

A Unifying Philosophy of Governance

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Abstract

Bertrand Russell¹ won Nobel Prize for arguing that science has triumphed over religion. Since religions are based on god, Russell's argument implies that science has triumphed over both religion and god. But neither Russell nor anyone else has ever defined religion and god, rationally. The assertion about triumph of science (which is founded on rationality) over concepts such as religion and god (which are not defined rationally or scientifically in the extant literature) cannot be rational. This paper offers a novel rational philosophical foundation for the concepts of god, religion and science in which the claim that science triumphs over religion is redundant.

This paper also presents substantial new insights about epistemic truths to help resolve current problems facing humanity like financial moral hazard and terrorism which have unnerved nations worldwide. The humanity now begs to answer a fundamental question of how we can govern ourselves. This paper offers a coherent set of credible answers. In particular, it offers a coherent unified philosophy about how humans have universally formed beliefs to govern themselves and how this philosophy could help resolve current problems. The universal rendering of beliefs articulated here subsumes the extant characterization of probability beliefs in mathematics, science, engineering, economics, religion and philosophy. The universal beliefs so articulated in this paper obviate the currently prevalent philosophical conflicts between religion and science or between theism and atheism and paves the way for optimal governance for prosperity amid stability. This philosophy also offers a rational characterization of the spiritual notion of Nirvana or salvation of the soul and the notion of epistemic truth. The unifying philosophy can help humanity achieve unity, stability and prosperity, sans financial moral hazard, antagonism, wars, nuclear proliferation, global warming and atmospheric pollution.

¹ Bertrand Russell (1935, 1961), "Religion and Science," Oxford University Press.

1. The Founding Philosophy of Modern Governance

Bertrand Russell² won Nobel Prize for arguing that science has triumphed over religion. Since religions are based on god, Russell's argument implies that science has triumphed over both religion and god. But neither Russell nor anyone else has ever defined religion and god, rationally. The assertion about triumph of science (which is founded on rationality) over concepts such as religion and god (which are not defined rationally or scientifically) cannot be rational. This paper offers a novel rational philosophical foundation for the concepts of god, religion and science in which the claim that science triumphs over religion is redundant.

The constitution has become the lodestar for framing laws to govern humans in most, if not all, countries. How and why did the humans bank on a constitution and rules of law, instead of living in jungles as they did centuries ago with the animals?

Early on, humans living in jungles needed to herd together (like many vulnerable animals do even today) to protect against predatory animals. But within a herd, some humans meted violent oppression of others. Violence among humans threatened survival of all humans because even the strongest among them needed the support of the rest to survive the onslaught of the predatory animals.

The intelligent humans then developed language for communication and scripted 'commonly acceptable beliefs for coexistence [CABE].' Those who scripted such CABE were treated as 'god' or 'reincarnation of god' or 'son of god' or 'prophet.' The CABEs became religious scripts like Gita, Bible, Koran, etc. The transgressors of CABE were called sinners for punishment by 'god.' The CABE authors created administrators (kings with gendarmes) to mete punishment to the sinners.

Humans eventually reformed the CABE as modern rules of law. How? When some of the mighty administrators committed sins, while a warrior-philosopher like Krishna of the epic Mahabharat era did not exist to array the then warriors like Arjuna to punish and eliminate the sinners, humans made the most judicious among them the 'Lords' (like in Britain) to refine the CABE into modern rules of law. The Lords interpreted the law to ensure conformity of human behavior with law and to prescribe due punishment to the transgressors. The idea of modern governance thus originated.

Subsequently, however, the mighty administrators transgressed the law, surreptitiously and discriminatingly, which even the Lords could not detect. For example, when Britain printed sterling pound in London to acquire sweat-filled merchandise and service from the American colonists and the British Lords did not do anything about it, the former united to revolt against usurpation and subjugation by the latter. After winning the war for their independence, the American founding fathers scripted the first modern constitution. Constitutional governance thus originated.

² Bertrand Russell (1935, 1961), "Religion and Science," Oxford University Press.

But even constitutional governments worldwide have adopted laws and procedures which are economically inefficient and unconstitutional.³ Furthermore, humans have bumped into intellectual conflicts between religion and science and about separation of religion from governance. The purpose of this paper is to offer a unified philosophy of governance which obviates such conflicts. This philosophy lays the foundation for moral hazard free first-best efficient governance.⁴

2. The Necessity of a Unifying Philosophy in Governance

Should a society be governed by religious scripts like Gita, Bible or Koran or by the modern constitution?⁵ The religious scripts prescribe codes for how humans should form beliefs and govern themselves. Some people feel that their religious scripts are superior to every other form of governance and advocate elimination of humans who do not follow their scripts.

Scientists have argued that religion should not interfere with governance. But they have failed to articulate god, even scientifically. This failure leaves scope for some people to believe that their god and religion are superior to others and that they have a right to wage suicidal war against others. This is the source of terrorism that is vitiating a common human longing for prosperity amid stability.

This paper articulates a unifying philosophy of governance - Universal Beliefs and Universal God - that can be acceptable to the followers of all religions as well as to atheists and scientists. We argue that the unifying philosophy subsumes ancient religious beliefs, science and atheism.

The goal of the unifying philosophy is to awaken humans to think of the unifying philosophy in governance in order to attain their common longing for prosperity amid stability. We argue that the unifying philosophy of governance is the most potent nonviolent weapon against terrorism and financial moral hazard that hobbles attainment of the common human longing. The unifying philosophy of governance should be urgently publicized to thwart terrorism and financial moral hazard nonviolently and to beget prosperity amid stability.

³The first-best system of money and finance has triumphed over the second-best system: See Acharya (2012), "Arbitrage Pricing of Total Risk of Assets and Efficient Governance of Financial Markets" at <http://pro-prosperity.com/Research/moralhazardliberty.pdf> and Acharya (2012), "Economic Inefficiency and Unconstitutionality of Short Selling and Privileged Private Market Clearing House," forthcoming in the Journal of Investment Management and Financial Innovation, at <http://pro-prosperity.com/Research/Sub-Optimality%20of%20Short%20Selling.pdf>

⁴ See Acharya (2012), "First-best Management Academy, Proposal for Consideration by Global Leaders," at <http://pro-prosperity.com/Research/First-best%20Management%20Academy.pdf>, Acharya (2011), "Begetting First-best status for Principals," at <http://pro-prosperity.com/Begetting%20first-best%20status.html> and Acharya (2012), "Winning Economic Philosophy of Governance," at <http://pro-prosperity.com/Winning-Economic-Philosophy-of-Governance.html>

⁵The constitution, per se, can be scripted with a commonly goal. See Acharya, S. (2011), "No-subsidy (self sufficiency) Mantra of Governance needed to Attain the Most Efficiently Competitive Economy," <http://pro-prosperity.com/Research/Governance-and-Most-Efficient-Competitive-Economy.pdf>

2. Beliefs, Religion, God and Science

Humans have formed their own beliefs about the set of unknown elements of the universe. Such beliefs are called probability beliefs in mathematics, science and engineering. Humans have branded their beliefs about the elements in the unknown set as religion. Even economists characterize the probability distribution of the unknowable random error in an econometric model as their religion.

The measure theory on probability beliefs about the uncertain elements of the universe is a rationally defined doctrine or religion. This theory is widely used to characterize probability distributions in mathematics, science and engineering. Assumed probability beliefs about the states of nature are crucial for asset pricing which is central to the fields of economics and finance. The concept of wealth cannot be formalized without such beliefs.

The process of formation of beliefs about the unknown elements is thus common to all fields including religion. But this common process does not automatically produce a unifying philosophy of governance because of the incoherence in beliefs about god across religions. The atheists and scientists do not accept god, while the religious individuals do.

The challenge of articulating a unifying philosophy thus rests on rendering god in a way that will be commonly acceptable to the religious people as well as to the scientists and the atheists.

To render god coherently, we divide the set of all elements in the universe into two disjoint subsets. The first subset comprises all elements of the universe that are known to humans. Call the first set **Knowledge**. The second subset contains the rest of the elements of the universe. Call the second set **Unknowable**. The two disjoint sets are not static. They are evolving dynamically over time. **Knowledge** is expanding. **Unknowable** is shrinking, but it still remains infinite, or Anant in Sanskrit.

Our unifying philosophy renders the **Unknowable** set as **Universal God** and beliefs about the elements in this set as **Universal Beliefs**. We call the set of unknowable elements **universal god** because it forms the common basis of characterizing god in all the existing religions.

The Universal God is **known** as the set of unknowable elements. This is unlike the existing proclamation by many that God is unknown.

God cannot be simply unknown. A coherently rendered God should comprise the whole unknowable set of elements. Why? Suppose that god is simply unknown, as believed by the followers of current religions. An unknown god will simply be a subset of the Unknowable set. But every religion also admits that god is Almighty. This means god cannot be a mere subset of the Unknowable. It is because such a subset will exclude

some elements of the Unknowable that are not within the reach of god. This shows that god, as the unknown Almighty, must be the entire Unknowable set. The Unknowable is thus a coherent rendition of a Universal God that can be accepted by followers of current religions as well as the scientists and atheists.

Humans at any point in time do not know the elements in the Unknowable at that time. But they know the existence of the Unknowable. The Universal God is thus known as the Unknowable set, while its shape or the elements it comprises are unknown.

In **Universal Religion**, those who are expanding **Knowledge** are like "Sons of God." A quest for new knowledge is tantamount to a longing to uncover some elements of the **Unknowable**. The longing to reach god in the existing religions is called prayer. The longing to reach **Universal God** in **Universal Religion** is called scientific research, perseverance and tenacity.

Scientists are true **Sons of God** because they are continually uncovering the elements of the **Unknowable**, which is **Universal God**. Now pause for a moment to ponder why this notion of Son of God applies equally to Einstein, [Vivekananda](#), Christ, Mohammad, Krishna, and Mahatma Gandhi. They were all seeking new knowledge by discovering some elements of the set of **Unknowable**, which was mystery to the rest of humans at the time.

Mahatma Gandhi, for example, uncovered a new methodology called Satyagraha to liberate the subjugated humans. Satyagraha is non-violent protest against unfairness and injustice. Satyagraha's potency against injustice was unknown to humans then. The humanity followed and revered Gandhi because of his potently successful discovery of the new way (Satyagraha) of achieving freedom from the oppressors. The new method or knowledge that the Mahatma unleashed was unknowable before he enunciated it.

We could extend the above logic about new discoveries of elements from the Unknowable set to describe that [Einstein](#),⁶ Christ, Swami [Vivekananda](#),⁷ Mohammad and Krishna as Son of God or Prophet or Reincarnation. The central point being made here is discovery of sufficiently important unknown elements of the Unknowable set that induces humans to treat the discoverer as superior to themselves.

Hindus (people living in India) called Krishna as a "Reincarnation" of God. People in the Middle East called Christ as "Son" of God. Mohammad improvised the term "Son" or "Reincarnation" as "Prophet." These humans have basically articulated some (scientific) process to uncover some elements of the **Unknowable** or **Universal God** as in **Universal Religion**.

⁶ See Walter Isaacson, April 2004, "Einstein's Religion and God," Washington Post, <http://www.pro-prosperity.com/Einstein%20and%20God.html>

⁷ See Swami Vivekananda, "The Known and Unknown," <http://www.pro-prosperity.com/Knowledge-Vivekananda.html>.

So the Christians, Jews, Muslims, Hindus, Buddhists, Sikhs and all others can intrinsically believe in **Universal Religion** and **Universal God**.

Knowledge is time-specific. **Knowledge** evolves over time. It is a Sigma Algebra in mathematics and Information Set in Economics. Every field of science rests on a system of beliefs or probabilities about uncertain states of nature. These beliefs are used to form expectations about the uncertain states for decision making and controlling of events in science. Beliefs in the field of financial economics are used to determine prices of commodities and services. Beliefs are thus the basis of wealth and prosperity. **The system of modern scientific beliefs is thus subsumed within Universal Religion.**

Any economic variable like household income can be decomposed into two parts: (i) one which is conditional on all the information of the economist and (ii) the other comprising the rest, which is characterized as an unexplainable random variable or the error in the model. Economists assume (form beliefs) that the unexplainable random error follows certain theoretical properties. Their assumption (belief) is “religious” as admitted by a prominent professor of economics during my doctoral studies. Some economist can have a better model that can explain a greater part of an economic variable like the household income. The random error (unexplainable or unknowable part) in the better model shrinks the set of uncertainty in explaining household income. Humans tend to call the random element in their household income as **Luck** (bad or good) because they cannot explain the random draw in this error, based on known factors that are supposed to determine income.

4. Presaging Epistemic Truth

This section (written on October 9, 2011) stems from persistence of friends close to me about how someone sees the truth. Hindus have often depicted truth as god and god as nothing but the truth. This is perhaps why a truth-abiding M.K. Gandhi could endear the masses, become their Mahatma (great-soul), and gain freedom for them from colonialism. I have so far replied mundanely that she should verify my track record of how accurately I presaged events like the financial catastrophe of 2008 or the collapse of the US banking system, presaged since 2003.⁸ I have also explained to my friends that my foresight is not based on either esoteric serendipity or standard econometric forecasting techniques. It is rather based on a more general model of economic equilibrium than any other scripted in the literature.⁹ This model showed that the economy would gravitate to an equilibrium presaged by my model. But my friends have remained unconvinced so far about how I could see the truth that evaded stalwart experts that control the academy, government and industry. The finance-economics experts have admitted before the US

⁸ See Acharya, S. (March 2003), “Warning to the US Congress on Current Home Mortgage Debacle,” <http://pro-prosperity.com/Global%20Economy%20Chatterbox/Warning-USCongress-In-2003-On-Home-Mortgage-Debacle.html>

⁹ See Acharya, S. (2010), “Economically Efficient Constitutional Governance,” <http://pro-prosperity.com/Research/moralhazardliberty.pdf>

Congress-appointed Financial Crisis Inquiry Commission that no one in the academy, industry and government saw the financial catastrophe of 2008 coming.¹⁰

The dictionary definition of truth is: conformity to fact.

How does one conform to fact, for example, that the current financial system is plagued by moral hazard before the 2008 financial catastrophe exposed the truth to everyone?

I have narrated in my research since 1991, the financial moral hazard stems from collusion between central bank regulators and mega bankers.¹¹ Mega bankers are the members of the market clearing house who drafted the Federal Reserve Act in 1913.¹² This Act permits the American central bank (Federal Reserve) to discriminately lower the cost of its created funds lent to mega bankers. The mega bankers then take huge leveraged bets to facilitate unconstitutional usurpation of people's savings in financial markets.¹³ I have proved within a general equilibrium model that financial moral hazard can be resolved efficiently by scrapping the federal deposit insurance, by offering equal central banking facility to all firms (not just banks) and households, and by reforming trading rules to make them free and fair for all according to constitution.

I saw the seriousness of preemptive resolution of the financial moral hazard problem through adoption of equilibrium policies, when I observed that mega banks were transgressing the bank foreclosure rule enacted in the Federal Deposit Insurance Corporation Improvement Act of 1991. The bank foreclosure rule states that banks with lower capitals than a minimum threshold will be closed. This rule originated from my research with J.F. Dreyfus published as "Optimal Bank Reorganization Policies and Pricing of the Federal Deposit Insurance," in the Journal of Finance in 1989.

After the bank foreclosure rule was enacted by the US and adopted in Europe, mega banks tinkered with their holding company structure for multi-tier leveraging by diluting their consolidated capital (risk to owners) significantly below that requirement by law. The mega banks are the major bank holdings companies and members of the Clearing House. They have had full away over the Federal Reserve. Mega banks down-streamed their parent company debt as equity to their subsidiary banks to meet the minimum requirement at the subsidiary bank level, not on a consolidated basis for the entire bank

¹⁰ See "Financial Crisis Inquiry Report, the Final Report of the National Commission on the Causes of the Financial and Economic Crisis in the United States," submitted by the Financial Crisis Inquiry Commission, pursuant to Public Law 111-21, January 2011, <http://www.gpoaccess.gov/fcic/fcic.pdf>

¹¹ See Acharya, S. (1991), "Efficient Resolution of Moral Hazard via Capital Markets: Monitoring Banks," Finance and Economics Discussion Series, Board of Governors of the Federal Reserve System, Washington, D.C. The model in this paper is available in "Economically Efficient Constitutional Governance," at <http://pro-prosperity.com/Research/moralhazardliberty.pdf>

¹² See the current list of The Clearing House members at <http://www.theclearinghouse.org/index.html?p=070878>

¹³ Unconstitutionality and inefficiency of the current system of money and finance is proved in a more general model of economics than any other ever scripted: "Economically Efficient Constitutional Governance," <http://pro-prosperity.com/Research/moralhazardliberty.pdf> See also, Acharya, S. (2010), "Constitutional System of Money and Finance," <http://pro-prosperity.com/Research/Constitutional-Monetary-Finance-System.pdf>

holding company. The Federal Reserve regulators permitted the parent company debt as subsidiary bank equity and thus effectively transgressed the bank foreclosure law enacted in 1991. This transgression permitted mega banks to increase their leverage multi-fold to gamble with cheap government insured deposits and Fed funds. The mega banks siphoned off the profits from the gambles as dividends and executive compensation and bonus, while piling the residual losses within banks for people to bear.

I saw the truth about financial moral hazard between mega bankers and government regulators since 1994, when my presentation about the increasing leverage at mega banks was covered by top Fed officials in a meeting at Citigroup. I then chose to be unshackled from my position of Financial Economist at the Fed, After coming to the University of Illinois in 1995, I translated my mathematical equilibrium model to papers written in plain English and submitted the same to the US Congress in 2003 with preemptive policies to avert the catastrophe brewing due to financial moral hazard.¹⁴ I had written then how the truth about financial moral hazard unfolding and erupting to a catastrophe to cost taxpayers trillions of dollars.

The truth I discovered about financial moral hazard is epistemic (knowledge-based). What is epistemic truth? If it could not be conformed to fact before the eruption of the 2008 financial catastrophe, how did I see it? In fact, the experts in the academy, industry and government have testified before the Financial Crisis Inquiry Commission that they did not see the financial crisis coming.¹⁵

Could the inherent repertoire of my knowledge have retained relevant facts to conform to my observed events – like suppression by top Fed officials of my argument before top Citi management about multi-leverage diluting the bank foreclosure law and nonchalant rejection by top journals of my generalized model for efficient resolution of moral hazard without reviews and by returning my fees – to let me see the truth about financial moral hazard that the experts failed to see as per their testimonies before Congress? I knew how the experts controlling top journals were tied to the publishing houses owned by mega bankers and financiers and were benefiting from the status quo and why, as a result, they did not want to perturb the current system of financial moral hazard by accepting my papers. I also knew how the mega bankers were benefiting tremendously from the effective transgression of the bank foreclosure law and how top regulators expected to benefit from the shenanigans after retiring from their government positions. The greater the number of rejection of my papers the deeper became my conviction on having seen the truth about the financial moral hazard stemming from collusion among top academic experts, government regulators and financial industry honchos.

¹⁴ See Acharya, S. (2003), “Warning to US Congress in 2003 on Current Home Mortgage Debt Debacle,” <http://pro-prosperity.com/Global%20Economy%20Chatterbox/Warning-USCongress-In-2003-On-Home-Mortgage-Debacle.html>

¹⁵ See “Financial Crisis Inquiry Report, the Final Report of the National Commission on the Causes of the Financial and Economic Crisis in the United States,” submitted by the Financial Crisis Inquiry Commission, pursuant to Public Law 111-21, January 2011, <http://www.gpoaccess.gov/fcic/fcic.pdf>

But even the above explanation was not sufficient to my close friends to fathom how I saw the truth accurately. To them, being able to see the truth that stalwarts failed to see is like divinity. But labeling my foresight as divinity or even precocity does not offer a rational answer to their basic question about how epistemic (knowledge-related) truth is discovered. Their persistence led me to a more satisfactory rational answer, which may resolve the mystery about the discovery of epistemic truth like the truth about financial moral hazard that the mega experts and stalwarts in the industry, academy and government failed to see.

How does someone foresee the truth about some epistemic reality that others cannot, despite having the same models and knowledge? The academic experts, government regulators and industry honchos had received various revisions my papers. This question is different from verifying truth about physical objects, for example, whether the observed attributes of a newly discovered celestial body conforms to facts already existing in the body of human knowledge to establish the truth about whether the discovery is a star or a planet. My friends' question is about an epistemic reality (truth) like financial depression caused by moral hazard.

Sages have presaged epistemic truths at times when relevant facts seemed absent in the body of knowledge. For example, in ancient times humans could not conform as true the necessity of rules like (a) to not kill innocents or to not rob others and (b) to punish the killers and robbers for civilized coexistence. Yet, during those times, Krishna could presage such epistemic truths in Gita, which people universally conformed later as the true epistemic rules needed for civilized coexistence by adopting them as tenets of newly scripted (modern) constitution.

How can new epistemic truths be foreseen, absent relevant facts needed to verify conformity to reality? Rendering such foresight as divinity or precocity simply transforms the question to “What constitutes divinity or precocity?”

To answer this question, one needs to observe that the notion of epistemic truth is confined to humans. Humans have no knowledge about whether animals can conform to fact observed events to establish epistemic truths. The ability to conform to fact is inherent or genetic to humans. The human gene is able to store observed facts as knowledge and then verify conformity of a new discovery/claim to the stored facts to determine the truth about the discovery/claim.

The human gene is the repertoire of memory like epistemic logics. The gene mutates at birth. The repertoire of memory (e.g., epistemic logic) too is mutated (not completely erased) at birth. A new born child responds through cries when the care rendered is truly insufficient. The child obviously checks if the given care conforms to facts genetically retained as necessary conditions for survival.

As the child grows, the gene accumulates new knowledge. The gene does not guarantee retention of all the observed facts. Neither does it ensure a transfer of all accumulated facts from parents to the child at birth.

The human gene has survived so far. This survival is a testimony about the gene's nature to retain at least one epistemic element needed to conform as fact the conditions necessary for coexistence (co-survival) of its carriers (the humans). This must be the reason for why humans since time immemorial have searched for commonly acceptable tenets as their religion needed for coexistence or co-survival. Humans have struggled for better religions for coexistence. Even science (despite triumphing over prevailing religions) became a new religion with the mathematically characterized probability beliefs supplanting the religious beliefs about unknown elements of nature (uncertainties) faced by humans.

The epistemic elements (facts) retained within the gene may be dormant in some humans. These humans may not automatically know as true all the commonly acceptable rules for coexistence of humans. As a result, these humans may likely be subjected to harsher rules/conditions, like slavery or financial bondage, designed and imposed by others.

It may sometimes be possible to activate the dormant human genes by those who have active epistemic elements (facts) in their genes and, thus, have conformed as fact the truth about some new commonly acceptable rule for coexistence. Since the nature of the gene is to survive, any passive element within it can be activated when the gene's carrier (human) is subjected to survival problems. The tendency to fight for survival can activate the genetic repertoire of facts (or survival instincts) to compare the same with observed events-like financial catastrophe, bailout of banks, and no bailout of common people-to ascertain the truth about financial moral hazard in the prevailing system. When my research on efficient resolution of moral hazard was rejected by top journals without reason (despite having published in top journals and knowing the rule of the game of publishing), I faced immense threats for my intellectual or professional survival. The tendency to fight for survival must have activated my genetic repertoire of facts to conform to observed events (rejection of my papers) to see the truth about financial moral hazard.

Why did I choose such research which questioned the wisdom underlying the prevailing system of money and finance, despite credible advice I received to not pursue such research if I wanted to remain employed? This was again due to credible threats to my intellectual and professional survival, especially after I saw the 1987 when I was at New York University, which was just across Wall Street. By then I had already learned how the established experts controlling top journals usurped ideas from original papers of rookie researchers via an ordained blind review process or how a rookie had to be tagged to an expert to rise in the profession.¹⁶ To survive, I had to write such papers (like the efficient resolution of moral hazard) which (i) the established experts would abhor to copy because they would thus undo the financial moral hazard from which they benefited and (ii) are so fundamentally important to society that the experts would lose if they rejected such papers in the journals they controlled. That I succeeded was incidental

¹⁶See Acharya, S. (2010), "Blind Review of Papers Unconstitutional and Detrimental to National Competitiveness," <http://pro-prosperity.com/Blind-Review-Academic-Papers-Unconstitutional-Uncompetitive.html>

because some carrier of the human gene would have succeeded, presuming that the human gene would survive the threats from financial moral hazard.

The human gene has survived and is likely to survive. This made me almost sure that someone among us, the humans, would discover the epistemic truth about the prevailing system of moral hazard threatening the survival of humanity. I got into discovery of such epistemic truth not only because I faced threat for my intellectual and professional survival. It is also because I am an inquirer with an inherent sense of integrity since childhood. It was, therefore, natural for me to see how a more general model of economics than any ever scripted to resolve moral hazard efficiently was being rejected by my peers controlling the same journals where I have published other major papers. Such rejections not only enlightened me about the experts being tied to their cohorts in industry and government to perpetuate a myth about efficacy and efficiency of the established financial moral hazard system. They also emboldened me to aver that my discoveries were epistemic truths, which would eventually be accepted by all for survival of humans.

The above discourse conjoined with how the mammoth dinosaurs perished may shed new light about the future of the human gene. Dinosaurs grew large, killed smaller animals and ate away the vegetation on earth. A slight perturbation in the environment like dust spewed from a meteoric collision with earth perhaps destroyed the remaining vegetation to kill the gigantic dinosaurs. But other micro organisms like, perhaps, the human gene survived on earth.

The human gene might have evolved from the micro organisms. Or, it might have co-existed independently and survived the onslaught of violent animals on earth. Either possibility (evolution or creationism) is consistent with the truth that the human gene has so far proved indomitable. It is because of the human gene's ability to devise safeguard mechanisms (like dwellings, food, defense and a system to thwart financial moral hazard) for its carriers to coexist. Even the rules of conduct (introduced as religious tenets) are based on a common longing to coexist. The humans have devised different religions because of physical separation of various groups. The advent of transportation and electronic communication has, however, diluted the physical separation. As a result, humans have transcended their national, religious and racial barriers to device common systems of coexistence like communism, capitalism, socialism, democracy and dictatorship. The search for better systems for coexistence continues after the collapse of communism and tottering of democracies. A better system adopted in one place on earth, it is immediately transplanted elsewhere. Such search for coexistence will thus converge to a universally acceptable philosophy of governance, devoid of parochialism and moral hazard of the bygone era.

5. Universal Salvation

The existing notion about the following spiritual concepts may not appear to vive with Universal Religion scripted here:

- a. Soul
- b. Conglomeration of all Souls or Paramatma
- c. Prayer
- d. Salvation or Nirvana or Moksha

Spiritual Hindus and Buddhists have believed that the soul, resident within a human body, can achieve Moksha or Nirvana or Salvation. Where exactly the soul resides in a human body is unknown. Moksha is described as a state of unification of an individual soul with the Paramatma or conglomeration of all souls. Paramatma is also considered as the god. The idea of reaching god as per prevailing religions is spiritually equivalent to a unification of an individual soul with the Paramatma through prayers and benevolent acts.

One can obtain an epistemic reconciliation of the above spiritual concepts with the Universal Religion by defining as follows:

- i. Individual wherewithal to survive - Soul
- ii. Universal or common wherewithal to survive - Paramatma
- iii. Research for discovery of means to survive - Prayer
- iv. Indomitable pursuit for enhancing universal wherewithal - Moksha

Recognize that the human gene has survived the vagaries of nature, animals and devilish humans. Every individual has a will to survive. By the definition of the scientific principle of *survival of the fittest*, the surviving pool of human genes is more powerful than the rest that perished. One can then envision “god” as the most powerful being (almighty) attainable from the multitude of combinations among the human genes in this pool. Such epistemic envisioning is consistent with the idea that humans are children of god. Universal Religion thus unifies the scientific notion of *survival of the fittest*, if not the theory of evolution, with the idea that humans are parts (children) of god.

The individual wherewithal to survive is rooted in the gene. It is composed of accumulated knowledge and tools needed to circumvent or fight against threats. If an individual has little wherewithal for his survival, he may feel totally helpless and commit suicide. A weakened individual may also seek others’ help to struggle for mutual survival.

The individual wherewithal is dissociated from a dead body when the gene dies. But it joins the pool of human knowledge on common wherewithal. The living humans conduct research about the reasons of death to gather any new knowledge for common survival. All gathered knowledge is stored in the surviving human genes.

I define the indomitable pursuit for enhancing the wherewithal for common survival as Moksha in Universal Religion or *Universal Moksha*. The individual who is innately impelled to make such pursuits cares for survival of his body only to strengthen the wherewithal for common survival. He is selfish only about common survival. He treats those who jeopardize common survival as devilish. He pursues for elimination of devils,

even if doing so jeopardizes his own body. Not everyone who reaches *Universal Moksha* can eliminate devils. But those who do will perhaps be deemed by others as the saviors or Messiahs.

The individual who attains *Universal Moksha* does not pine for being the savior or Messiah. But the pool of genes that produce such individuals would produce the savior, if one were to presume that the human gene would ultimately survive, especially, the onslaught of devilish humans.

Only today (October 8, 2011) did I ponder over the meaning of soul, Paramatma and Moskha in the context of Universal Religion. I went through spiritual lessons when I was about 18 years old. The spiritual guru then trained me for dissociating from the mundane matters of life to have unification of my soul with Paramatma. I never approached any spiritual guru thereafter. At about 45 years of my age, however, I have had an automatic transformation in my endeavors to pursue only for common good and to focus on self interest only for survival needed to pursue for common good. My only goal since then has been to feel satisfied by the time of death that I have pursued for common good, whether or not something tangible came out of my efforts.

The definition of *Universal Moksha* implies that I have attained *Universal Salvation* despite my pursuits to preserve and care for my physical life as necessary to attain common good. The spiritual gurus may not agree that I have attained their notion of salvation because I have not dissociated from mundane affairs of life. I have always considered that retention of one's life is necessary to pursue for common good.

Universal Salvation is not really attained when an individual's wherewithal is weakened badly enough to protect his physical body, i.e., when the body dysfunctions to be dissociated from the will to exist. *Universal Salvation* comprises:

- a. Dissociation from those pursuits for self interests, which weaken the wherewithal for common survival.
- b. Association with those pursuits, which enhance the wherewithal for common survival.

Attainment of *Universal Salvation* necessitates preservation, not weakening, of one's body. Rendered this way, salvation is truly exhilarating because the pursuits for fulfilling the common longing of people for survival beget at least a vicarious pleasure of having the tacit support of the entire society for such individual efforts.

My friends and relatives have often questioned my wisdom in facing hardship wrought by the research that jeopardizes the interests of powerful people. But I have always been exhilarated by such research, despite rejection by the journals controlled by the same powerful interests and in spite of the immense sacrifice in my career advancement. My exhilaration does not stem from hurting the established powerful people through research pursuits. It comes from a conviction that I have pursued selfless research to discover immensely essential wherewithal for common survival of humans.

6. Parochialism creates devilish leaders and threatens common survival

To safeguard against the threat from violent animals, humans organized themselves in societies. But living together required rules for coexistence. Formulation and administration of rules needed leadership. When the societies grew large, leaders and their cronies schemed to exploit the society to beget for themselves free service and produce. Such scheming resulted in groups or societies based on religion, color, culture, caste, etc.

The society served the leaders out of necessity. This created moral hazard because the leaders were empowered to formulate rules for coexistence. Over time, leaders formulated more and more sophisticated rules to usurp wealth and servitude from society as long as people could tolerate.

To keep their society under control and to divert attention of people from exploitation via sophisticated rules, leaders often concocted enmity with neighboring societies and beyond. They painted superiority of their society over the rivals. The painted hubris united people within a society (nation) to war against other societies. Leaders justified wars by the usurpation of wealth and servitude of the vanquished. Then a sense of injustice brewed within societies or groups which could not win wars and faced threats for their survival. This led to insurrection and terrorism against the victors.

To avert terrorism, it is necessary for humans to recognize the common threat to their survival as parochial leadership based on, for example, religion, nationalism, color, caste and even academic ordains.

A real common threat to survival of humans is nuclear bombs, which came into being due to nationalism everywhere. Nationalism in Japan and Europe threatened peoples everywhere. This led some people to produce nuclear bombs as soon as some humans perfected the idea. Using the nuclear bomb against Japan only encouraged other nations to produce the lethal weapon for survival. Even the champion of nonviolence, Mahatma Gandhi, tacitly encouraged the first prime minister of India to produce the bomb to preserve the arduously attained independence of his nation.

A parochial academic ordain is (a) to subsume the supremacy of markets run by the prevailing system of money and finance and to accept rules that serve the beneficiaries of this system, and (b) to not publish any research (in the journals controlled by the same operators and their academic cohorts), for example, on financial moral hazard, which proves that the prevailing system can cause financial catastrophes to jeopardize peaceful coexistence and which discovers new wherewithal for common survival. Such ordain is parochial because it serves only the champions of the current system in the academy, industry and government by ruining others' hard earned wealth.

Parochialism is neither sustainable nor stable in the long run. For its survival, the human gene will eventually dissociate from parochialism by embracing the unifying philosophy or Universal Religion and God.

7. Evolution of the Philosophy of Governance

Krishna composed Gita to communicate a philosophy of governance of human behavior needed to restore justice and peace, even through war. Christ offered codes for human behavior scripted in the form of Bible. Swamy Vivekananda had once longed to have a common religion that could be acceptable to all humans. Our unifying philosophy of Universal Religion with the corresponding rendition of Universal God may fulfill that longing.

Two fundamental tenets of Prophet Mohammad that attracted Islam to one-fifth of humanity are (i) equality of all humans with no one like Christ as "Son of God" or Krishna as reincarnation of God and (ii) riba-free economy in which no money lender charges a positive interest rate. Saint Vashista was the first to speak against usurious interest rates. Philosophers like Aristotle and Plato have spoken against usurious interest rates. A rich merchant like Mohammad became famous when he lent his money without interest and enunciated equality of all humans. Mohammad was very confident of his message. His following was so strong that he could not visualize the importance of amendments to his Islamic philosophy of governance scripted in Koran, Sunnah and Sariat in 700 AD. Islam views deviations from these scripts as blasphemy and metes severe punishments to those who deviate from or speak on irrationality of its rigid scripts. Some Koranic verses, unfortunately, advocate violence towards those (infidels) who do not accept Islam. The Islamic philosophy of governance advocates extinguishing relics and culture of all older religions.

The constitutional rules of governance have thus evolved through wisdom cultivated since the ancient times. Contrast the two fundamental Islamic tenets with (a) the first written constitution (that of USA) of the world which admits equality and (b) the American monetary system that follows a zero real interest rate policy. Americans do not prescribe decrees and fatwa. But they have rationally adopted the most important virtues of the Islamic philosophy through individual liberty, freedom, equality of opportunities and competition. America may thus be the most Islamic nation on earth. Most "Islamic" nations - ruled by dictators, monarchs and mullahs who treat themselves as superior to all other Muslims they lord over - are un-Islamic. Autocratic Muslim rulers are desecrating the principal tenet of Islam by treating themselves as superior to fellow Muslims. They are most un-Islamic. By accepting dictatorial rulers, most Muslims have disrespected their own Prophet's message. This is the most sacrilegious act of most Muslims against their own Prophet. Most Islamic nations are truly un-Islamic, despite the rhetoric of self-serving, aggrandizing, entrenching mullahs, dictators, and monarchs.

The religious scripts have basically prescribed how humans should govern themselves. The incoherence or blind faith about god in these scripts has, however, led humans to devise the constitutional system of governance and to separate state from religion.

Our *unifying philosophy* scripted as Universal Religion defines *prayer* as perseverance to uncover the truth through research about the set of unknown elements of the universe.

This philosophy treats the constitutional system of governance as a discovery through human perseverance. Humans following this philosophy will still continue to *pray* the Universal God, i.e., to conduct scientific research to attain the truth about the unknown elements of the universe.

The democratic system of governance too evolved through human perseverance. The constitutional system of democratic governance is thus a principal tenet of the unifying philosophy of Universal Religion. This subsumes the human wisdom of philosophers, prophets, scientists and other religious preceptors. The other principal tenet of Universal Religion is to amend the constitutional system of governance over time. The guiding tenet of Universal Religion is to ensure that the constitution reflects the latest human knowledge and wisdom for governance of society. This is an almost universal agreement among all humans irrespective of their current creed, religion and national origin. Such universal agreement is very profound. This universality in agreement makes Universal Religion universal. Universal Religion is necessary to enhance prosperity and stability of humanity.

Can the universal tenet of "constitutional system of democratic governance" be taken as sacrosanct? It should be because no other tenet that is universally more acceptable. This common tenet is optimal for humanity, though it is not ideal.

8. Efficacy of the Unified Philosophy of Governance

A common human longing is to prosper in a society that can maintain stability. But prosperity is possible only if the philosophy of governance helps individuals produce globally competitive goods and services. Otherwise, the society will be uncompetitive, with perpetual trade deficits and weak currency.

Existing religions do not unify humanity and do not beget prosperity amid stability that every human inherently embraces. Preaching that some existing religion is superior to others is thus specious. So is indoctrinating humans at young age, when they cannot reason rationally.

If the philosophy of governance cannot help produce globally competitive goods and services, the leaders have two options: (i) admit failure of their philosophy to lose power or (ii) divert the society from the failed philosophy, fabricate external enemies and unite society to wage war or terrorism against the enemies. Societies that have wisely separated religious dogma from governance and adopted a system of changing leaders imbued in failed philosophies have remained stable and prosperous.

Only the unifying philosophy of Universal Religion, not the existing religious beliefs, induces humans to persevere and produce to attain prosperity amid stability for humans.¹⁷ Only this philosophy jells with the inner spirit common to all humans. Propagation of this philosophy among masses can unify humanity and render all other religions beliefs

¹⁷ <http://www.pro-prosperity.com/Three-pronged-strategy-to-thwart-terrorism.html>

superfluous. The state leaders should urgently broadcast the unifying philosophy of governance to beget prosperity amid stability.¹⁸

The unifying philosophy is the best nonviolent weapon against terrorism. Masses of every religion long for prosperity amid stability, notwithstanding their indoctrination at young age when they could not think or decide. Terrorist leaders are driven by self-aggrandizement interests. But they cannot recruit suicide squads to engage in terrorism if the unified philosophy permeates among masses who inherently pine for prosperity amid stability. Masses will embrace the unifying philosophy to fulfill their longing for prosperity amid stability, and not die for a religious philosophy that fails to fulfill their longings.

Most humans have willy-nilly accepted religious beliefs of their parents when they were born, i.e., when they could not question or reason. But even parents should not impose on their children beliefs about anything including religion. Beliefs should evolve through own conscience and reasoning.

The humanity will eventually embrace the unifying philosophy of Universal Religion and God, for this is the only path to fulfill the common pining for prosperity amid stability in democratic capitalism. Political leaders representing the common longing should, however, propagate the common philosophy to hasten its acceptance by masses to avoid the pain and violence.

9. Is God the source of all knowledge?

It has been argued¹⁹ that “God is the source of all knowledge.... Knowledge is the mother of technology...., technology is power.... USS Harry S. Truman has more destructive power at his command than the collective military might at the command of all Muslim generals on the face of the planet.”

Such argument is specious as it implies that the Americans with all the knowledge of mankind are gods and omnipotent, at least the most powerful among all others on earth. But the Americans do not believe that they are gods when they (a) admit in their most sacred script, constitution and declaration of independence, that all are equal and (b) dissociate their governance from religions and gods. The American system of governance includes production and usage of knowledge, including that needed to build military might. Americans really follow Universal Religion and seek the truth through scientific research to discover the elements of the Unknowable (Universal God). They use the uncovered knowledge optimally and do not hesitate to wage wars against those who oppose such a path to seek truth, liberty and prosperity.

¹⁸ “Prosperity amid Stability: A New Paradigm for Democratic Capitalism,” <http://www.proprosperity.com/Research/Prosperity%20Amid%20Stability%20-%20A%20New%20Economic%20Paradigm.pdf>

¹⁹ See Farrukh Saleem, February 2007, “The Capital Suggestion: Knowledge,” The News, <http://www.proprosperity.com/Knowledge-Saleem.html>.

Having all the knowledge and using the same does not make the Americans gods. Aptly, though, the scientists among them and elsewhere in the world are sons of God. Societies that cannot retain and nurture scientists are doomed to fail. Failed societies (like the failed individuals) will see the successful ones as enemies.

10. Coherence of the Unified Philosophy of Governance

Rendering god as the set of elements unknown to humans obviates prevalent confusions and ambiguities about god and knowledge. Seeking new knowledge is like discovering the elements of the Unknowable through a process which is known as scientific research in modern thinking or traditional prayer to god in prevalent religions. Scientific research or prayer is intended to uncover the truth, i.e., bring to the domain of Knowledge some elements that heretofore were in the Unknowable set or were a part of Universal God.

The process of searching for the truth is common to science and religion. We thus have several unambiguous definitions: (i) the Unknowable is God, (ii) Science is Knowledge, and (iii) Belief about the Unknowable is Religion. Such transparent and coherent definitions can obviate prevalent confusions across current religions and fields of science. Coherence in rendition of a common set of beliefs can attract all humans to the same unifying philosophy irrespective of their current religions, races, castes, creeds and nationalities.

Coherence and universal acceptability of such definitions make Universal Religion truly universal.

Scientists need to form probability beliefs about the elements in the Unknowable set in the normal course of their research to make discoveries. Atheists and theists can treat the probability beliefs as the religious beliefs of the scientists. Scientists should have no hesitation to treat ancient religious beliefs as akin to the widely used probability beliefs. To form beliefs (be religious) about the unknown is human and common to all religions, branches of science and mathematics. We thus have a unifying philosophy of forming beliefs about the Unknowable that can be acceptable to the theists, atheists as well as scientists. The unifying philosophy is truly universal.

God has been perceived as the unknown almighty in every religion. Swami [Vivekananda](#)²⁰ makes a powerful argument for why humans should seek knowledge by uncovering the truth about the [unknown](#).²¹ But he does not posit the Unknowable as God. The common perception that God is unknown does not automatically imply that the Unknowable set is God. In general, there could be many other elements including the commonly perceived God in the Unknowable set. This causes confusion about rendering God simply as unknown. Our rendering of Universal God as the complete Unknowable set avoids such confusion.

²⁰ Listen Swami Vivekananda: <http://www.youtube.com/watch?v=TsBw68KLu3c>

²¹ See Swami Vivekananda, "The Known and Unknown," <http://www.pro-prosperity.com/Knowledge-Vivekananda.html>.

11. Coherent Rendition of God, Religion and Science

A universally acceptable rendering of god is necessary to complete a coherent philosophical view of science and religion. This is vital to avoid the mutual antagonism among people of different faiths.

Bertrand Russell very lucidly argues about science winning over religion. Scientists and mathematicians may not call the Unknowable set as god perhaps because of a legitimate fear of mixing the nomenclature followed in orthodox religions. But they cannot deny the existence of the Unknowable, which is rendered here as Universal God.

Bertrand Russell compares and contrasts the existing orthodox religious dogmas with science to conclude that science has won over religion. Such conclusions have been rooted on the Copernican Revolution on the [principle of separation](#)²² of religious beliefs from governance of societies. The societies that have followed the principle of separation have prospered enormously. Countries like India have adopted the principle of separation, but not practiced it.

Philosophers like Russell, sadhus like Vivekananda, prophets like Mohammed, politicians like Gandhi and scientists like Einstein have failed to rationalize or define god which is common to all existing religions. With god undefined, humans will naturally remain incoherently mired in divers religious dogmas on god and the chasm between theists and atheists will continue. Raging debates on existence of god among rationalists, scientists and proponents of various religions will resolve little until we succeed in rationally defining god to live with universal human beliefs.

The definition of Universal God as the set of Unknowable elements of the universe is rational and should be universally acceptable to people following different orthodox faiths. This definition allows formation of rational beliefs about God (i.e., about elements of the Unknowable set) to test hypotheses as Knowledge expands over time. The definition of Universal God is necessary to complete a coherent philosophical rendition of science and religion, which is vital to obviate [mutual antagonism](#)²³ among humans and societies.

12. Fundamental tenets of Universal Religion

Optimal determination of tenets of any religion should be based on enhancement of stability and prosperity of humankind. For example, [democracy](#)²⁴ is the best (though not ideal) form of governance accepted by humans as optimal. Democracy is thus a

²² See Rebecca Newberger Goldstein, September 2007, “The Political and the Divine,” New York Times. <http://www.nytimes.com/2007/09/16/books/review/Goldstein-t.html>

²³ See P.V. Indiresan, September 2007, “Ram, Religion and Religious Beliefs,” Indian Express. <http://www.pro-prosperity.com/Ram-Religion-Science.html>

²⁴ See news report, September 2006, “World Religions Talk God and Democracy,” <http://www.pro-prosperity.com/God%20and%20Democracy.html>

fundamental tenet of Universal Religion. Similarly, amending constitutional rules of law through optimal discourse and vote within democracy is the other tenet. Indeed, Gita in Hinduism, Bible in Christianity, Quoran in Islam and such scripts in other religions were meant to be “guiding” rules of governance for humans. These scripts have never been amended to incorporate the latest human wisdom including the democratic process of creation and amendment of the constitutional rules of law. They have, thus, become somewhat dogmatic and sacrosanct. The societies that have unshackled their governance from such dogma have enhanced their prosperity and stability.

13. Necessity of Universal Religion

Accepting Universal Religion does not amount to an automatic abandonment of current beliefs of an individual. This is nice because no individual will ever feel anything wrong about accepting Universal Religion as in a conversion to a different religion. Universal Religion gives a complete freedom to choose and even to refine the script through rational arguments in sync with human wisdom. Such freedom is enshrined in the constitution of countries governed by constitutional rules of law. Individuals following Universal Religion will see no inconsistency between governance of a constitutionally run country and their own religious beliefs. Universal Religion thus obviates the issue of "separation of church and state."

14. Conclusion

Bertrand Russell won Nobel Prize for arguing that science has triumphed over religion and god. But neither he nor anyone else has ever defined religion and god, rationally. This paper argues that the assertion about triumph of science (which is founded on rationality) over concepts such as religion and god (which are not defined rationally or scientifically) cannot be rational. This paper also offers a novel rational philosophical foundation for the concepts of god, religion and science in which the claim that science triumphs over religion is redundant. It unifies the intellectual and philosophical thought process necessary for viability of modern governance. The unifying philosophy presented in this paper is the basis of my first-best system of governance, which has triumphed in the real-world over the prevailing second-best system.

Philosophy remains incomplete unless it covers the underlying the origin of modern governance and addresses the still prevailing conflicts between religion and science and about the separation of religion from governance. Humanity cannot be governed without removing the conflicts of thoughts in science, religion and god.

The purpose of a unified philosophy of governance is to help develop coherence in thinking to unite humanity under one banner of **A Unifying Philosophy of Governance or Universal God and Universal Religion**. The ulterior goal of such union is stability and prosperity of humanity through optimal governance²⁵ and by crippling the politico-

²⁵ See S. Acharya, October 2005, “Prosperity: Optimal Governance, Banking, Capital Markets, Global Trading and Exchange Rate.” Citizens Publishing, <http://www.proprosperity.com/Citizens%20Publishing/TableOfContents.pdf>

financial-religious leaders who exploit the vast majority for self-aggrandizement and self-entrenchment in power with parochial self-serving policies. A follower of Universal Religion will still be a theist praying Universal God continually as slated above.