

Lokamudra Bank: A Proposal

Surendran Karippadath (06-Jan 2017)

I have this proposal which is still not well formed enough for a presentation. But then I thought it better, if it is worth the attention of the group, to start discussion on it rather than try to complete the justification for the idea itself. So, here it goes

Lokamudra Bank (lokamudra.com)

The most important feature of the present demonetization crisis is how it has enabled the identification of the fundamental division of the people, the people whose life is ruled by money, banks and payment gateways and the people who are outsiders, helpless and told every day by the prime minister that they are completely irrelevant to the scheme of things and that they have no choice. And every one is told that that the philosophy of doing puja to the cash box, talking and debating about money, suffering and queuing for money (just like the philosophers of war exhort the ordinary people to killing and talking about killing of enemy and the competition and success in the art of war) that will see the nation through the crises of internet adaptation of humanity.

It appears that to stem the tide of inequality sweeping the country and to also internalize the good human value of equality in the large, that is taken over a reasonable time and spatial extent, the setting up of lokavidya Bazaar integrating into the existing models may not serve much purpose; but rather will expose the lokavidya communities fully to the avarice of global trade in which banking and secure payments and profitability of these are norms which any segment connected to global capital has to conform to. That is, the threat of e-Commerce on Lokavidya Bazaar is similar to what globalization and WTO had on agricultural prices. The importance of not getting sucked into the whirlpool of direct global e-commerce while at the same time endowing some form of mobilizational dimension into the e-commerce design of lokavidya Bazaar is what is imagined here.

Our experience tells that there are two categories of thought working on a problem, or being applied in a situation: 1. Which believes in the existence of some natural law, irrespective of the qualities and variables the thought captures

and puts into action and 2. Which believes that there is no law, it is by chance that the critical changes take place. But anyone who reflects deeply realizes that this is not statements of truth, but ways of existing, decision making, putting in place a way ahead and quite often the way of accounting for (post facto ratiocination as some people put it) things already happened or universally agreed facts.

It is the above which perhaps brings into focus the great power and relevance of a constructive program in political mobilization as distinct from directly demanding and fighting (the British govt. then or the Indian govt. now, the British mill owners then or Indian capitalists now). Whatever the depth of such a reading is, assuming that the international banking cartels are the main global threat to humanity (not much different from the money lenders during famine) and the communication technology has provided unlimited power to specify and buy services (in older language ultimate slavery including the mind) to this entity, what would be the elements of a constructive program which can force the enemy to rationalize as random their preeminent position today and retreat without causing and escalating the suffering which it does not unfortunately have a heart to see. That we are able to agree and lend expression to the irrefutable fact that this exponentially increasing gap of inequality is the main threat to humanity - not security, not terrorism, not global warming. The phenomenal rise if economic inequality in India, where the richest 1% own close to 60% of the wealth of the country and the richest 100 Indians have personal wealth of about 380 Billion US Dollars, is seen as a National Disaster by the samaj consisting of the majority of people of this country. The phenomenal increase in Swiss GDP in just 2015-16 and the exponential rise in Internet gateway payments and the phenomenal rise of economic inequality in India are fully correlated events. Below we try to put together rudiments of one such program, the details of which will materialize by the open collaborative effort of the community.

Thus, briefly the idea is to declare the accelerating inequality in the country as a National Disaster and since the central and State governments are actively colluding with the national and international forces to making the situation worse day by day, the ordinary people of this country has taken upon themselves the Disaster Mitigation Program, as the constructive program of the Lokavidya Janandolan. Thus, it is proposed here that LJA consider this shift of focus

seriously, from direct compensation for their condition to disaster mitigation of the country and may be the subcontinent.

Constructive Program

A proposal to setup a New Virtual Currency and Bank called respectively Lokamudra and Lokamudra Bank (alias Toll Insurance Bank, Vistapan Toll Bank, Development Toll Bank, ...). The unit for the new currency may be denoted by #₹ (temporary symbol for lokamudra, standing for NotRupee).

The Bank is located at Lokamudra.com and will operate two payment gateways.

GATEWAY-I will be the virtual equivalent of दान पेठी in the temples in our country. The example which comes to mind is that of Tirupati Balaji Temple, where very large amounts of currency, gold, silver and precious stones are anonymously deposited by visitors every day.

GATEWAY-II will be the equivalent of any standard Indian currency ₹ payment portal with some important differences. The main difference is that it must operate with respect to the national economy somewhat like the Swiss banks with respect to the world economy. For example, the bank will not allow a Google-assisted search into the GATE-I deposits of real world value. Also, it will operate with respect to the RBI just as RBI operates with respect to World Bank and Federal Reserve.

Now comes the mobilizational component, which are implied in the alias names for the bank.

The Main Thrust of the Program

Its basis will be the inequality of 1% people having misappropriated about 60 % of the wealth of the nation and all development has resulted in this. This is a great disaster for the community from which it wants to get out now! - Not 100 years after when they are dead and gone! That all displacement and suffering and loss of livelihood has to be compensated in the same time frame in which the profits were made. That is in five years, not fifty years for dying waiting for dalals of various shades to plumb the depths of the powers tructure to get the compensation. The Toll will be in force until the "Sab ki Aay..." or its equivalent is realized.

The total personal wealth, declared by the 100 richest Indians is about \$380 billion, whose 10% will be about \$38 billion, which is ₹2582.27 billion = ₹258227 Crores. This is what the nominal target of the bank to be built. The richest are encouraged to avoid chaos and disaster of the nation NOT by parting with 10% of their wealth (which is the tradition in many societies including Muslim ones), but make fixed deposit of the new currency purchased with it, just as they purchase shares in a company paying at a premium of say 10 times.

That is One Lokamudra #₹ will be issued for 10₹. etc. If the next richest 100 following them also join by investing 10% of their wealth, the Lokamudra Bank will have the target of ₹326000 crores. Assuming that the objective of the bank is to cease to exist when the condition of uniformization of the economy and as decided by LJA Jnan Panchayat, such as the "Sab Ki Aay..." is satisfied, that is when the #₹ and ₹ are same, it should be possible to "issue" notes worth 10 times this amount in the new currency to conduct the GATE-II e-commerce or the Lokavidya Bazaar/member among bank members. As the Lokavidya Bazaar grows, the number of associates grows and the LJA will be in more and more stronger position to persuade the 10% from larger and larger cross section of the rich. Moreover, the members themselves will make real-valued world wealth through GATE-I which is possible at par. That is, their one ₹ will buy one #₹ etc

Thus, the main thrust is to implement methods of 1. Disaster Mitigation and 2. Compensation for making people fight war with their own people. The later takes place at two levels - 1. deployment of Army, like Tamil and Mahratha army personnel firing J&K stone throwing mob etc., and 2. the paramilitary police recruited from Dantewada kill people from Dantewada (Dantewada can be any place, Malkanjgiri, Baramulla or Tanjavoor or any 'disturbed area' or 'communally sensitive' area etc.)

Disaster Mitigation

The first part takes the form of collecting toll by the community from all facilities which have been created by displacement of community members, since long, may be 100 years for a factory or 300 years for a Mughal garden. It all depends on the amount of distance people measure (experience) with respect to the displacement. For instance, a railway station which the community uses they may not think they should collect toll in a locality, but for a mine or power station they would. For a golf course, a modern enterprise or higher education complex

they will. That is a matter to be decided at some level, there is an evaluation of the cost of displacement, whether it was yesterday, today or tomorrow. And then a toll is collected from those who use the establishment day to day, the establishment itself and visitors as a GATE-I payment. That is they are given a fixed deposit receipt in the ₹ Lokamudra, by using the conversion we mentioned before - say payment of 10₹ gets a receipt (equivalent to a non-voting, non-transferable share certificate) of one ₹. It will operate more like the Collection boxes of the big temples today, who do not pay tax and who are privileged etc. The exact clauses etc. will have to be looked into. But it is likely to operate confidentiality clause to attract money by richest Indians to make deposits which will be made public only to GOI after a stipulated time etc., somewhat like the Swiss banks for international rich.

The second kind of Toll above will be collected from all disturbed areas from visitors, politicians, govt machinery at a certain rate. They are to be educated in the need for not indulging in violence, because state violence breaks communities, whether it is at the level of genocide (as in Sri Lanka) or at the level of firing in self defense. The question of secession the community does not deal with. In fact, the community never support any part of it deserting their neighbors.

To begin with all national highways will be targeted. All National monuments and all national establishments. Similarly, all other "National" properties will be targeted. Military establishments, production and practice units, satellite communication and towers and remote launching pads etc will fall into the category. So also, large scale national establishments and commercial premises, educational institutions built on the eviction of people. Simultaneously the establishments as well as enterprises of the top 1% will be targeted and all centers of political power fall within this. Depending on the attitudes and legislation by the state governments it will be applied to the state highways too. This country will be made to pay a toll until the " Sab Ki Aay ..." condition is met. The same will apply to the national monuments, national places of worship, whether Golden Temple or Balaji or Shirdi or Konark, Kashi etc. It will erect signals for railway toll and will enforce tolls on other modes of transport like harbors and airports and mines and factories built on displaced land. So also, water bodies and rivers dammed for water and electricity for the big rich.

Next the movement will give a call for all end to displacement and slavery and instead voluntarily move out for agreed rent to be paid into the bank for some

period of time depending upon the project. This rent will be reviewed depending on the performance of the project for which the land was rented out. The same applies to amusement parks, sea resorts, tourist destinations etc. mainly enjoyed by the high class. The collection of rent in GATE-I format will be automatic and will not involve Dharna and Strike and begging to the officialdom. The community believes in peace and harmony and not incessant violence terminating in the extermination of a generation.

The bank will not use any internet transactions and will implement its own payment gateways. It will operate more like the Collection boxes of the big temples today, who do not pay tax and who are privileged etc., The exact clauses etc., will have to be looked into. It will use all those ways of evading national taxes and international financial obligations presently in place. Will operate confidentiality clause to attract money by richest Indians to make deposits which will be made public only to GOI after a stipulated time etc., somewhat like the Swiss banks for international rich.

The community services for the Toll

The community implements a system of examining the Adhar Cards or Pan Cards of the rich and mighty enabling it to collect the toll appropriately. It not only gives the digitally signed shares as mentioned before for the GATE-I payment, but also makes the local information including accurate positional and time data (which way how long), the state of the roads, the security in night travel, protection for families, drinking water, and availability of food and fuel and restaurants and toilet facilities etc. In certain areas squads of volunteers accompany travelers Toll to Toll, from one village to the next, one center to the next, one forest to the next. This is considering the general lack of police personnel in the country according to the government. In this manner, a large number of community youngsters educate themselves, not unlike the guides at the Archaeological sites and Tourist spots like the Taj Mahal or Konark. In fact, the community locally treats all outsiders as ignorant tourists in a definite sense and provides insurance cover and accurate local information (historical or other) in this whole process of setting up the Lokamudra Bank.

The community also renders services to its own people like:

Land protection -anyone leaving the village for long periods, to city on account of illness, or abroad, passing away leaving young or out of village inheritor etc.

Protection to family on account of illness - medical insurance etc., marriage insurance, sudden loss of job insurance, etc

Protection from toll to toll from any attacks usually attributed to village daakus, toll as an insurance against that, medical help along highway etc. This is considering the general lack of police personnel and general problems faced by poor people in accidents or other cases involving them.

Lokamudra Bank Transactions

The bank will trade in its own currency, but will buy and sell Rupees just like RBI buys and sells Dollars etc. The bank will have the exclusive rights for insurance in the lokavidya sector.

a. ...

b. ...

...

What is the protocol that is to be followed?

The lokamudra.com is a cyber entity where lokavidyadhar samaj member can become an associate/ember, but only with the introduction by an existing associate. This is similar to introduction in Bank account except that lokamudra.com maintains a secure and private database of associates and anyone carrying out transaction including the introduction of new associates is done by verification of password (or private public key system).

An associate invests any world commodity including natural and manufactured products, national currency ₹ or valuables like Gold, Silver etc and buys equivalent #₹ (temporary symbol for lokamudra, standing for NotRupee) using which he/she executes any transaction with another associate. This is the only secure and trusted transaction using #₹ and effected as a message between two associates. But he has the facilities of no-interest loan etc. details to be worked out.

The tolltax, coexistence funds, rents of various types are deposits which are accepted by the lokamudra bank as secured insurance for various services by the village samaj.

Additional Matters

Technical Matters having a bearing on the detailing of the above and design of Lokavidya Bazar

India's debt (IBRD and IDA and External debt stocks, private non-guaranteed and publicly guaranteed)

Basel-III norms, and Gross NPA of all major banks

Internet transactions, Payment gateways and security - SWIFT, Switzerland banking, International reconciliation at Basel

Retail e-Commerce and Amazon in India and the price wars of consumer goods and the exit of Indian manufactured goods unable to withstand the prize wars.

Credit Suisse Report 2016 of Wealth of Nations

McKinsey Report 2016

B Krishnarajulu [07/01/17]

Thank you Surendran.

This is a fairly detailed overview of a new banking system. However, I do not understand how the Lokavidya Bazar concept and the Lokavidya Kosh suggested therein fit into this framework though I can see some linkages. Lokavidya Bazar is based on principles outside the current capitalist market principles. The working of the Lokavidya Kosh has nothing to do (directly) with the current banking system and is intended to primarily serve 'local needs' and is governed by the local Gyan Panchayat.

It is true that there has to be a conception of a larger 'national' banking mechanism, such as set out by Surendran, that will serve the needs of Lokavidya Samaj and help sustain Lokavidya livelihoods and a dignified ordinary life for people. The Disaster Mitigation concept is excellent and is based on a distinct political perspective that needs to be discussed and propagated extensively. The Lokamudra and Gate-1 concepts seem to have linkages with the Lokavidya Kosh idea and need to be conceptually developed further; and the current post-demonetisation environment would help in the discussion of these ideas in Gyan Panchayats. Some fine tuning by people who know economics of banking systems etc is required (without losing sight of the 'dharma' that underlies the Lokavidya Bazar intent and transactions).

The Lokavidya Bazar document has been with all of you for some time now and it is time for more people to respond and constructively join the discussion.

Lalit Koul [11/01/17]

Surendran's post mainly talks of compensation to be collected by the people directly from those who have made it good in pre & post colonial India instead of demanding it from any government of the day as also from such facilities that have been created based on the principle of displacement. This collection (Lok kar) is taken to be the right of the people who have been systematically deprived of all the means for an honourable living and thus have been marginalized. This is not a demand on someone but a resolve onto oneself and/or a community/society to do so voluntarily. Even if we assume that the LJA is able to galvanize people to start the process, the response from the establishment

comprising politicians, the bureaucrats and the corporate houses is not difficult to imagine. All the police force, the paramilitary forces and the army too will be deployed by the central and state governments to ensure that it does not happen and in the process the kind of violence that will be inflicted upon the people may be unimaginable because it would be considered as an extra constitutional authority rearing its head. By what authority would the people be “examining the Adhar Cards or Pan Cards of the rich and mighty”.

The other scenario is that people succeed in collecting it in the name of investments in the Lokvidya Bazaar economy, but why would any investor invest without seeing any hope for resurgence of Lokvidya economies in the present scenario where focus increasingly has been & continues to be on the development model that is capital intensive.

“That is One Lokamudra #₹ will be issued for 10₹. etc.”

For me, it implies that #₹ is much stronger than ₹ else, if #₹ represents a share then it is valued at 10₹. I do not understand the basis for such a relationship. Assuming that such a relationship exists then we are basically accepting money speculation and are saying that Lokvidya economies will have their own Share Market wherein value associated with a commodity can be traded and on speculation the investors can make their buck or else we are saying that dividends shall be paid to the investors based on the demand of a commodity or a bank of commodities and that dividend is a function of the demand and hence not assured. In absence of any assurance speculation will take over. Whatever it is, how is it different from ‘capitalist economy’ and Wall Street dynamics? In the Capital Intensive economies no investor in the share market/ bonds knows the real worth of the company; the ledgers may be manipulated to keep the sentiment high; whenever BHEL shares showed upward trend we always wondered what had improved within BHEL – technology wise, quality wise, product diversification wise or market share wise, etcetera. It was clear that the rise was merely based on speculation and misleading annual press conferences! Lokvidya economies are not capital intensive.

Instead if LJA demands a dialogue with the state and central governments on the issue of compensation (for the past inhuman acts in the name of development) then it would amount to settling for a mutually agreed price for displacements and consequent marginalization. Accepting displacement for a price, in my understanding, is against the grain of LJA because this movement is committed to opposing displacement based developments even if one assumes that in the bargain with the governments of the day LJA would not be a loser. If we agree for a price then we are putting a price tag on the life of an individual and his/her descendents- which in itself is uncivilized- and would be in no position to oppose Land Acquisition Act, 2013 and any such activity that displaces people, disarms them from their knowledge base and forces them in to undignified life. The movement that has been termed as 'Gyan Andolan' cannot be seen to be bargaining 'gyan' for some cash- no matter how big!

“..... give a call for all end to displacement and slavery and instead voluntarily move out for agreed rent to be paid into the bank for some period of time depending upon the project. This rent will be reviewed depending on the performance of the project for which the land was rented out.....”

Demanding rent or compensation is one and the same thing because once a farmer's and a tribal's land is handed over for an agreed rent there is no way it can be claimed back from the government by the owners for the simple reason that the sellers will not be so resourceful as to ensure and oversee demolition of the infrastructures that may have been raised on their respective lands; rent can ensure only steady income without any possible yearly raise, but it would also deprive the individual from earning his/her livelihood based on his/her knowledge base thereby rendering him/her to be a useless entity. Land acquired for mining and thermal and hydro power projects can never be acquired back.

On the other hand, for 'Sabki Aay Pakki' aim to be achieved, an experiment may be started with agriculture. As I had suggested in one of my earlier posts that the farmers may be encouraged to lease out their lands for agricultural activities to the state and central governments; all the expenditure related to inputs and labour; upkeep of the fertility of the land , etcetera, may be borne by the government; crop be sold by the government; what to be sown or not to be sown and how much to be sown be decided by the government;.....; the farmer who is a

gyani in agricultural sciences shall discharge his/her duties as manager and oversee all the activities from sowing to harvesting of the crop. Same principle may be applied for forestation insofar as tribals are concerned. Let farmers decide how much they want for leasing one acre of fertile land (irrigated and un irrigated) and enter in to an agreement with local government, and what is the minimum lease amount per month to be paid to a farmer in case of very small holdings and the upper ceiling for a large holding. Let government take all the risks associated with farming and not burden a farmer driving him/her to suicide. Let government insure the crops, the lands and the market price of the produce; provide transport for taking the produce to various markets, etcetera. This way, the owner retains the land, remains in touch with his knowledge base and does not become a migrant labour having rented out the land for non agricultural activities. If realized through LJA there is no way a farmer will barter his land for some consolidated onetime payment.

I could not access lok mudra.com site.

The question in my mind is : Are Lokvidya economies languishing because of lack of finance and/or unfriendly medium of exchange or due to the philosophy of development embarked upon by the leaders post independence and the politics of it?

The process of firmly and formally integrating the economy of Indian subcontinent with the outside world (Europe) started after the Battle of Plassey and so did the exploitation of its resources (both human and Natural). Post 1990 this very exploitation was given a different name: Globalization and Liberalization of Indian Economy.

The founding of Benares Hindu University and Aligarh Muslim University signalled the beginning of a conscientious effort to break away from whatever were native Indian knowledge base, culture and world view, and evolution of Anglo Vedic concept was a conscientious attempt to synthesise two different cultures because the colonized ones had lost confidence in what had governed them for more than 5000 years. So the 'Rajniti' was to be to implant the world view of the conqueror. Gandhi ji was never in the scheme of things of those who were to rule 'free' India.

Before embarking upon the '5 year plans', Nehru ji asked Professor P C Mahalnobis, Indian Statistical Institute, to provide him with a framework within

which he would launch his '5 year plans'. Professor Mahalnobis gave him two frameworks, 1) Capital Intensive & 2) Labour Intensive (somewhat incorporating Gandhian ideas). Nehru ji chose the first option. Years later Charan Singh was to comment "Nehru thought he would export machinery for buying grains" Lokvidya economies may have flourished if Nehru ji had adopted option 2 of Professor Mahalnobis.

Gyan Andolan, in my understanding, essentially is questioning the above thought process in certain ways. Unless Gyan Panchayats are made instrumental in realizing Lokvidya Swaraj the Lokvidya economies are not going to see light of the day. Unless the politics that caters to the needs of a State is displaced by the politics that caters to the needs of the societies, the human sufferings are not going to be mitigated. We need to talk to people about Lokvidya Swaraj and the politics associated with it. How possibly they can make use of Gyan Panchayats to send their own (not party based) representatives to the Parliament and to various State Assemblies! In the 'लोकविद्या स्वराज और लोकतंत्र' a nascent idea was put forth to elect people's representatives; may be it can be brought in to public domain through Gyan Panchayats and debated. In my understanding, when we talk of Lokvidya based livelihoods we are essentially, politically, talking of decentralized economies and a truly heterogeneous India with easy access to both the human and natural resources. We are talking of a निज़ाम wherein an individual shall be known by his/her knowledge base. In a truly heterogeneous India what would be the medium of exchange, whether there would be a single currency or different currencies for different regions, to what extent and for what purpose modern technology would be used, etcetera, are all subordinate to a new political order that would establish Lokvidya Swaraj.

Surendran [12/01/17]

@Lalit Kaul: Your statement: " I could not access lok mudra.com site.

tells that you have not followed the arguments of the proposal.

That's all.

Surendran [12/01/17]

It obviously does not exist. The community has to build a device to create the bank working on the virtual currency it issues and which establishes two

payment gateways one for the community, the modern barter portal (II) and one for the interfacing with the world outside (I). In the process it stops the onslaught of the e-commerce giants etc. That device is lokamudra.com and it may be set up in the cloud by some Gujarati/Marwadi philanthropist?

And like a share whose IPR is at a premium, say 10 times, 20 times, the ₹ is at a premium. The Marxist might say the real value of labor is 10-20 times the value at which it is bought etc.

Best regards

B Krishnarajulu [12/01/17]

Therefore, it appears to me that only when "Lokavidya thought" enjoys a pre-eminent place in the thinking of society ,especially those outside of Lokavidya Samaj(as defined today), will there be an opportunity for Lokamudra.com to be established and begin to take real shape.

That is not at all unthinkable or impossible; in spite of the prevalence of dehumanised capitalist market values that permeate all of human society today. Such thinking ought to be the focus of Gyan Panchayats, including as is being suggested in the recent LJA post, the Kala Gyan Panchayats to be held now and in the future.

So, maybe attempts like Prasanna's "new" Hind Swaraj", can also contribute to this line of thought which need /should not be seen in the realm of capitalist 'welfare'(give back) measures etc

Can we bring in Chhabra into formulating this idea of Lokamudra.com ?

Surendran [12/01/17]

Sunil Chabra? He cant do that. Suresh and his friends and other infosys (financial) guys can figure it out, if they apply their minds to it. The Gate-I is the modern form of Trusteeship to be implemented, it may also be modern form of Vinoba's land etc. The community should insist that ownership of land, sea, water will never pass into the hands of any body. (Unlike Modi who oversaw the port in Gujarat being bought by Russian firm, the Putin's Scoundrels). So he insists on rent which the community decides to be paid by the bank

(national/international) giving loans to that greedy corporate/government entity.

And when we say a Gujarati/Marwadi philanthropist we mean a Jamnalal Bajaj/ Ganashyam Das Birla etc.

Lalit Kaul [12/01/17]

"Therefore, it appears to me that only when "Lokavidya thought" enjoys a pre-eminent place in the thinking of society.....". Krish, you said in a few words what I tried to articulate in many words and sentences. Obviously when "Lokavidya thought" will enjoy a pre-eminent place in the societies the Surendran's plans can be realized. The question to be addressed is: What we should do to achieve that place for Lokavidya and economies based on it ? Should we strive to get a political or a social movement going? Accordingly what should be the discourse in Gyan Panchayats? Should we encourage/ initiate establishment of various Gyan Panchayats as detailed in 'लोकविद्या स्वराज और लोकतंत्र ' and initiate a process of dialogue between them as that may initiate a process of social transformation -based on respect for each others knowledge base- so essential for Lokavidya Samaj to exit itself from the divisions perpetuated on it based on caste, religion and gender and its exploitation? If yes, then can this experiment be started in Indore & Aurangabad where Sanjeev ji has done remarkable work on mobilizing people around the Lokavidya thought?

In continuation of the above link, I want to add that as mentioned in my earlier post I continue to see violation of the basic premise of LJA in Surendran's idea; I do not know the opinion of others. Keeping in mind the framework provided by Surendran, I would like to think that when state of pre-eminence is attained, the wealth and resources as captured by a few under the present dispensation would be constrained to be equitably distributed for Lokavidya economies to flourish and under that obtained situation Surendran's Gateway-I & Gateway-II could be implementable.

Surendran [13/01/17]

"Therefore, it appears to me that only when "Lokavidya thought" enjoys a pre-eminent place in the thinking of society.....". What Krish says is not true, such a situation never happens. It did not happen that 'Democracy enjoys a

pre-eminent place in society' for societies to become democracies, albeit infested with too many diseases.

When Kaul writes " I want to add that as mentioned in my earlier post I continue to see violation of the basic premise of LJA in Surendran's idea; I do not know the opinion of others. Keeping in mind the framework provided by Surendran, I would like to think that when state of pre-eminence is attained, the wealth and resources as captured by a few under the present dispensation would be constrained to be equitably distributed for Lokavidya economies to flourish and under that obtained situation Surendran's Gateway-I & Gateway-II could be implementable.

Both the interpretation of ' violation of basic premise of LJA' and 'equitable distribution' are all far fetched to say the least. I was explicitly talking about a route to mobilization and Kaul has conveniently pushed it to the last phase when ' Lokavidya economies flourish'. Of course I totally disagree with the evolution of Lokavidya indicated by Kaul earlier in the post :

The proposed shift to cashless economy is bound to see a surge in the usage of mobile phones and swiping machines and my understanding tells me that the Lokavidya Samaj will pick up the ways to repair these machines and thereby not only increase their options for earning livelihoods, but also help them market their produce anywhere in the country. In fact the companies that market these machines may encourage establishment of ancillaries who would manufacture them for meeting with the demand and this further may lead to repair shops coming in to existence. Any school/college dropout can be easily trained to repair these machines/mobiles because the culture of use & throw is not yet predominant in this part of the world because it has been our culture to maintain what we own and not just throw it to buy a new one.

Hidden in that assertion is the incomplete understanding of the evolution of lokavidya on the one hand, the samaj always as a service class - lokavidya samaj picking up ways and means ... by their genius to find livelihood - and a pointer to the root of the problem.

Suresh [12/01/17]

I am not sure if I have understood the full nature and scope of the proposal by KKS, but want to check if the bank can be described as: An entity that (i) Imposes costs on a minority as reparations for causing destruction to the livelihood of a majority, and, (ii) utilizes the collected money to do “good” to society. If not, perhaps I haven’t understood the central premise of the proposal. If yes, I am faced with the following questions regarding this:

1) The technology angle

a) Can we use the same technologies and techniques that drive the most sophisticated operations of the world (given that technologies and operations are both being re-invented every day) to reverse the process of objectifying the subject and dealing with it only in terms of its economic value?

b) Would or would it not be the case that with use of such technologies, the current knowledge division of society replicates? When I say technologies, I refer to a big army of (well meaning) physical and mental assets, without which this cannot be realized.

2) The mobilization angle

a) I think we need to reflect upon the statement, “The importance of not getting sucked into the whirlpool of direct global e-commerce while at the same time endowing some form of mobilizational dimension into the e-commerce design of Lokavidya Bazaar is what is imagined here.” Is this possible at all?

b) People are separated from their money in two ways: they feel stirred enough give it voluntarily, or, it is taken from them under force. The “temples of India” example is wonderful. However, is Lokavidya as a concept compelling enough for it to get contributions like Tirupati or Shirdi does?

In this connection, is it likely that the days of centralized ideation, command and control in liberation movements is over? I am recently of the opinion that Gandhi between say 1915 and 1930 was an influential bystander, not really a

man running a centralizing c&c movement. So, is it likely that a centralizing effort involving a common and clearly defined movement representing all of India (and with common objectives) replicate existing relationships rather than the (expected for) new ones?

I must hasten to add that I have no answers to these questions; but, aren't they relevant in this and similar contexts? If Vidya is the basis for structure replication, shouldn't Lokavidya be the basis for experimenting with the evolution of new structures? Wouldn't those structures based on Lokavidya be small at this point in time when Lokavidya is still finding its feet?

Surendran [13/01/17]

@Suresh: I am sorry to say it is not exactly that.

It is primarily an argument , which can be rendered better and more appropriately in an alternate version perhaps, based on the observation that Banking and Payment cartels will determine the autonomy of any people or country in future; not their survival. And so also that of the Samaj.

Secondly, it is not contemplated in GATEWAY-I that wealth of richest Indians or temples is confiscated. Just as Gandhiji called the people living the most wretched life Harijan and ran a paper by that name etc, we may invoke the same principle once more and that all that wealth either sent out of the country by the wealthiest (Swiss, Cayman, Mauritius,...) or deposited at the feet of God in Temples must go to the real Creators!

If anyone thinks mobilization is not possible, it is not possible for them. If we think mobilization is possible by telling the samaj something they already know, that they are the creators of all that is preserved and functioning, then it is possible for us. But, EQUALITY does not belong to a category of possibles; it belongs to the category of Impossibles. That is why it is worth imagining and striving for. The possible part of it is always visible as World Bank projects.

I urge all of you to do some effort in this direction. Since few old currency notes of 500 & 1000 are left over with most families, even those notes can be used for local exchange. These are security printed and safe from the point of view of counterfeiting in a short period of some months upto an year .Their numbers can

be noted by the local administering voluntary group of people who will stand guarantee in their use- thus generating local people's confidence in that system.

Suresh [13/01/17]

Thanks, KKS. I understand your perspective better now. How to integrate it with our efforts is something that we need to discuss and debate. Your last paragraph is an apt pointer for this.

Sunil [14/01/17]

This is to urge all on the addressee list to please join this dialogue. Surendran has made a detailed proposal and has further clarified many points in response to comments by Kaul, Krish and Suresh. On the whole we have a wholesome radical proposal which is both constructive and transformational. The Lokavidya Jan Andolan can plan major steps forward with Lokavidya Bazar and Gyan Panchayat being conjoined with such an idea.

May be you have already read the proposal or may be you have kept it for reading later because it is long. Please give quality time for reading it and giving your response on Reply All on this thread. Lokavidya Jan Andolan needs your response to be able to put together a consensual idea for putting it into practice.

We need Surendran's proposal to be translated into different languages like Hindi, Marathi, Telugu, Bangla, Kannada, Tamil, Malyalam, Oriya, etc. to start with. Please volunteer.

Lalit Koul [14/01/17]

Surendran's latest response to Suresh query is a remarkable deviation from the content in his original proposal. To mobilize people on the premise " and that all that wealth either sent out of the country by the wealthiest (Swiss, Cayman, Mauritius,...) or deposited at the feet of God in Temples must go to the real Creators!" is different from asking them to collect toll/rentThe idea mooted in the quotes above has the potential to become a widespread movement because it basically would aim at transforming the mindset of wealthiest people and making them realize that they owe much more to the real creators of wealth than to their God(s) and economies of alien countries. This kind of movement can

possibly be led by Kala Gyan Panchayats which would send out bards to profess the thought and galvanise peoples opinion in that direction. Something like Bakhti Movement! This kind of movement would be well within the philosophy of LJA.

" ... Since few old currency notes of 500 & 1000 are left over with most families, even those notes can be used for local exchange. These are security printed and safe from the point of view of counterfeiting in a short period of some months upto an year .Their numbers can be noted by the local administering voluntary group of people who will stand guarantee in their use- thus generating local people's confidence in that system."

If encouraged this would be termed totally illegal and would tantamount to unnecessarily confronting the establishment in a wrong way. If financial autonomy is the aim then people can be encouraged to decide upon their own medium of exchange that has no relationship with the main currency. Medium of exchange is after all a matter of mutual trust which is honoured by all the concerned in all their transactions. It can be a simple piece of stamped paper issued by various Gyan Panchayats and need not conform to any standard amongst them. (in any case what I have understood from the link posted by Krish in which the author of the thought talks of Constant & Bank of commodities...is that what is printed on the currency Note (I promise to pay the bearer ...) is not realizable because the quantum of printed currency outweighs the quantity of Gold in possession and therefore what we have, anyway, is only a piece of paper - howsoever decorated). To work towards establishing an independent medium of exchange is going to be a very powerful movement, but at the same time those who venture in to this exercise should be aware of its very direct consequences in terms of the response from the 'adversary'. For, there is no better way of saying " I do not recognise you- the present Nizam". If this could be a first step towards decentralised economies then it would have the potential to challenge the extant political ideology.

Surendran [14/01/17]

@Kaul: "Surendran's latest response to Suresh query is a remarkable deviation from the content in his original proposal."

I have to state categorically there is no deviation in this statement from the original Vistapan Toll/Tax proposal. The statement in reply to Suresh is just the fact and reality ground which enables a mobilizational and organizational activity envisaged in the Toll Tax proposal. The Vistapan Toll is expected to be collected by POS machines connected to the GATE-I gateways as and deep as possible locally by the people as a 4-laned road passes through their village or the road to a National monument / Tourist attraction passes through their midst, such that they will not be able to even afford the entrance fee to those places. You can see that all the Nationally important places. The community collecting using the GATE-I payment is no different from what the BOT- Build Operate Transfer - contractors collect for years without a complaint. The level of understanding that all the contract labor came from around the facility are collecting their toll for the displacement from the land and the highly depressed wages they received is something activists should be in a position to supply with numbers. I do not think any one has any illusions about the 1% rushing to the GATE-I payment with the money they spend in Dubai shopping festival for example. What is voluntary is proposed - in the manner of Share Certificate etc- as a mode of reconciliation with the 1% by the community in addressing the national disaster (in principle not much different from the Truth and Reconciliation in South Africa after 1994 , the year in which our economic reform are kick started).

Lalit Kaul [18/01/17]

More on Surendran's proposal:

Keeping aside my differences with the proposal based on my understanding, lack of or wrong understanding , of the Lokavidya philosophy, basic principles governing LJA, and the premise of 'Lokavidya Swaraj', I would like to state the following:

The question why Lokavidya Samaj should collect compensation/toll/tax/fees/facilitation charges may have to be answered in Gyan & Kala Gyan Panchayats for Lokavidya Samaj to internalize the reasons and basis for such an activity to be undertaken as also for the Gyanis to take it to a

larger cross section of their people. Why to collect is the issue and not how to collect. When this idea is broached in the various Panchayats we may be faced with questions like, how do we collect compensation on a regular basis, having been paid once- by whatever agreement between the parties- at the time of dispossessing us from our lands? How do we question fairness of a process that has been in vogue since decades/centuries and to which we consented from a position of strength or weakness? What kind of rationale would legitimize this act of ours? Can we say it is the process of decolonization and the only way to rid ourselves of the extant neo-colonial set up in our country?

We may have to explain this apparent paradigm shift from ‘Sabki Aay Pakki ...’ to regular collection of fee. The rationale behind ‘Sabki Aay Pakki ...’ was the assertion- if I understood it correctly- that Lokavidya is at par with other ways of acquiring knowledge both in its forms and diversity and therefore a Lokavidhyadhar is as much entitled to a regular and assured income as were the ones who acquired knowledge from schools, colleges and universities. While the graduates from the institutions became naturally entitled for jobs and the governments of the day strive hard to create jobs for an assured income, those who acquired knowledge through informal ways were and continue to be delegitimized.

Is it a real paradigm shift or a relationship of continuity exists between the two? That is to say that the thinking is that the movement for toll collection is going to compel the government of the day to move towards implementation of ‘Sabki Aay Pakki ...’ and that would be its point of culmination else, the revenues collected from such an exercise would be used for ensuring ‘Sabki Aay Pakki ...’.

What shape this movement will take and how it will manage/confront its adversaries is a matter of conjecture, but I am inclined to think: Is LJA at a T-junction where it needs to make a choice between Gandhi ji and Sri Krishna! Or, is it that for the politics of change to succeed it should internalize all the conflicts between the ideology it started with and its maneuverings in the real world? I do not know.

B Krishnarajulu [20/01/17]

I am attaching a note on the Finance Capital part 3.1 of the Lokavidya Bazar proposal for your comments and suggestions. This note is a modification of the

originally proposed Lokavidya Kosh and incorporates the features of Lokamudra as proposed by Surendran, which, to my mind it is an important input into resolving the market-based inequalities that arise, in valuation of Lokavidya-based goods and services with respect to those of the modern market.

Capitalisation of Lokamudra.com as well as its "digital formulation" are still to be given shape to and more friends are expected to aid this process in the coming days.

Surendran [20/01/17]

The initial proposal was a result of reading the Credit Swiss reports (ref 1) available for download. I had not realized that only in countries colonized by the British that alternate currencies and autonomous local currencies have NOT been tried out at various times. In Switzerland itself the complementary currency Wir exists separate from National Currency even today. So also, I had no idea of the variety of currencies independent of National Currency existing or experimented at various levels. Some wikipedia pages for a quick look at these are given below.

Now comes the important issues related to Virtual Currencies of the present era such as Bitcoin. Bitcoin is designed after Gold, in that the possible amount is exhausted some time in future and there are only miners and traders of Bitcoin and in fact it is predicted that a similar oppressive standard will come out of it. We will be interested in something which is like Bitcoin with distributed control and not centralised , but which is not a standard of stability for trading in global wealth, but rather standard in measuring people's labor and creativity and also potential labor and creativity. The latter is the real support system which removes "the burden of being alive" from people and a basic necessary condition for खुशहाली.

But it may be more significant in the context of deliberations in panchayats to see the necessity and possibility of the autonomy for the samaj from the National Bank(s) (which will pass on the burden arising from Basel -III norms to the ordinary people), a process which has already started, if I am not mistaken, with the demonetization suffering. One of the most interesting way in which autonomous currency was tried out was in Japan, where the people (some area?) started with 10% of the value in the local currency for all transactions in their region, both for exchanges of commodities, labor and purchases from

shops. This could be a starting point for the samaj within themselves and slowly for all those doing transaction with samaj and simultaneously in payments to the government - taxes, education , health etc. Subsequently this percentage is increased until some level of mobilization and transformation starts taking place. The payment gateway ideas to be designed according implementing such a strategy etc.

<https://www.credit-suisse.com/us/en/about-us/research/research-institute/publications.html>

https://en.wikipedia.org/wiki/Fureai_kippu

https://en.wikipedia.org/wiki/Community_Exchange_System

https://en.wikipedia.org/wiki/Complementary_currency

https://en.wikipedia.org/wiki/Local_exchange_trading_system

<https://en.wikipedia.org/wiki/Cryptocurrency>

Lalit Kaul [24/01/17]

In an attempt to understand the import of Krish's attachment and elaborate upon it further, the following is posted :

Insofar as I understand, Capital inputs means investments for creation of assets; assets like storage facilities for agricultural produce, deep freeze facilities for produce like fruits, milk and milk products and any other fast perishable food item including flowers. Effective conduct of the Bazar would also require revenue expenditure and therefore financial holdings would take in to account both types of expenditures. The financial holding for a period of one year would, in my understanding, be dictated by the increase/decrease in the quantum of outputs of all kinds- commercial & non commercial crops, fruits and flowers, milk and milk products, etcetera. The same would apply to the products of the Karigar Samaj including the Tribal societies. Increase or decrease would basically affect revenue expenditure, given that capital investments can be planned to the extent infrastructures can be built over a period of one year. So, I think that LMC need only plan and not regulate any financial requirement for the Bazar to function. Gyan Panchayats (related to financial domain) may ensure that revenue expenditure is done for real commercial activities like trading of goods- buying and selling in wholesale and not for any speculative exercise.

If the members of the managing committee of Lokamudra.com comprise members nominated from various Gyan Panchayats then the committee would essentially plan and not regulate. In addition to one time capital investment, the real commercial transactions would decide the quantum of money supply in the Bazar and hence would preempt any regulatory exercise.

Regulation, in any case, does not serve any good purpose except that it encourages corrupt practices. One may leave it to the good intentions and ethics of the LMCs and Gyan Panchayats insofar as handling of public money is concerned.

"To begin with the exchange rate may be fixed at 1#₹(Lokamudra) = 10₹ (Rupee)"

This exchange rate essentially means that Lokamudra has ten times more purchasing power than Rupee! How this relationship has been arrived at may need to be reasoned out.

For transactions within the Lokavidya Bazar, value of 1 Lokamudra may be related to a unit of commodity, that is its value for 1 unit of grain will be different from that of 1 unit of clothing or from 1 unit of pulses, etcetera. By 1 unit is meant the basic minimum requirement of an individual. How to assign purchasing power to 1 Lokamudra even for transactions within the Bazar needs to be seriously worked out. For transactions with the outside world an arbitrary relationship of lokamudra with other currencies is not going to work out.

So, on the Lokamudra the inscription 'I promise to pay' would mean that if an individual wants to return his/her Lokamudras to its bank then his/her entitlement would be as many units of things for daily use and the choice of it would lie with that individual.

I am trying to relate 'stock purchase' & 'contributions by members of Lokavidya Samaj'.

Stock purchase: Let us say that a farmer has produced 100 Kgs of rice; this is his stock which to start with is his asset but can become a liability if he is unable to get a price for it when offered for sale. Suppose that it is valued at ₹ 10 = #₹ 1 per Kg (not the selling price). So, the total value is 100 Lokamudras/ 1000 rupees. The members of the samaj, on the basis of the farmer going public, offer to pay up for his stock, each according to one's own discretion. Each share = 1 Kg of rice (for example) and 'stock' held by the member = total number of shares = total

Kgs of rice paid up for by him/her. The understanding with the farmer is that a % of the profit made by him/her shall be disbursed as dividend to the share holders who have jointly reimbursed the costs incurred by the farmer for his produce and freed him/her from that burden and therefore the farmer need not do any distress sale within or without the samaj. By the end of a year the farmer may choose to return the investor's money along with the dividend and thus go public every year else, the farmer may retain all the shares/stocks and keep paying dividends every year. Higher production may attract more investments (buying of shares), on request from a farmer; lower production may persuade a farmer to sell back the shares with dividend to specific investors, on demand.

This dividend value may change depending upon whether whole rice was sold in the local market or a part of it was exported to other places within the country because the profit margins may differ under the circumstance. No speculation involved because profit margins would be governed by the underlying principle of 'sustaining Lokavidya based livelihoods'.

Inability to sell the produce becomes the liability for the farmer and hence for the share holders and is accepted as part of the game. All this (that is inability to sell) is for surplus produce available with the farmer; that is surplus not after fulfilling his/her own requirements, but of the Samaj. So, if the concerned Gyan Panchayats can assess the requirement per annum based on population and minimum required per capita consumption then the farmer can plan to meet with the requirement as closely as possible and there would be no distress. The requirement of surplus may be planned to meet with the contingency created due to uncertainties involved in the production as also to cater to the external demand. Thus there may not be any requirement for either 'share' or 'stock' insofar as selling the produce for internal consumption is concerned because the members can straight away buy the produce as per their requirements, but these investments by the members of the samaj may help in expanding the industry of an entrepreneur – farmer and a karigar. Thus value of a rupee/lokamudra is attached to a basic unit of a commodity and can vary depending upon whether the commodity is in surplus or deficit; a proper planning for production as per the consumption requirements can ensure that the currency remains more or less stable.

'Contributions by members of Lokavidya Samaj'

Farmers / Karigars need capital investments. Funds are required for creating infrastructures for imparting education, for providing medical facilities and transportation, etcetera. The Maha Panchayat comprising a member each from various Gyan Panchayats may give a call to members of the samaj to pool in their money as per their capacities/resourcefulness for creation of a common/central funding agency that would cater to meeting with the requirements of investing in various infrastructure building activities.

The pool so created could also meet with the requirements of loans for personal requirement / fulfilling family requirements. Capital investments made for commercial activities and the funds drawn from the agency for the purpose can be treated as a loan returnable in certain number of installments whereas the money drawn from the agency for common use may be treated as the contribution from the members of the samaj and therefore not to be treated as a returnable loan; just a kind of commitment from the members towards their samaj. The loan interest may be as minimal as to sustain the activities of the agency or may be interest free if the activities related to the agency is done voluntarily by the members of the samaj.

Thus, while share/stock is based on the assets of an industry, the common pool is for enabling the creation of such assets of different kinds.

The attempt to insulate Lokavidya Samaj economy from the transients (created deliberately or otherwise by the principles governing the dynamics of modern economic regime) of the mainstream economy can be achieved if and only if it is insulated from the monster of inflation and deflation that rears its head as per a planned pattern, because demonetization of currency does not happen every season. The only way to insulate is to relate the value of Lokamudra/Rupee to various commodities (per unit of each one or a set) in a certain weighted manner and to plan their production in such a way that excess and deficit is restrained within such an allowable margin that ensures minimum fluctuation in the purchasing power of Lokamudra/ Rupee.

For the above the reference document is: 'Exeter Experiment' as posted by Krish in one of his links.

B Krishnarajulu [24/01/17]

There has been a misunderstanding of the whole post on Finance Capital possibly because I used some terms such as 'regulate', 'stock' etc which could carry the usual meanings attributed to them in the current context.

Lokamudra.com is a digital entity and would essentially function somewhat like the RBI.

It is capitalised/seed funded by all those methods suggested by Surendran such as Donations a la Hundi collections, Highway toll (Disaster mitigation) etc etc. There could also be paid up share capital (I called it stock) by members of the Samaj,LJA etc who would be share holders but with restricted rights. 'Management' of and 'regulation' by this entity would be largely soft-wired but could incorporate 'policy changes' (such as the exchange rate, ROI etc) as and when required.

The other part refers to Lokavidya Bazar transactions that take place (cashless) via Lokamudra and there the LMC and Gyan Panchayats have an important role in governance and management as was envisaged earlier. The details need to be worked out in practice.

Please note that Lokavidya Bazar also has a Material Capital aspect(such as seed banking, produce warehousing, service scheduling etc) about which there was some detail in the original note on Lokavidya Bazar, but a lot needs to be spelt out by the Gyan Panchayats.

I feel there are NO contentious issues now and we need to work out details (through discussion and practice) of the entire Lokamudra and Lokamudra.com idea that was put forth by Surendran.

Some of us are meeting at Nagpur where there could be some discussion on these points but I feel that everyone needs to put her/his mind and soul into the Gyan Panchayat activity and the formulation/ finalisation of Lokavidya Swaraj and Lokavidya Bazar ideas.