



**Roundtable on Shubh Labh-Indian
wisdom for global good
by Innovative Thought Forum
At AMA, Ahmedabad on 26th Aug, 2023**

There is no denying the fact that we as a nation and as a society are living through the times marked by turmoil and paradoxes. But there remains a window to streamline things in a manner that goes with our traditional value system that has always talked of global good. It is a time when we have to come together for brainstorming and emerge with long lasting solutions that our coming generations should be proud of.

Present Scenario: Chaos, Turmoil and Paradoxes

When we talk of the prevalent chaos, turmoil and paradoxes we need to look at some important facets of the prevailing socio-economic and socio-political process along with certain other factors.

Some of the indicators of the present day scenario can be gauged by the following:

- Big transnational corporations are earning more but are hardly paying any income tax on global profits
- There are nearly hundred tax havens providing shelter to illicit money of wealthy and powerful as well as route for dodging taxes on profits whereas all the governments have been talking of crackdown on financial crimes
- Corporates control governments in democracies and openly pursue pure profits for shareholders while the governments talk of giving more power and prosperity to people
- Big audit and consulting firms work in cahoots with rating agencies to promote capitalism while talking of transparency and integrity everywhere
- Healthcare costs are increasing steeply but real health is going down

On a deeper thought one infers delinking or divorce of ethics and ecology from economics in the recent centuries. Theory of capitalism put forth by Adam Smith has urged people as well as nations to maximize profits without any strings and has paved the way for chasing profits by all means, fair or foul. Capitalism has thus become a synonym of pure profit or 'Shuddh Labh'.

In contrast to the ills of capitalism, we have seen the rise of communism that has aimed at centralization of economic activities in the hands of the state and has killed the notion of profit. In the process communism or its variants of socialism have become a synonym of zero profit or 'Shunya Labh'.

If one looks into the past, the solutions to the present day dilemmas lie in the wisdom developed and preserved in the ancient Indian civilization when it was at its pinnacle before the Christian era.

But can one only rely on the past in totality?

Indian economic thoughts compiled and captured by Chanakya in Arthashastra are now recognized as the foundation of modern economics. By condensing the economic pursuit in two simple words 'Shubh' and 'Labh', our wise sages have exhorted one and all to pursue wealth creation with ethical means or ethical profits or Shubh Labh. As compared to the recent western frameworks like Conscious Capitalism, Triple P bottom line or ESG, this Sanatan framework of Shubh Labh shows a pragmatic path of sustainable development of all to realize the goal of Vasudhaiv Kutumbakam.

How can synergy be established between the rich past and the modern concepts even those coming from the west, so that things can be taken forward for the human good?

Issues Taken up for Deliberations

The different facets of Shubh Labh that is indeed the crux of Indian wisdom providing us with a viable alternative to Capitalism (Shuddh Labh) and Communism/Socialism (Shunya Labh) for global good were taken up by as a roundtable discussion.

The issues discussed broadly were as follows:

- Economic framework in ancient India

- Pros and cons of capitalism and communism
- Pros and cons of current financial architecture and corporate governance
- Relevance and pathway for Shubh Labh or ethical economics in current world

The marathon deliberations ran on for more than four hours with the participants comprising experts from various fields in Indian social and economic strata pitching in with valuable contributions citing examples from around the world, the ancient texts and scriptures along with personal experiences making the exercise a rich endeavour.

The effort was to establish linkages between the wisdom that is available whether modern or traditional, and the continuous creation of knowledge to come up with a narrative that can be taken up with the government in the time to come.

Brainstorming Exercise

Articulating the above mentioned concerns and their possible remedies the roundtable convener S B Dangayach elaborated that after the tough times emerging from 2019 onwards, there has been an emergence of need to look at alternatives. It is clear that what has happened in the last three to four years has only accentuated the problems of capitalism that are reflected in disparity of income, concentration of wealth in the hands of few along with complete colonization of people at the hands of data. We have arrived at a point where plutocratic models are being promoted by the World Economic Forum.

The distinction between 'Labh' (profit) and 'Lobh' (greed) was elaborately explained while pointing out that today the management institutes are teaching that the purpose of doing business is to make profit while the job of the manager is to maximize it.

In this the Indian idea of Vasudhaiv Kutumbakam stands out when it is being propagated through G20 while asserting that everything needs to be looked at in totality.

It is pertinent to point out that the Arthashastra remains the true founding treatise on economics. Shubh Labh with its different meanings and connotations is a very deep subject that has to be looked at from a broader angle.

The slogan being promoted by Prime Minister Narendra Modi on life and environment remains equally important as the two cannot be seen in isolation.

Professor Satish Deodhar further underlined that the peril of capitalism has always resulted from greed. On the other hand communism has suffered the malady of there being no innovation and inefficiency.

He was in favour of inculcating the traditional model of 4x4 in the school children to bring about a change. He pointed out that the traditional wisdom focused on the concepts of the four Purusharths of Dharma, Arth, Kama and Moksha that found a reflection in the four stages of life in Brahmacharya, Grihastha, Vanaprastha and Sanyasa. Then there was a division in the four varnas of Brahmin, Kshatriya, Shudra and Vaishya and accordingly a division of professions regarding land, political power, knowledge and business.

Professor Kanagasabapathi while throwing the light on the Indian economic models highlighted how India has its own unique way of functioning. From a country that had 45% population below poverty line, around 18% literacy rate and a life expectancy of around 32 years at the time of independence it has come a long way.

He said the country followed a socialism approach for the initial 40 years and globalization later which was not exactly suitable but in spite of this India has been growing even as there have been confusion and contradictions at the policy making level.

He elaborated that India has maintained economic and entrepreneurial business wisdom for long that has been reflected in its high savings rate of more than 30%. This was 9.14% even in 1959-51 and even in the developed

world the figure stands below 9%. The wisdom is visible at different levels including the corporate levels. This is coupled with a high strength of micro entrepreneurs that number over 65 million in India.

He underlined that vibrant clusters like Surat, Rajkot and Morbi have been power houses of economic development. The beauty of these clusters is that they have been promoted at the level of local society and majority of the entrepreneurs have been from non-financial, engineering or management backgrounds. One of the foremost reasons for this economic development has been a family system that has the art to save and channelize capital. There have been examples where the entire village has contributed to raising capital for an enterprise.

He pointed at a favourable system of governance in the last few years that was reflected in India overcoming the Corona challenge. From a country that initially had no kits it became the second largest exporter of the same.

Reminding that India is the longest living civilization, he said the fundamental strength used to be the close relation between education institutions, society and business which was badly hit by the coming of the British and Macaulay model of education.

Prof.Subhash Sharma expressed the need to have a stakeholder happiness index and elaborated upon the close relation between ethics, economics and growth and how it governs sustainability.

The participants felt that the interests of consumers, market and state need to be balanced while underlining that prosperity comes only when there is law and order alongside a ruler who is well disciplined.

Anil Sharma added a fresh dimension to the discourse by highlighting the role of social entrepreneurship. He explained that social enterprise translates into business with social objectives that go beyond profit as priority. It translates into proper pricing, measurement, sales pitch and quality of a product while also ensuring environmental concerns during its manufacturing.

Pointing that various concepts of Shubh Labh have been continuously in use in India, he pointed at the practice of welfare economics, sustainability, triple bottom approach, corporate governance and performance standards that are being practiced.

He had a different take on corporate social responsibility (CSR) and said that while the CSR focuses on earning and spending it does not specify how you earn. Hence it remains a concept of Shuddh Labh. According to him social entrepreneurship is the way forward.

Mr Nitin Shukla while asserting that pure capitalism is no longer a choice and companies cannot go purely by financial analysis said that parameters like gender equality and environment impact are being figured and understood by everyone.

Mr Devang Acharya opined that greed is a fundamental principle of western economic system of last few centuries dominating the world.

Sanatan Hinduism and Buddhism have maintained that to get ultimate happiness and wellbeing one has to follow Dharma, Artha and Kama that will lead to Moksha. As this ideal is difficult in practical world we need to find a balance between ancient wisdom and knowledge and the modern technology that is and,

He added that according to human development report of UN in 1996 the present economics paradigm is ruthless, rootless futureless, jobless and voiceless. To reverse it, our Sanatan wisdom of ज्ञ, a system of self control has to be followed in modern context by highlighting difference between education, knowledge and wisdom.

Tulsi Tawari pointed at the fact that India is also a part of the fundamentally wrong economic model that as it is marked by widening disparity and concentration of capital.

He emphasized upon the need to measure both the quantity and quality of GDP. He explained that while

western philosophy has defined wealth as money only, traditional Indian wisdom treats money as a means towards greater wealth. Then there is also the concept of untradeable wealth with two aspects of emotion wherein family and friends figure along with excellence at individual level.

He underlined two major flaws of GDP being measured only as monetary flow and money being the common denominator for everything in life.

He was in favour of all the nations passing a Sanctity of Money Act as a corrective measure defining money as conversion of human time into value liked by others.

He felt that concentration of wealth took off from the 1980s with stock markets being hijacked by speculation. This has resulted in governance of Ashubh Labh.

It was inferred that economics is a social science that is currently being interpreted only mathematically.

It is pertinent to understand the social dimensions of the economics as Amal Dhruv clearly pointed that ethics of people is not in the hands of the government but religious leaders and only a social revolutionary like Gandhi can change the ethics of the former. To expect people to keep high morals amid disparity of opportunity and income is a mammoth task.

He pointed at the cultural heritage that India has been able to preserve that has helped it come through. He pointed towards the Hobson's choice of either increasing the size of the cake or go in for sharing whatever is available while underlining the need to strike a balance.

He felt that Shubh Labh needs to be evaluated between disparity among countries and among population. He raised a very pertinent question when he referred to the conversion rate that stood at Rs 4 to 1\$ in early fifties rising to around Rs 80 now. Does that mean that the US economy has performed 20 times better than us? The answer is no.

The participants felt that the purchasing power parity presents the real picture of the economy while the speculative economy gives an entirely different picture. It was suggested that conversion trade be made a criminal offence while the answer lies in bilateral trade.

It was here that Arun Goyal dwelt on the all important aspect of accumulation while underlining that Labh is a blind concept. Coming to Shubh part of Labh he was of the opinion that the state has to be a regulator. He said that accumulative tendencies have led to war, environmental issues and climate change where Labh is going down the drain. An audit has to be set up to ascertain where the Labh is going from India and what has to be done with it.

Sunil Parekh raised the all important question of what needs to be done. He was in favour of the framework laid down under Donut Economics which deviates from looking at Shubh Labh through the GDP and instead presents the solution in the shape of a donut. He explained that the two circles on the donut provide the framework for looking at life and economic activities. The space between these circles is the safe and just space for humanity.

The inner circle stands for the social foundation for all the services like water, food, health, energy, housing, income, education, peace and justice, liquidity and gender justice. The inner circle defines the quantified finite load carrying capacity of the planet through the nine parameters of climate change, ozone acidification, ozone layer depletion, chemical pollution, nitrogen and phosphorous loading, fresh water, land conversion, biodiversity and air pollution.

Any economic activity beyond the boundary needs to be rejected and anything that helps human beings and is within the boundary is in. The economy cannot be operated inside inner circle and outside the outer circle. The constraints can be taken care of through innovation. This can lead to a regenerated and redistributed economy.

Professor Satish Deodhar interjected on connecting Indian values to the donut. He referred to the five-tier divinity in Indian value system and underlined the need for respecting flora and fauna while also maintaining a

nutritional balance. He pointed towards the environmental degradation caused by consumption of non-vegetarian food, downslide in family values with no meetings on dinner table and the nutritional imbalance coming from excess consumption of processed food.

He said the ideas on checking these while promoting societal values need to be a part of the textbooks.

Dr Prakash laid a charter that called for the following:

- Integrated approach marked by properly architected goal setting with R&D of investment that defines opportunity and quality
- Education Vision with skilling by 2030 having Indian values, clear pathway and mandate
- Reforms in investment profiles and portfolios
- Energy anchoring
- Integration of Shubh Labh with Swasthya (health) and Shaurya (bravery)
- Cultivation of Shubh Labh
- Subsidies should not mean killing Shubh Labh
- Ayur (Ayurvedic) system should not antagonize Allo (Allopathic) system of medicine
- Shubh Labh Path has to be Shuddh (pure) and Swachh (clean)

Professor Kanagasabapathi came back to assert that Indian economic and business models have been different from textbook models and this holds true even now. He cited the example of how in the west the Capital Reserve Ratio of 1:1 is seen adequate while in India it goes multiple times more.

Calling for revisiting unique Indian models based on traditional wisdom, he said these stand in contrast to capitalism and communism that have died even in their Janmabhoomis and Karmabhoomis.

Tushar Prabhune made an observation illustrating that the present day concept of success needs to be redefined and teaching has to change. He said that instead of over dependence on the government, the family itself can be a teacher.

Highlighting the need for co-operative economics it was explained that while the owner takes all in capitalism and the state in communism, there is a need for a model where the two share in harmony.

The practice of savings at individual and corporate levels to meet uncertainties of the future was dwelt upon. Shubh Labh was explained as something between privatization and socialization of profit. The present day surrogacy model of profit was also taken up. The need for simple living was felt for which social changes are needed.

The Indian DNA with contentment being a major aspect was also taken up.

Dr UK Srivastava expressed a view that India has lagged behind in many ways in the last 300 years when the world has witnessed knowledge and industrial revolutions. This was partly because it was occupied. He expressed his difference of opinion on the concept of contentment and felt that one has to aspire without looking for excesses.

He felt that India has a lot to learn from the west in terms of system, processes, methods and fairness of society. He also pointed towards the all important fact of lack of the tradition of writing that has resulted in distortion of knowledge.

Nayan Parikh came forward to raise some very pertinent questions when he pointed out that in Shubh Labh it is Labh that succeeds Shubh. The question is about evolving a circle while making Ashubh Labh non inspirational. The challenges are how to say no to excesses and how to develop a healthy society.

He had an interesting take on contentment and raised the question that if contentment means happiness, why is India at the bottom of the global happiness index?

Meanwhile Arpan Gupta felt that a balance needs to be struck between the twin models of free enterprise and central planning. For him Shubh Labh falls between the two. He was on favour of community ownership with the premise that the crowd has a lot of intelligence and the need to regulate starts to come from within. Once this is achieved a beautiful ecosystem and society starts to emerge. He underlined alongside the King has to adhere to his Dharma .

UK Srivastava agreed that free enterprise cannot be Laissez Faire and friendly regulation is needed. The participants underlined the need to adopt a model that suits local requirements.

Joel Evans said the challenge is in transit from Shuddh to Shubh Labh as society and stakeholders stand neglected. There are certain interconnected factors also at work. He sought an economic, government and regulatory model that promotes collective conscience and ownership.

Amal Dhru pointed towards the need to have some element of discontentment as well and the need to generate confidence in the traditional wisdom. There were interjections saying that contentment has to be marked by a progressive thought.

S B Dangayach steered the discourse to a very important issue of the erstwhile colonizers developing a system to attract wealth of former colonies without being there. He drew the attention of those present towards the off-shore tax havens while seeking the rationale and logic behind them.

Mr Dishant Sagwaria explained that the disparity between humans and countries lead to a need for such havens. He said the businessmen and politicians who dominate the scenario are provided such havens by small countries.

Anil Sharma highlighted that strict legal and fiscal conditions in countries are often responsible for flight of businessmen to other countries. Those who fear getting exposed for their past deeds also seek such havens. Another factor at work is certain countries with hardly any other resources offering fiscal, legal and economic benefits to attract capital for developing themselves.

It was underlined that majority of such havens are controlled by the Dollar and the Pound. In this scenario the other local currencies need to be made stronger.

S B Dangayach underlined that the flight of capital to such havens is neither good for the community or for the nation. He pointed at the architecture in place that ensures easy shifting of profit into private hands. The scenario is such that the large corporations in the world are not paying more than 1% of global profits in taxation.

Anil Sharma threw light on the World Trade Organization (WTO) framework pointing out that what was initiated for trade has taken over important sectors like agriculture and health which is the big mistake. India is trying to take a stand on issues there but the developed countries often try to create obstacles by luring away supporters. He explained the effort of the developed world now is to sell its equipment and expertise to the developing countries on the environment, something it is primarily responsible for depleting. This is being done by erecting non tariff barriers.

S B Dangayach underlined the strategic, subtle and sly games being played out which are not easily understood. He highlighted a very important point that Indian negotiators are often ill prepared to take up the country's cause and they rely heavily on papers prepared by the 'Big Four' consulting companies trying to take over knowledge creation, transfer and dissemination.

Dr Prakash while taking forward the issue of vested interests of the west came forward with the example of India obtaining patents by quoting ancient texts like Sushruta Samhita and Charaka Samhita. This was done by creating a traditional knowledge digital library. He was of the view that modern tools should be used to verify

traditional concepts.

At the same time he said the amount of knowledge with Start Up young India is sufficient to deliver better reports than what the imported consultants are giving. He was in favour of going for local bids. He agreed that imperialistic rule is still continuing in various forms and underlined the need for Indians to protect themselves with confidence and without rejecting knowledge from elsewhere.

It was cited how India is being used as a testing ground by the west for its vested interests. An example given was of millets being kept away from the food basket for so long.

There was a suggestion to cherish indigenous innovations while it was also pointed out that MSMEs are reluctant in getting their technologies patented.

S B Dangayach underlined that the difference between western and traditional Indian economic thought has been that in the latter knowledge was free and it promoted open source creation and sharing while in the western thought it was patented, registered and then exploited. It is Trust versus Contract. He said the ancient concepts need to be looked at in the present context and adapted.

Talking about health and Indian wisdom Dr Shivang Swaminarayan explained the opportunities that have emerged in the post Covid scenario. He emphasized upon the need to develop a framework to bring traditional medical knowledge into the healthcare system along with policies and regulations. He also highlighted the fact that traditional medical knowledge is being neglected when it comes to the treatment of animals.

A view repeated was that modern medicine is traditional plus conventional medicine.

Mayur Vyas opined that the solutions to the problems discussed were in the Indian Constitution but would bear fruit only if the justice delivery system becomes transparent and speedy.

The importance of social financing as an Indian practice was highlighted by Kanagasabapathi and S B Dangayach with examples cited from Tamil Nadu and Gujarat.

It was pointed out that when there is no transaction cost, the capital and production costs are obviously less with a lower sales price.

Questions around the role of foreign funded NGOs were raised while underlining that such funders have their own agendas to be taken further that can be financial, economic or political.

This brought the discussion to the crux of how to make Shubh Labh viable despite doubts of being a utopian or ideal concept.

S B Dangayach underlined that despite all reservations Shubh Labh is needed for achieving sustainability. Citing the four Purushartha, he said that while Arth calls for livelihood and wealth creation, Dharma underlines it being ethical. He elaborated that Kama includes enjoyment of all type and not only sex as broadly perceived. This includes development and celebration of arts, crafts and literature etc. Moksha eventually is gradual withdrawal.

He pointed out that the problem erupts from the tendency to acquire and accumulate for the next generations. In this context the current welfarism of the government is going to prove to be very damaging as there is no emphasis on building capacity, providing training and skill or empowering the next generation. There is no distinction among politicians on this count with a few exceptions.

Conclusion

The deliberations were rounded up with the following observations:

- While capitalism and communism have their shortcomings they have some positive aspects as well that need to be adopted alongside the local wisdom. What can be learnt from western thoughts and models needs to be added to the applicability of the Indian economic model?

- There is a need to ponder over the Four Purushartha model, the Donut Economics model, and the Shuddh and Swachh aspects of Shubh Labh that were discussed.
- There are certain steps required to be taken like
 - o Co-operative and cluster models that have proved themselves in context of Shubh Labh need to be replicated and enhanced
 - o Family business system that has a way of carrying over ethical values needs to be encouraged
 - o Simple living and change in lifestyle
 - o Youth needs to look into the education system
 - o Change in narrative with no space for greed
 - o Game changer policy needed on Shubh Labh
 - o Role of NGOs needs to be taken into account
 - o Innovative Thought Forum should do work towards making Shubh Labh a proper Indonomic concept
- The issue of financial structures and why offshore tax havens exist and the logic behind was taken up. Although no conclusive argument could be derived it was established that more discussion is required and efforts must be made to demolish them
- It was felt that local consultants need to be encouraged over their western counterparts. Through the models of Namakkal, Surat, Morbi etc it was asserted that trust is more important than formalizing an entire relationship through contract. Therefore more effort should be made towards doing business with trust
- It was suggested that suitable amend be made in statutes so that trust becomes prominent rather than legal aspects of business

Vote of Thanks

The event concluded with S B Dangayach giving a vote of thanks while underlining that the Innovative Thought Forum would take the dialogue forward and also collaborate with more think tanks. He underlined that it will take several years for the narrative to evolve into something that can be heard. He said the effort is to move towards a positive and constructive direction so that things can be taken forward by adding value and integration.

List of Participants

Sr. No.	Name	Mobile Number	E-mail
1	Mr S. B. Dangayach	9998822680	sbdangayach@gmail.com
2	Mr Anil Sharma	9811320203	anil54@gmail.com
3	Mr Arun Goyal	9810079983	arungoyal.delhi@gmail.com
4	Prof Subhash Sharma	9845061537	profsubhash.sharma789@gmail.com
5	Prof P Kanagasabapathi	9842233102	pkspathi@gmail.com
6	Mr Madhav Patel	9998525277	trade@omkarmines.com
7	Mr Shailesh Thaker	9825324928	drskt1960@gmail.com
8	Mr Tushar Prabhune	9825072714	tusharprabhune@gmail.com
9	Mr J. S. Kochar	9825158912	kocharjs@yahoo.com
10	Prof Satish Devdhar	9408603452	satish@iima.ac.in
11	Mr Nitin Shukla	9898171010	nitin.shukla@shell.com
12	Mr Govind Baldva	9825024887	gsbaldva@yahoo.co.in
13	Mr Hitendra Joshi	9824018765	hitendrajoshi@outlook.com
14	Mr Devang Acharya	9427614390	dewang8@yahoo.co.in
15	Mr Amal Dhru	9825015534	amaldhru@gmail.com
16	Mr Nayan Parikh	9825005692	npcinfra@nayanparikh.com
17	Prof U. K. Srivastava	9824043498	uksps@yahoo.com
18	Mr Mayur Vyas	9601875860	advocatemayurvvyas@gmail.com
19	Mr Dishant Sagwaria	9909920803	dishant.sagwaria@gmail.com
20	Ms Jayshree Chawda		
21	Mr Joel Evans	9727792514	cosec@gmdc.com
22	Dr V Prakash	9845048154	prakashvish@gmail.com
23	Mr Tulsi Tawari	9820113641	tulsitawari@gmail.com
24	Dr Ram Sharma	9913562694	ram@indusni.ac.in
25	Dr Shivang Swaminarayan	9898200557	shiv.on.mobile@gmail.com
26	Mr Arpan Gupta	9845541938	arpan@wellnessquotient.community
27	Mr Tushar Zala	9913591851	tusharzala8@gmail.com