

## THE GREATEST CHALLENGES FACING HUMANITY TODAY

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### The challenge- Human exploitation:

The greatest challenge facing humanity today, I would say, is exploitation of a group of people by other groups of people. It is I believe one of the most pressing problems today. Daily in the world we see people working hard, e.g. the domestic worker, the farm worker, the factory worker and so on. They leave home before we even get up from our beds, they walk and commute long distances to get to work because they do not have their own cars and in most cases they live far from their work places. Their work is hard and farm workers work in all weathers. Yet they earn a miniscule percentage of what we earn, and are treated as “second class citizens”. They are the working poor, they are not unemployed yet they have very little money to be able to live a comfortable life. Importantly they are not counted in the statistics of the poor.

The story of such exploitation of one group of people by another group of people, is an old problem plaguing humanity. Exploitation has taken many different shapes, e.g. patriarchy, serfdom, slavery, indentured labour, colonisation of indigenous people forcing them to work, taxing people so that they have to work to access money so that they can pay taxes, forcing prisoners to work on farms or on building roads and now we have sweated labour and bonded labour. The common feature is that society is divided into ethnic groups and the one ethnic group exercises its authority over the other. The authority is derived from various power relationships spanning over centuries of oppression of one form or another.

Why do they choose to work in these conditions? Is it because work gives them dignity; is it that they need to be occupied; are they lazy and so can only access these kinds of jobs; is society doing them a favour by offering them these jobs? These are important questions that economists should ask in order to understand whether these people have a choice at all. In my view all this is possible where large sections of communities live in poverty and it is the poverty which compels them to take on any job and to accept the exploitation as there is no other alternative. They have no choice. They live between starvation and exploitation but are not counted as the poor (Sen, n.d.)

Our society today is more unequal than ever before. The poor get poorer and the rich get richer. Within this situation we do have many ills such as violence, crime, corruption, drugs

and countless other problems which many people would see as the biggest challenge but digging deeper into causes rather than looking at the symptoms we see that all this arises from exploitation and poverty, it is part of a system that we are perpetuating.

### Exploitation an appendage of capitalism and neo liberalism:

This situation is created by the capitalist system which Kimberly Amadeo, President of world money watch and author of a number of books on the economy defines as, “Capitalism is an economic system where private entities own the factors of production. The four factors are entrepreneurship, capital goods, natural resources, and labor. The owners of capital goods, natural resources, and entrepreneurship exercise control through companies. The individual owns his or her labor. The only exception would be slavery, where it is owned by another individual or a company.”<sup>1</sup>

In more recent times towards the end of the 20<sup>th</sup> century, capitalism was replaced by neo liberalism which is defined as “Neoliberalism replaced modernisation theory as the official approach to development in the 1980s. It focuses on economic policies and institutions which are seen as holding back development because they limit the free market. The agreement by the World Bank and IMF that neoliberal policies were the best path to development is referred to as the Washington Consensus following a meeting in Washington by world leaders in 1989.”<sup>2</sup>

In my simple language, all this means - Some private individuals control the means of production, employ labour, exert influence on governments through bribery and corruption, get governments to create a free market economy which gives them all the power to be able to access services such as electricity, water, land roads etc so that they can set up their industries and be encouraged to do that without government interference.

This results in the situation where governments enable these businesses to earn a maximum profit with very little obligation to give back, because the captured Governments make laws which keep the taxes for these companies at a reduced level because they want the industries to flourish. Their reasoning is that these companies offer employment to jobless people and enrich the country through their “investment”.

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<sup>1</sup> U.S. Economy- Capitalism Characteristics Pros Cons and Examples

<sup>2</sup> The Neoliberal Theory of Economic Development –posted on December 7 2015

In many countries the labour laws if they exist at all are kept at minimum standards so that exploitation of workers continues- We refer to this as the Free Market System because there is minimum interference or regulations by the government. The surplus money that these companies have can be invested at will so that there is little if any obligation on their part to invest these funds in the country where they operate.

But what is in my opinion the most despicable thing about this system is that Companies are able, under this system, to operate in secrecy. Monies are stashed in subsidiaries and tax havens. Some countries are able to enrich themselves by allowing such tax havens while other countries remain in impoverished conditions and their populations continue to suffer gross exploitation. In these countries Governments become weak, bribery and corruption thrives, exploitation flourishes and the countries are often destabilised through various kinds of devious tactics such as religious differences, class and caste differences and recently Xenophobia. All this leads to building a violent society and fear in the community.

#### Armaments and armies:

The wealth and power of the rich is protected by large armies and excessive purchase of armaments.

The Neoliberal system that we are all subjected to in one form or another. The most disturbing aspect of this system is that it is similar to “terrorism” and it uses terrorism to maintain its hegemony. Within this system we do not know where the attack will take place, we do not know who is the attacker and most times we do not know why the attack is taking place. This is because of the secrecy behind it and so people do not know how to handle the problem.

Not surprisingly it is these very companies that produce synthetic food, seeds, medicines and weapons. They create monopolies, and to guard their wealth they need a war economy and a corrupt government over which they can exert power. So in my view all the ills that we experience today are directly a result of this thinking and planning by these big companies.

#### War Economy to protect and to enrich:

According to PNND reports, we now have nuclear capability in over 19 countries in the world. The war heads of today are over 1000 times more powerful than the one used over

Hiroshima and Nagasaki and are now able to be detonated through remote control. Use of these weapons can result in the destruction of our planet. We know we should not use such weapons because we will not only destroy the so called enemy but also ourselves, yet we go on creating them and testing them at great cost both in terms of money and in terms of ill effects on the communities affected by the emissions, e.g. testimonies from people on Marshall Islands.(I-can conference Vienna)

The present confrontation between the United States and the Democratic People's Republic of Korea for instance is frightening. What happens to our planet if one irresponsible person decides to use its nuclear weapon?

#### No ethics and morality:

In this new market driven materialistic world there is no place for ethics and morality. It thrives on profit motives, it thrives on creating markets more often than not with false means made attractive to lure the gullible buyers to buy what they do not really need. Profit levels can only reach great heights if the cost of production is low and the price of the goods is high. That happens when we overwork our workers and under pay them- the terminology they use is “mean and lean” companies. There is no place for ethics and morality in this system.<sup>3</sup>

#### How much more can be achieved if the cost of defence is channelled to social services:

“The amount of money spent on the defence sector equals \$4.7 billion a day or \$249 per person. According to the World Bank and the Office of Disarmament Affairs (ODA), only about 5% of this amount would be needed each year to achieve the Millennium Development Goals by 2015. The military expenditure figures of the big spending countries are much higher.”<sup>4</sup>

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<sup>3</sup> *Sociological Forum* June 2002, Volume 17, Issue 2, pp 307–342 | *Cite as* *The Mean and Lean Firm and Downsizing: Causes of Involuntary and Voluntary Downsizing Strategies*

<sup>4</sup> *Opportunity Costs Military spending and the UN's Development Agenda p.16*

We speak of peace when our countries are building a war economy. We speak of peace in the midst of millions suffering from effects of poverty and deprivation.

#### Flight of capital from the developing countries:

Another issue of deep concern particularly to us in Africa has been the subject of a paper presented by Asha Ramgobin, my daughter, She writes,

“In response to the age-old question of why some powerful, rich people exploit those who are less powerful and poor, one dimension of the answer to that question: because they can.

Member states often compete with each other to see who has the best business climate, the most generous tax holidays, the best investor protection and other extremely lenient fiscal initiatives instead of uniting to demand fair deals.<sup>5</sup> Some describe this as a “race to the bottom”.

One of the primary ways through which tax is avoided is as a result of abusive transfer mispricing, trade misinvoicing and thin capitalisation practices. A 2015 report from Global Financial Integrity on the impact of illicit financial flows on the poor states that trade misinvoicing is now estimated to constitute up to 80% of all financial flows.<sup>6</sup>

At a more general level, tax is also avoided as a result of old, ineffective tax laws and tax laws that are not effectively enforced.<sup>7</sup> As stated above this situation is at times a result of inadequate knowledge and capacity to promulgate laws and reliance upon the major international accounting and legal firms to assist countries develop laws that these companies later use to the advantage of their corporate clients.<sup>8</sup>

A further branch of root causes of tax avoidance is the lack of transparency in commercial activities. Anonymous companies and other legal entities pose a major challenge to developing countries in particular as there is often no meaningful confirmation of beneficial ownership in all banking and securities accounts,<sup>9</sup> which makes it easier to conceal funds and thereby make illicit financial flows easier. Cobham in his report emphasised that illicit financial flows are by definition hidden and hence policymakers should be concerned with the extent of financial secrecy which is necessary to facilitate illicit financial flows at the national and regional levels as well as globally. He warned of the “specific risks posed from relatively financially secretive African jurisdictions such as Mauritius, as well as emerging issues such as the planned Nairobi international financial centre, or Gambia’s aggressive entry into the supply of anonymous shell companies.”<sup>10</sup> He highlighted the fact that all else being equal, **the easier it is to hide something, the more likely that something will be hidden.**<sup>11</sup>

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<sup>5</sup> Fjeldstad, p. 12

<sup>6</sup> See “Illicit Financial Flows and Development Indices 2008-2012” at page vii <http://www.gfintegrity.org/wp-content/uploads/2015/05/Illicit-Financial-Flows-and-Development-Indices-2008-2012.pdf> accessed on 15 June 2015 at 15h18

<sup>7</sup> See Forum Syd: “Bringing the Billions Back” at page 19

<sup>8</sup> See <http://www.theguardian.com/business/2013/apr/26/accountancy-firms-knowledge-treasury-avoid-tax> accessed on 15 June 2015 at 18h19

<sup>9</sup> See Global Financial Integrity: “Illicit financial flows and development indices” at page 24

<sup>10</sup> See Cobham: “Impacts of Illicit Financial Flows on Peace and Security in Africa” at page iii

<sup>11</sup> Ibid at page 7

These secrecy jurisdictions use both banking secrecy and low tax rates as selling points to attract business. They often deliberately develop a legal framework that makes it easy for transactions to be carried out by institutions and individuals who are not resident in their jurisdiction.<sup>12</sup>

The common perception is that most tax havens are located on small islands. While this is true geographically, politically and economically most tax havens are closely linked to major developed countries. Research has shown that many major law firms and accounting practices that are based in the City of London also operate out of satellite offices located in British Overseas Territories and Crown Dependencies.<sup>13</sup> Prof Ogutto stated that “many tax havens act largely as booking centres for instructions issuing from cities such as London, New York, Tokyo, Frankfurt, Paris and Zurich.”<sup>14</sup> She goes on to suggest that “major international banks make use of these jurisdictions because of their permissive regulatory regimes, zero or minimal tax rates, and their secrecy arrangements that entail the non-disclosure of beneficial ownership of companies and trusts.”<sup>15</sup>

#### The path of righteousness-Dharma:

All this Gandhiji would describe as adharma, or irreligious practices. Dharma means behaviours that are considered to be in accord with ṛta, the order that makes life and universe possible, and includes duties, rights, laws, conduct, virtues the sum total of which are the teachings of all our religions and could be described as the “right way of living” or living our religion- not just the rituals but the values taught by our religions.

Traditional societies lived these values to the best of their abilities. They produced food and shared it. Their children and the old and infirm and those afflicted with disabilities were cared for lovingly by their families, which comprised of a large number of people spanning generations.

An example from my country that I was confronted with was the story of a community that lived on the banks of a river in Durban for many years. Here they built their simple homes built of wood and iron with no electricity or tapped water in their homes. They used paraffin lamps coal stoves or paraffin stoves, some were able to acquire gas stoves and built their own pit toilets or a bucket system. They had access to a piece of land which they could till and grow some vegetables. People had their own little chicken run and managed to have enough chicken as well as eggs for their own consumption and also to sell, grew enough vegetables

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<sup>12</sup> See “Bringing the Billions Back” at page 19

<sup>13</sup> A. Ogutto: “Exposing and curtailing secret offshore tax shelters: the tools and the enablers. A call for vigilance in South Africa”, The Comparative and International Law Journal of Southern Africa (2011) Vol XLIV NO 1 at pages 32-33

<sup>14</sup> Ibid at page 33

<sup>15</sup> Ibid at page 33

for their own use and to sell to the richer families in the city nearby, built their homes to comfortably live with their extended families- grand mum and dad, mother and father and children and their spouses and grandchildren- 4 generations all living together in a home that they could easily extend as the need arises, with enough rooms to accommodate all of them.

Then one day there was a storm and their homes were gutted down as the river rose and burst over the banks into the homes, and the rain poured over them. Some homes withstood the storm but many were flattened. Families had to be evacuated. We organized shelter for them in a community hall until the storm subsided. It caused tremendous damage to their property –furniture and clothing were destroyed and families had to start from scratch to build up their homes. The government stepped in and built high rise three storey one roomed flats for them in an area that was almost 15 kilometres away from where they were living and 20 km away from the city centre where they sold their surplus vegetables and earned some money. The younger generation were able to walk to work.

But now living in the new area the families were split up or those with many children were crammed in their one room flat. They had no access to land to grow vegetables or keep chicken. The younger ones had to take several taxis to get to work and so much of their money was spent on transport costs. Life became miserable for the elderly and generally for the community as they now had fewer hours for leisure because of time spent on commuting. Some elderly and people living with disabilities had to seek shelter in state run facilities leading a life of loneliness away from their loved ones. They had no choice. They were forced to move by the government.

This is one scenario of modernism, better homes more safety and comfort in the sense that they had electricity, water, sewerages and refuse removal services but no family, no loving care and less money to spend. Life became a burden trying to meet all the bills as the municipal services come at a cost.

Gandhiji said, “It is not literacy or learning that makes a man, but education for real life. What would it matter if they knew everything but did not know how to live in brotherliness with their neighbours?” An unsympathetic government disturbed the communal life style of these people and forced them to live in a strange neighbourhood where it took years before they could make friends and establish a community.

We who worked in this area began to discuss a new way of looking at life, looking at developing a cooperative spirit, sharing ideas and work and earning together.

But when we depart from the truth or these values than we are practising adhharma or sin. When we see what modern society has done then we can understand why Gandhiji called it adhharma.

#### The huge difference between Varnas and the Caste system:

Another issue that Gandhiji spoke about and which he is criticised for is varnashradharma, this in summary is a scriptural description of life, wherein society is divided into 4 categories of functional groups. It describes these four groups in relation to occupations that people follow and these occupations are inherited, passed down from one generation to the next. The four are 1. The priesthood or people who teach religion, 2. Those who protect people and run the affairs of government. 3. Those who engage in business and the economy and 4. those who labour, and create goods, working with their hands. They were all interdependent and there was no hierarchy and there was no strong rigidity in its practice but it grew naturally. An illustration of its natural growth can be seen in the skilful designers who have worked over many generations in creating the beautiful garments that we see in India. Because of modernity they are now reaching a stage when their skills are endangered and will become extinct unless some incentive and interest is given to them. When visiting some of the highly artistic regions of India such as Jaipur you see how little children skilfully carve ornaments with unique patterns and work through them with a speed and precision that comes from early learning handed down from generation to generation.

This system was distorted over the years, many delineations were created and each category was ranked and a hierarchical caste system created with the place of the shoe maker, street sweeper and toilet cleaner at the very bottom of the hierarchy relegating them to untouchable status and the Brahmins at the top. They were considered to be of the highest rank and perhaps the unreachable. Thus began the notorious caste system, with the Brahmins the chief beneficiaries and the toilet cleaners the worst victims. They further added rigidity to the system completely denying any movement from one to another job/caste.

This remains a blemish on the Indian. While some of Gandhiji's writings indicate his acceptance of the varnashramadharm, what he did in his life time indicates a different



perspective. 1. He encouraged intermarriage between the different castes hoping that this would eliminate the system. 2. He objected to a separate voters roll for the lower castes because he believed that this would only help to entrench the system. This is what Ambedkar (A lawyer and leader of the so called lower caste) wanted as a prerequisite to the granting of independent status to India. He was persuaded by Gandhiji to withdraw this and was later entrusted with the task of drafting a constitution for independent India.

However Ambedkar used this power to entrench reservations for the lower castes in government, public service, universities and so on in the constitution. A result is that while the caste system is criticised and a strong Dalit movement exists in India, today many couples marrying across caste lines prefer to be recognised as the lower caste. Their children also prefer to take on the status of the lower caste. This is because they are able to access the reserved seats. It has raised much anger among the higher castes who are in the majority but are not able to access these seats. As Gandhiji had predicted under these circumstances the caste system will remain entrenched because people see an advantage in keeping it, even though there are atrocities committed against the poorer sections of the caste hierarchy. Exploitation is at the core of this system. The solution is in following the path of dharma.

Our dharma is that we should perform our duties as best as we can. Our dharma also decrees that we respect all God's creation. Our duties are based on our talents and our learning. Learning does not only take place in schools, but a lot of learning is from observation and practice and not from theory and rote learning.

We can see in this system a positive outcome in which we see learning happening through early exposure to the occupation of the parents. In modern society however we see exposure at an early age to friend circles or neighbourhood groups, where the child learns certain basic skills.

But while looking at some of the positive spin offs from the Varnashramdharma, there is undoubtedly a terrible exploitative trend in this system when it relegates millions of bhangis or cleaners, to a life of misery and gross exploitation with little if any prospect of being able to get out of this loop. According to Gandhiji's understanding the scriptural societal organisation was flexible and if desired one can move from one job to another freely and with

no consequences as there was no hierarchical difference. In Gandhiji's ashrams all had to take turns to do all the work from the most menial to the most sophisticated.

Dharma expects of us that we work not for what we get in material terms but for the love of it and as a service to the people. This service is not limited to just caring of people, but also includes menial tasks such as cleaning the toilets and the commons. He had three basic rules, 1. Do the work to the best of your ability, 2. Ensure that you do not leave any dirt for others to clean so each one takes care in keeping the place clean and 3. Take care of the environment and the animals in all the work that we do. In Gandhiji's view of society reflected in Hind Swaraj, doctors lawyers nurses teachers and so on work to help and build the community and not for what they will be paid or how much they will be able to earn from their work. This is dharmic living.

A devotee would work in a way that does not destroy the environment, but helps to conserve and heal. Dharma is an important way of thinking and living.

There was a story of a young agricultural graduate who visited a simple uneducated farmer and walked with him into the orchard. He then told the farmer, "You see this tree, pointing at the tree under which they were standing, will bear more mangoes than you have ever seen if you just use this fertilizer, and he gave the farmer a small packet. Use it just once a month around the tree. I will come back in six months to see your beautiful crop of mangoes." The farmer looked at him in amazement and said sure I'll try it. Six months later the graduate came back and seeing the farmer, eagerly asked him, "so did the tree yield a bumper crop of mangoes". The farmer shook his head sadly and said, "I religiously used the fertilizer for the past six months but there are no mangoes on that tree". They walked up to the tree and the graduate was taken aback when he saw the tree was laden with liches.

Something wrong with the education system? Do we need more humility. Education is key to new ways of looking at the world. New motives and ambitions based on ethics and morality, which are old as the hills as Gandhiji referred to them. They are contained in all our scriptures. We have to study them and move from memorising passages to practising what we learn. Gandhiji's life depicted that.

### Gandhiji began to transform his life style in South Africa:

He came to SA a young man of 24 with ideas of his own importance as a London qualified barrister. He wanted to live where the top lawyers and judges lived, he had to dress like them and his world view was determined by these ideas of status and elitism. He soon realised that no matter what he did he could not brush off the discrimination he had to face because he was not white. He soon realised the terrible atrocities that were committed against some of the Indian brothers and sisters who were brought to South Africa under false pretences and then indentured for 5 years, during which time they became the property of their owners. While some were treated reasonably, others were badly tortured and driven to commit suicide, killed while trying to flee and generally lived in miserable conditions. He soon realised that the sons and daughters of the soil, the African people were so badly treated in their own country. He wrote, “The Europeans were no doubt better dressed, better educated but not the moral superiors of the African peasant.”

Having read the scriptures, the Bible, the Koran and the Gita and philosophers such as Tolstoy and Ruskin, he changed his lifestyle, leaving a beautiful home in the city of Durban to live on a farm 22 Kilometers out of Durban, in a neighbourhood where predominantly African people lived and where there were no facilities, services or infra structure such as roads and transportation. Here he invited those of his friends who were prepared to try a new way of living. The system was based on the Kibbutz system of communal living with individual homes and people could cook their own meals or share. They grew vegetables, each had his/her own patch and kept a few cattle for a communal dairy. They devised their own natural remedies based on Gandhiji's reading of various naturopaths. They began to experiment with methods of conservation and use of waste for purposes of enriching the soil. They all prayed together each evening and morning and the prayers were recited in each of their religions, it was like a coming together of diverse peoples in one unique setting united in their values and their commitment.

From city luxuries to a simple basic living was a major transition in his life and this started in 1904, 11 years after coming to SA.

### Satyagraha- nonviolent action:

Another important experiment which Gandhiji started in SA was the nonviolent action against injustices. This is a powerful weapon which he started in SA and which was then adopted by many all over the world including Martin Luther King, Nelson Mandela and many others. He left this important legacy for posterity and named it Satyagraha. He maintained three important principles in pursuing this course. 1. He believed strongly that violence cannot help to resolve problems and once said, “an eye for an eye will end up making the whole world blind.” 2. He believed that ignoring injustice without confronting it was cowardice and that we must confront injustice wherever we see it. And 3 He believed that nonviolent action can produce positive results as it is caring and seeks to transform the other rather than to humiliate and defeat the other.

He trained people to participate in the Satyagraha movement. “The whole concept of *Satyagraha* was profoundly significant to me... It was in this Gandhian emphasis on love and nonviolence that I discovered the method for social reform that I had been seeking.” (Martin Luther King, Autobiography)

Gandhiji contrasted Satyagraha (holding on to truth) with “duragraha” (holding on by force). “There must be no impatience, no barbarity, no insolence, no undue pressure. If we want to cultivate a true spirit of democracy, we cannot afford to be intolerant. Intolerance betrays want of faith in one's cause.”

“By dint of our perseverance, our patience, our reasonableness, our law-abiding methods and the justice of our demands, all these obstacles shall be removed and enemies overcome... By the gentleness of our manners... and by the nobility of our character shall we break down the adamant wall of colour prejudice and force even our enemies to be our admirers and our friend.” (John Dube- the first President and founder of the African National Congress )

Through Satyagraha Gandhiji hoped to change the world by starting from the smallest unit of society the village. He advised Nehru and the Congress “banish the idea of the capture of power and you will be able to guide power and keep it on the right path.... There is no other way of removing the corruption that threatens to strangle our independence at its very birth.”

Earlier in 1908 he engaged in a dialogue with young people who wanted to forcibly overthrow British rule in India. He spoke about the futility of replacing one power with another which follows the same path. He advocated that it is far more practical to transform the thinking of the opponent and our own to build a new society based on new thinking apart from that of the colonial power but similar to some of our own traditional thinking based on our scriptures. Religion and values that religions promote are very important.

He firmly placed ethics and morality at the centre of change. He also spoke about redefining power, about liberation not as capture of the state but building of new relationships, new way of approaching people and thinking about others who may have opposing views.

Transformation rather than defeat of an “enemy”. So in short I see exploitation perpetrated by neoliberal tendencies as the biggest threat and I see a firm promotion of dharmic living as the way to go.



[5https://www.theguardian.com/global-development/2017/may/24/world-is-plundering-africa-wealth-billions-of-dollars-a-year](https://www.theguardian.com/global-development/2017/may/24/world-is-plundering-africa-wealth-billions-of-dollars-a-year)

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