be to reverse the trend of sacrificing agriculture for industry. At present the economic relationship between the U.S. and Japan could be described as a mutual agreement to destroy each others industry and agriculture. U.S. industry for Japanese agriculture. As outlined above, both economies suffer, and in the end, due to the difference in value of the different sectors, the relationship can only be sustained by debt. To reverse this trend will cause a lot of yelling from U.S. farmers and Japanese manufacturers. But

the writing is on the wall and in the unemployment queues, the question is only whether Japan walks into its fate or falls into it. Through incentives, training and education, and (in the Prout model) local government investment in key industries, governments can and do influence the course of development.

In many ways conditions in Japan are ideally suited for a shift towards the agricultural sector. Japanese farmers are unable to meet the huge domestic demand for food production (especially organic food) and there is a great labor shortage in this sector of the economy. With training, support and a focus on developing the same level of efficiency as achieved in Japanese industry, unemployed workers from the industrial sector could readily find work in agriculture and related pre and post production industries. (Note: Japan's own history also provides a precedent: At the end of World War Two the Japanese government put great effort into agricultural development and was successfully able to absorb the labor of thousands of unemployed soldiers and migrants returning from overseas.)

Benefits of a Shift Towards Agricultural Development

Here are some ways in which Japan and the world would benefit from such a shift:

1. Reducing trade friction as Japan becomes less dependent on either exports or imports.
2. Creating new and more secure employment based on local demand.
3. Safeguarding national security by increasing food self-sufficiency.
4. Lessening the weight of international pressure on domestic policy enabling local people to make decisions on the basis of local needs.
5. Decreasing Japan's vulnerability to international economic fluctuations and other unforeseen events through greater reliance on domestic consumption.
6. Decreasing overcrowding in major cities.
7. Stimulating economic and cultural revival in rural areas and a more balanced life-style for the whole population.
8. Comparatively more and cheaper land in the countryside will encourage the population to build more and bigger homes. This in turn will stimulate demand for furniture, appliances and other items creating a great stimulus for the economy. (Note: Professor Ravi Batra focuses

on the building industry as the key to Japan's economic revival, however, the building industry is unlikely to develop significantly as long as the population remains concentrated in urban areas where land is extremely expensive.)

9. Decentralization of the population through shifting economic development towards agriculture and rural industry is a necessary precondition for invigorating the building industry.
10. Benefiting the environment through reduction of industrial and transportation pollution and the negative effects of overcrowding. If organic farming is emphasized, the benefits will be even greater.
11. Reversing the trend of loss of manufacturing jobs (or failure to develop them) in countries where local industries have not been able to compete with Japanese imports. This will see a more balanced and regionally self-reliant development of the global economy. In the long run there will be more opportunities for mutually beneficial trade when the world is not divided so starkly into haves and have nots. The global economy as a whole will advance with greater speed and stability.

Overcoming Obstacles to Agricultural Regeneration

In order to make such a transition four major problems would have to be overcome: Scarcity of Land; Small and Inefficient Land Holdings; Lack of interest in Farming and; Obstruction From Vested Interests. These problems could be dealt with in the following ways:

Scarcity of Land

Japan is slightly smaller than California yet has a population 126 million. Only 30% of land is cultivatable and this thirty percent has to be shared with industry and residential needs. To increase agricultural development land could be acquired from the following sources:

1. Reactivation of un-utilized agricultural land abandoned in favor of more lucrative work in once booming industrial sector (Japanese farmers abandoned 380,000 hectares of productive land between 1945 and 1990).
2. More land is used for golf-courses and holiday resorts than farming. Many of these are now languishing due to the economic slump. This land could be reconverted to agricultural use.
3. Land made available through reduction in industrial facilities.

4. Development of remote areas.

Small Inefficient Land Holdings

One of the main obstacles to creating an efficient agricultural industry capable of meeting local demand is the high prices and short supply of Japanese food products which in turn has increased pressure to open Japanese markets to foreign competition. Part of the reason for this has been the size of agricultural holdings. Ninety percent of Japanese farms are less than two hectares in size. This makes it difficult to apply economies of scale and modern agricultural technology effectively. What is more, Japanese farmers are reluctant to sell their land, making it difficult for consolidation of land-holdings. On the one hand, this has prevented the advent of U.S. style agro-businesses and the resultant demise of the family farmer which is good. However, the cost has been high prices and shortage of supply for the consumer.

This problem could be overcome by adoption of agricultural cooperatives. Japanese have adopted cooperatives extensively at the level of marketing their produce and ensuring good prices; however, they have resisted breaking down family holdings in favor of large scale cooperative farming. As long as government policies scaled back agriculture in favor of industry, shortfalls could be conveniently made up through imports. However, if a reverse policy is adopted the problem of inefficient small land-holdings will have to be addressed. This could be done in a number of ways:

1. Create successful examples of large scale cooperative farms on new and un-utilized land-holdings using unemployed workers from the industrial sector re-trained in the cooperative model of farming.
2. Encourage existing farmers to participate in the second phase.
3. Ensure that cooperative laws are strong enough to make farmers feel secure about their land rights.

Offer financial incentives to cooperative farms and adopt an extensive program of education about cooperatives and their benefits.

Lack of Interest in Farming

Small scale labor intensive farming is back-breaking work which many people would find an unattractive alternative to a job in the city. This is another reason why young people have abandoned rural areas. To attract people back to rural life the government should apply the same zeal

towards the development of agriculture which it did towards industry in Japan's period of rapid industrialization.

According to Prout, agriculture should be run just like an industry. Combined with the revitalization of rural industries and culture, development of modern agricultural methods, reduction in working hours, large-scale cooperative farming and an important research component, agricultural work could be made more varied and attractive, making use of all the technical, managerial and intellectual skills presently focused on industry. As agriculture expands so too should industries processing agricultural products and supplying agricultural needs (agro and agrico industries) creating further diversity in rural employment.

Vested Interests

Tax concessions, credit and other forms of incentive have facilitated the development of Japanese industry. Powerful vested interests will certainly resist attempts to shift such incentives towards agriculture. So too will the agricultural exporters in the United States. Nevertheless, at the beginning of Japan's push for industrialization powerful landlords were in the majority and Western nations had forced Japan to open its markets to manufactured goods. Pro-modernization reformers were assassinated and the progressive minded Meiji government faced armed rebellion on several occasions. In the end however the need of the hour prevailed, vested interests were overridden and increased industrial and military power enabled Japan to renegotiate unfavorable trade agreements. The environment today clearly indicates that Japan's emphasis on industrial exports has exceeded its usefulness and become counter-productive. Once again, courageous leadership will be necessary, but the need of the hour will eventually prevail.

Grass-roots Movement Has Already Begun

The Japanese bubble burst in 1991 and now in 1999 the economy shows negligible signs of recovery despite numerous stimulus efforts. More than 5% of the workforce are unemployed, exceeding U.S. unemployment figures for the first time since the war. Those who still have jobs are worried about losing them. Small businesses are struggling to stay afloat and the number of bankruptcies continues to rise. Growing numbers of people, concerned at how they will feed themselves and their families, find themselves thinking that a rice-field and a vegetable patch

somewhere might be a wise precaution against disaster. A few have already taken the initiative and their efforts are being watched closely by friends and acquaintances adding to the general stir and uneasiness.

The scenario of an exodus towards the villages is not as far-fetched as it might seem. In August last year an article appeared in the Japan times noting that Bangkok city officials were telling unemployed residents to return to their villages and take up agriculture. In Russia, amongst a population accustomed to hardships, the long-time tradition of maintaining a family vegetable plot has recently proved its worth yet again, saving many from the real threat of starvation.

Anticipating such a shift could prevent a lot of hardship. Availability of training in organic farming methods and receptive and cooperative rural governments and communities could help city migrants make the adjustment more quickly.

Mobilizing Existing Structures

An excellent vehicle for inducting city persons into rural life already exists in Japan in the form of '*Teikei*' cooperatives. *Teikei* are agreements set up between groups of farmers and city households where farmers sell organic produce directly to the households and the households give an advance guarantee that they will buy what the farmers produce. The element of community-building is a major feature of the *Teikei* movement. City members are encouraged to come out to the villages and help in their spare time as well as help in the process of finding new customers. Taking advantage of this relationship, city households facing unemployment could find it easier to shift to the countryside and engage themselves full-time in the process of farming or in other activities of the coop.

The *Teikei* movement has more than 16 million participants in Japan. This combined with huge demand for organic produce, positions it to play a major role in facilitating grass roots ruralization, should it decide to take up the challenge. Recently the idea of *Teikei* has taken off in Europe and the United States where it is known as "Community Supported Agriculture". There are now more than 1000 CSA farms in the United States.

Preserving Economic Decentralization

The American Occupation Forces assisted in the establishment of agricultural cooperatives known as "*Nokyo*" designed to increase the farmers' collective marketing power and ability to ensure good prices for their produce. *Nokyo* became a powerful institution, securing for farmers such important reforms as linking the price of rice (and thus farmers' income) to rises in incomes of workers in the manufacturing sector. This reform (without parallel in any other country) ensured that living standards for agricultural workers remained on a par with other sectors.

Traditionally farmers sent all their produce to market through *Nokyo*. However, *Nokyo* itself now suffers from the problems of being large, unwieldy and costly in its operations and increasing numbers of farmers are turning to other means of reaching consumers more directly and getting better prices for their products. The highly successful Seikatsu Club cooperative, originally a direct link between a small group of consumers and producers has also grown so large that it now has a costly bureaucracy and has lost a great amount of the sense of community which was so much a part of the original idea. The goal of Prout is to ensure the ongoing ability of the local people to retain maximum control of their economic well-being (economic democracy). Care will have to be taken that the scope and size of cooperatives is restricted primarily to their local areas, lest the cooperatives of today become the corporations of tomorrow and we are back where we started.

Conclusion and Summary

The concept of balanced economy indicates that economies are subject to natural laws dictating ideal proportions for each of the relative sectors. If due to greed or ignorance, these proportions are deviated from, people of one country, region or social group may temporarily gain while people of another country, region or social group temporarily suffer. Such an imbalanced state naturally cannot continue for a long time and nature's forces, seeking to restore the balance, will express themselves through recessions, depressions, social unrest, trade wars, physical wars and environmental disasters, causing untold human suffering.

By grasping and implementing the principles of Balanced Economy we can minimize this suffering. In Japan's case this means shifting the emphasis of development from the industrial sector to the agricultural sector and related pre and post production industries, until such time as

balance is restored. Conditions in Japan at the moment are ideally suited for such a shift with a huge potential demand for locally produced food, especially organic food. If the development emphasis is redirected towards the rural sector this will stimulate a shift in population from city to rural areas which, due to cheaper and greater availability of land, will effect a boom in the housing industry that will in turn flow on to other industries and benefit the entire economy.

Due to vested interests, if the government is slow to shift away from its emphasis on the industrial sector, we need not wait for the government. Organic farmers and forward thinking members of rural and city communities can take advantage of existing cooperative structures such as the *Teikei* system, to offer training and support to the increasing numbers of unemployed city dwellers, helping them find a useful and satisfying role in the rapidly expanding organic food industry. If efforts are made to include environmental and cooperative education as a part of this transition, and to follow environmental and cooperative principles in the formation of new communities, this will establish the basis not only for a secure economy but also for a more balanced life-style, closer to nature and more in harmony with the original ideals of Japanese life.

Notes

1. Morris-Suzuki, 1989, p.61
2. Batra, 1998 p. 10
3. Batra, 1998 p. 9,10
4. As spoken by Sarkar (1992 p. 33) in a recorded discourse in Calcutta on Sept. 17, 1987.
5. Sarkar (1992 p. 36) from the same Calcutta discourse, 1987.
6. Batra, 1998 p. 10

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