

# Triumph of Ancient Indian Philosophy and Modern Constitution

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**Abstract:** This paper argues that the crux of ancient Indian philosophy is the same as the kernel of modern constitution: *Nobody including the government or democratically elected legislative bodies like the Parliament and the state Legislatures can pass a law or follow a policy or practice to let some people, e.g. government executives, legislators and their cronies usurp public or private wealth.* Recent research shows that this kernel of modern constitution is one-to-one with first-best economic efficiency. We argue that this research makes extra-constitutional policies and acts of governments worldwide specious at best. We also argue how the recent (2008) financial catastrophe which has sapped the American and most European economies is an indication of triumph of the ancient Indian philosophy and modern constitution.

## 1. Introduction

A rational process of discovery of ancient Indian philosophy indicates that this philosophy is the kernel of the modern constitution and rules of law:

***Kernel of the Modern Constitution:*** *Nobody including the government or democratically elected legislative bodies like the Parliament and the state Legislatures can pass a law or follow a policy or practice to let some people, e.g. government executives, legislators and their cronies usurp public or private wealth.*

Wealth includes lives, physical assets like land and real estate and financial assets like investments in stocks, bonds and bank deposits. Usurpation of someone's life means either killing or outright slavery or underemployment. Usurpation of physical assets is accomplished either through outright robbery or via decree to print and grab fiat money to 'buy' others' assets. Usurpation of financial assets is accomplished by various capital market shenanigans like short-selling of securities.<sup>1</sup>

Countries around the world have adopted the kernel in their constitutions to (a) create equal opportunity for all humans to prosper by own diligence and perseverance and (b) maintain social stability.

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<sup>1</sup> See Acharya, S. (2012), "Economic Inefficiency and Unconstitutionality of Short-selling and Privileged Private Market Clearing," forthcoming in the *Journal of Investment Management and Financial Innovation* and available at <http://pro-prosperity.com/Research/Sub-Optimality%20of%20Short%20Selling.pdf>

Recent research shows that this kernel of modern constitution is one-to-one with first-best economic efficiency.<sup>2</sup> We argue that this research makes extra-constitutional policies and acts of governments worldwide specious at best. We also show how the recent (2008) financial catastrophe which has sapped the American and most European economies is an indication of triumph of the ancient Indian philosophy and modern constitution.

## 2. Who the Indians are?

The term "Hindu" was first coined by the Arabs to mean the inhabitant of the land to the east of river Sindhu. Sindhu flows through Pakistan, a country carved out of India in 1947. Europeans learned about Arabs acquiring from the land of "Hind" the knowledge on numerals and mathematics and merchandise like spices and condiments. The word "Hind" sounded like "Ind" to the Europeans. Arabs called the land of "Hind" as "Hindustan," which was christened by Europeans as India with the Hindu inhabitants as Indians.

Hindu or Hindustani thus means Indian. This writing is not about "Hinduism," which is a caption used to connote the "religion" of the majority of Hindustanis. *Hindutva* is a Sanskrit term that means the essence or ethos or philosophy of a Hindu.

Vinayak Damodar Savarkar – a self described atheist – first used the term *hindutva* in a pamphlet, "Hindutva: Who is a Hindu?" in 1923 to mean Hinduness. He used Hindu as an individual of Bharatvarsa, called India in English and Hindustan in Arabic. Savarkar and his followers believe that all Indians must possess a common sole or identity or ethos or philosophy or *Bharatiyata* or *Hindutva* or Indianness. Indians who have converted to Islam or Christianity or Buddhism abhor the term *Hindutva*, lest they may be pressured to practice ancient cultural mores to give up their acquired religions.

Recent research offers a unified philosophy of governance which universalizes the notion of religion and god.<sup>3</sup> One need not, therefore, subscribe to disunity among humans based on their beliefs. It is prudent to not make any religious connotation of the Sanskrit word, *Hindutva*, that truly means Indian ethos.

The purpose of this paper is not semantics of what constitutes *Hindutva*. It is to rationally discover the ancient Indian ethos as akin to the modern constitution and rules of law.

To restore their national pride, Indians must discover their ethos, which represent their identity or sole or philosophy without worrying about the subjugation suffered over centuries.

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<sup>2</sup> See Acharya, S. (2012), "No-Subsidy Mantra of Governance Needed to Attain the Most Efficiently Competitive Economy," forthcoming in the Journal of Governance and Regulation.

<sup>3</sup> See Acharya, S. (2012), "A Unifying Philosophy of Governance," forthcoming in the Journal of Governance and Regulation.

To begin with, why were the Indians subjugated? The Indian civilization was in the forefront of agriculture and commerce. India contributed about 22% to global production. Indians were in the forefront of mathematics, science and medicine. This attracted the invaders to India. This led to India's subjugation which mangled the Indian thinking. The ethos that had made Indians creative and productive vanished from India. The industrial world established their societies based on Indian ethos to be as prosperous as they are now. Indians perhaps would have been in the forefront of industrial revolution if they were shackled.

Indians can no longer abdicate their responsibility in discovering their ancient ethos lost over the centuries of domination. Why? It is because these ethos, discovered by decades of research, are essential for prosperity and stability of society that all Indians now long to attain, despite their diverse religious beliefs, castes and languages.

How Indians call their lost philosophical identity is immaterial. It may be *Indianness* in English or *Hindutva* in Persian-Sanskrit or *Bharatiyata* in Hindi and in most other Indian languages. Let's not blur the Indian national identity with any Indian's religion, caste, language, or theism or atheism. Identity is like the common citizenship of every Indian sole.

## **2. Two Natural Divisions among Humans**

Let's focus on the discovery of Indian national identity or philosophy or ethos at least to regain contribution to global production, service and creativity. Christening the ethos as *Hindutva* or *Bharatiyata* or *Indianness* is really incidental to the process of discovery of ancient Indian philosophy that made the country most productive in the world.

There are two natural ('god ordained') divisions among humans across caste, religion, race, language, ethnicity and national boundaries. One group devises all feasible sophisticated shenanigans to usurp others' wealth which includes labor, life and physical and intellectual properties. This group includes even the idling poor who rally for largesse from politicians with a lure of bribes for votes. The other group perseveres to build own physical and mental faculties to accumulate wealth and to fight for elimination of all kinds of usurpation schemes.

Acquisition and preservation of wealth is very necessary to enjoy liberty. Every liberty-seeking human including the usurpers, therefore, acquires and preserves wealth and resents usurpation of own or common wealth.

It is irrefutably true that humans cannot coexist as a civil society if usurpation of private and common wealth is allowed even surreptitiously through sophisticated Acts of Parliament.<sup>4</sup> This profound truth dawned on Krishna to propound *Dharma* (the kernel philosophy of Gita) to not usurp private and public wealth and to fight for elimination of recalcitrant usurpers.

*Dharma* is necessary for viability of human society. It is also essential to preserve plants, animals and other natural resources on earth. For example, fiat money is propped by the productive labor (mental and physical) of a nation. Printing money for distribution to the unproductive people is surreptitious usurpation of the producers. Those who receive the printed money without obligation to repay through production and service and those who grant such largesse to rule are together usurping and subjugating the productive labor. Such usurpation for subjugation is akin to the infamous Pashakhela of Mahabharat using which the Kauravas usurped all the wealth of the Pandavas to subjugate the latter to toil. Usurpation not only transgresses Dharma. Usurpation also causes destruction of limited natural resources and pollutes earth as the artificially propped-up nonproductive beings consume and excrete without producing or cleaning the environment. The policy of inclusiveness being bandied around the world should be to motivate everyone to produce, serve and clean the environment, not to grant largesse to the idlers by printing money on the back of productive labor. Granting such largesse to remain in power is Adharma and unconstitutional. It is unsustainable in the long run.

It is a hapless irony that the same people who worship Krishna or express belief in Dharma and swear to uphold the constitution are blatantly and nonchalantly steeped in the Adharma or unconstitutional acts of usurpation. It is also striking how the humanity has considered it necessary to proscribe all forms of usurpation of public and private wealth by adopting Dharma as the crux of the modern constitution for governance of nations. Yet, the satraps ruling humanity are nauseatingly improvising and sophisticating surreptitious shenanigans to legalize usurpation of private and public wealth by transgressing the very constitution they have sworn in.

After Bertrand Russell won Nobel Prize by arguing that science has triumphed over religion ("Religion and Science," Oxford University Press, 1961), common people looked forward to learning from the scientists who formed a fountain of truth – the academy. Since every religion is based on god, Russell's argument implied that science had triumphed over both religion and god. But neither Russell nor anyone else has ever defined religion and god, rationally or scientifically. The assertion about triumph of science (which is founded on rationality) over concepts such as religion and god (which hitherto have not been defined rationally or scientifically in the extant literature) cannot be rational or scientific.<sup>5</sup> Yet, economists affiliated

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<sup>4</sup>The meaning of what is true or false is elaborated in a paper entitled "A Unifying Philosophy of Governance," forthcoming in the *Journal of Governance and Religion* and also available at <http://www.pro-prosperity.com/A-Unifying-Philosophy-of-Governance.html>

<sup>5</sup> See Acharya, S. (2012), "A Unifying Philosophy of Governance," forthcoming in the *Journal of Governance and Regulation*, and also available at <http://www.pro-prosperity.com/A-Unifying-Philosophy-of-Governance.html>

to the academy have rationalized numerous sophisticated shenanigans for usurpation of private and public wealth as science and rulers have adopted such unconstitutional and inefficient shenanigans as laws.

### **3. Discovery of Indian Ethos or Philosophy**

In view of the two natural divisions, one can rationally infer that ancient humans philosophically longed for (i) united, peaceful and prosperous living, and for (ii) learning and acquisition of new knowledge. This must have been also the driver of common ethos or philosophy of ancient Indians that was lost in centuries of subjugation. How? India was prosperous by producing 22% of global GDP. No prosperous country today is disunited or internally violent. This means Indians were non-violent and living peacefully. Only their peaceful coexistence could lead them to discovery (knowledge or science) of the truth about the unknown elements of nature.

Whether Indians' ancient knowledge is superior to the current knowledge in the developed world is unimportant for issue of discovery of ancient Indian philosophy. What is important is that Indians' knowledge then was superior to that of the rest of the world, as one can rationally infer from observations that only relatively superior knowledge has led nations to achieve relatively higher productivity. Because Indians were producing relatively the highest of all nations before invasions, they were more knowledgeable than others then.

After invasion and colonization India's GDP has dropped to about 1% and has not advanced much after our independence. The West and Japan have become relatively as prosperous as they are today only because of a process of peace and steady acquisition of relatively superior knowledge that Indians are not able to achieve. It is because the ethos that had imbibed the ancient Indian civilization has become a part of the currently developed world. Indians now are hopelessly behind, relative to other developed nations because they lost our ethos and could not muster them even after independence.

Indians have so far failed to recover their ethos because, after independence, the elite in power achieved and relished nonpareil relative prosperity for themselves and their families and friends. It did not occur to them that they should cultivate collective wisdom - which is possible only in independent universities - to recover and permeate their national ethos to make the nation prosperous. The idea of the ruling elite was to simply print more and more rupees to usurp most of it and to distribute the remainder to local political workers to bribe the voters to garner their support for entrenchment in power to relish relative individual prosperity within India. This process badly weakened the international value of rupee, leading to a rude shock to the ruling elite in 1991 after India's foreign currency checks bounced.

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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 is, therefore, necessary that Indians recoup and cultivate their ethos through independent universities (Nalanda, Taxila and Ratnagiri) which had made ancient India the nonpareil productive center of the world. Private universities run by politicians and connected mafia through usurped public development funds are as hopeless as the government-funded universities like the IITs and IIMs to cultivate and disseminate national ethos.

For a nation to be as prosperous as India was before subjugation, Indians must have followed a philosophy of effective governance to create equal opportunity and liberty for all.

Universal prosperity within a nation is possible only if every individual has an environment of equal opportunity and freedom to produce, create and think based on own talent and perseverance within the domain of common laws. Such an environment can be created and maintained only by efficient rules of governance driven by the kernel of constitution and characterized by official accountability, credible actions against corruption and adherence to optimal rules of laws as exemplified in the nations that have prospered.

Triumph of good over evil is subsumed in ancient Indian philosophy. A follower of *Universal Religion and God* could rationally infer that Krishna and Rama might be the individuals that vanquished the evil forces to establish good governance and universal prosperity.<sup>6</sup> Only then would they be revered by the humanity around them. Composers of Ramayana and Mahabharat might have exaggerated to sell their stories, but the crux still was elimination of evil forces to establish efficient rules of governance, to ensure equal opportunity for prosperity based on talent and perseverance.

Establishing liberty, justice and equality before laws enacted as per the kernel of constitution must identify India. Mahatma Gandhi was massively supported by all Indians in nonviolent Satyagraha to defeat the mighty evil colonial rulers that meted indignity and inequality based on skin color. The evil forces have always been engrossed in creating unequal opportunity for themselves by unfairly subduing talented and productive individuals. Thwarting such forces within society has been a remarkable Indian philosophy.

Division of labor was based on talent, skills and perseverance. This is relevant even in the modern world to achieve productivity and competitiveness of a society. The principle of division of labor in India was distorted to be privileges by birth, propagated as a divisive caste system that is haunting India even today.

Longing to live in unity despite diversity in religion, caste and language has to be a part of Indian ethos. One can see such longing pervasively present in every village or nook and corner of India. The colonial rulers resorted to divide and rule after they were threatened by the Hindu-Muslim unity in Sepoy Mutiny (first war of India's independence) in 1857.

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<sup>6</sup> See Acharya, S. (2012), "A Unifying Philosophy of Governance," forthcoming in the *Journal of Governance and Regulation*.

#### **4. Current Indian Longings and Modern Constitution**

The Gita, composed in India, is the oldest script to stipulate how the humanity should live together. The Bible and Quoran were composed much later to prescribe rules of governance of humanity that followed the authors of these scripts. The inter-religious fight is thus about whose rules on governance are wiser or fairer for humanity. Unfortunately, most religious and political leaders strive for imposing wisdom and fairness. This has divided Indians longing for unity. True leaders of humanity like Mahatma Gandhi or Abraham Lincoln have succeeded in envisioning and articulating common longings to induce people to fulfill the same through common struggle.

Europe, USA, Japan, China and Russia have kept religious scripts off governance of their societies. They adopted constitutional rules of law that are amenable to amendments based on the latest wisdom and democratic principles for effective governance, equal opportunity and prosperity. A single party in China strives for the same end goals via fierce and fair competition for party posts based on problem solving skills. The top ten leaders of Communist Party of China including the current president are all qualified engineers, as was the previous president. Humans have thus translated their wisdom into constitution and rules of law, as opposed to ancient scripts like Gita, Ramayan, Bible or Quoran,

The philosophical wisdom of “Hindus” was to contain evil forces for effective governance, equal opportunity and prosperity, which are being pursued now through the constitution and rules of law. Indians should be proud that the Hindu (Indian) wisdom is the overriding theme of the modern constitution that the world including India has embraced. The Islamists have waged a fatuous jihad to eliminate the Hindu wisdom (Indian philosophy) which stands for effective governance longed by all people including Muslims, globally, and as proved resoundingly by the Indian elections.

Rules of governance of India cannot be dictated by religion or caste or language because doing so will be against the common longing of people. Rules have to be based on the kernel of the constitution like non-usurpation even surreptitiously. The constitution itself should be amended to reflect the latest Indian wisdom by repealing all unwise tacit references to disunity based on religion, caste, tribe or language. Unwise constitutional codes and rules of law create unequal opportunity through disunity and ineffective governance that are not common longings of people. Constitution and rules of law should be amended to accomplish people’s common longings for economic justice, liberty, equal opportunity, unity and effective governance.

India should, hereafter, pursue for policies to fulfill people’s common longings through real-world strategies on commercial banking, central banking, capital markets, inter-state trade, exchange value of our currency, global trade, labor laws, highest value of our mineral and land resources, environmental uplift, water harvesting, quality education, good healthcare, solid infrastructure, social stability, individual prosperity, national competitiveness, and etc. India should look forward to contributing 22% of global GDP that we once produced to attract the

invaders who had divided us to rule by ransacking our advances in mathematics and science or wisdom on unity and effective governance.

## **5. Triumph of ancient Indian philosophy for economic prosperity**

The crux of the ancient Indian (Rama-Krishna) philosophy is: to not usurp others' property and to not subjugate others, even surreptitiously, and to eliminate the usurpers and subjugators even through war.

The ancient Indian philosophy resulted in nonpareil economic prosperity of India with 23% contribution to global output. The contribution of India to the global economy then is as much as that of the U.S. now, though with a significant difference. India did not include any exotic financial derivatives like credit default swaps or collateralized debt obligations to its output then, as the U.S. is doing now. Even President Obama has pointed out that such exotic financial derivatives may contribute to economic growth, but not to the prosperity of people.

The latest research – based on the most extensive DNA matching – shows that humans (after popping in Africa) migrated to and settled in India before emigrating northwards to Europe and northern Asia. This finding supplants the previously held view that humans went directly from Africa to Europe via Sinai and then immigrated to India. The latest research concludes that most, if not all, the biological features of humans found globally (Causian, Mongoloid, etc.) are present among Indians.

One can rationally infer from this research:

- i. That India was the cradle of human civilization.
- ii. That India was later invaded by people of Indian origin who had emigrated from their ancestral land.
- iii. That the Moguls and British invaders were of Indian origin.

Clash of ethos is the primary historical reason for invasions. Otherwise, the local Indians would have welcomed their invading cousins and the latter would not have demolished their ancestral culture and heritage. The emigrants must have harbored ethos antithetic to the ancient Indian philosophy. By mangling and obliterating the ancient cultural vestiges in India, many of the invaders provided an unmistakable proof about their angst and vindictiveness towards ancient Indian philosophy which had caused nonpareil economic prosperity for India.

Genes carry indelible memory which mutates to the next human carrier upon birth. This is why a baby (untrained at birth) cries for food when his survival is endangered due to hunger. An untrained baby remembers upon birth what hunger means and how he should respond based on memory mutated to the genes he carries at birth. Such genetic memory means that India's invaders could have recalled their origins and the potential causes of their emigration, at least



subconsciously. The fact that they destroyed their ancestral vestiges indicates their genetic memory being vindictive towards ancient Indian ethos.

Why were the invaders so vindictive?

Vindictiveness arises due to a sense of defeat of one's ethos. The reckless destruction of Indian heritage and culture by the invaders were punctuated by their volition to establish superiority of their ethos. That the invaders were hell-bent to establish superiority of their ethos is obvious because they not only built their monuments by demolishing ancient Indian temples, but also called the local Indians idolaters, pagans, and heathens with unenlightened souls.

India's invasions were, thus, primarily due vindictiveness towards ancient Indian philosophy and for establishment of invaders' ethos for usurpation of properties after torturing and killing the locals.

Even lately, the Pope had stated that the only path to god is Christianity. The Southern Baptist Church of USA has distributed pamphlets and booklets to convince American Hindus to adopt Christianity; the church has even lighted candles on Diwali to enlighten the unenlightened souls from India. The Moguls, driven by superiority of their ethos, destroyed and disfigured ancient Indian relics which prominently embodied the ancient Indian philosophy. Europe and USA are no more governed by such hubris about superiority of religious beliefs, though Mogulstans are still ruled by religious doctrines.

The focus of this memo is ethos for economic prosperity. So, what is superior in the Western or Mogul ethos? Since religion does not govern the Western nations, we need to focus on their economic philosophy that has crashed during the financial catastrophe of 2008. The essence of the now crashed Western economic philosophy is surreptitious usurpation of others' wealth for eventual subjugation. This is antithetic to the ancient Indian philosophy.

That the failed Western philosophy is economically inefficient, unconstitutional and unstable (bound to fail) has been proved within a general equilibrium model of mathematical economics which was first mimeographed by the Board of Governors of the Federal Reserve System when the author was a financial economist in 1991. This model has also mathematically proved within the most general economic equilibrium model ever scripted in the literature that the ancient Indian philosophy (Rama-Krishna Dharma) is (first-best) efficient and stable, i.e., would eventually triumph and prevail.

The proponents of the prevailing second-best (inefficient) system may have insinuated that persistence with the US Congress to adopt first-best rules helped destroy the prevalent second-best system. But the objective of first-best efficient principle akin to the kernel of modern constitution has been simply to establish the most efficient system to beget first-best status for the principals (citizens) and I am glad that the US Congress has adopted many efficient policies. This model proves that the prevailing second-best system—which surreptitiously usurps others'

hard-earned wealth for subjugation—transgresses the most crucial constitutional tenet adopted by the Western nations as well as by other major countries like India, Japan and Brazil. This is why a serious policy paralysis has permeated the world after the collapse of this system in 2008.

But India should rejoice over the triumph of its ancient (Rama-Krishna) philosophy:

- a. That had once led to nonpareil economic prosperity of India.
- b. That has triumphed once again in 2008, as revealed by the ignominious defeat of the prevailing system of surreptitious usurpation and subjugation.
- c. That has been mathematically proved to be economically most efficient (first-best) and constitutional in a more general model of economic equilibrium than ever scripted in the literature.
- d. That has prevailed over the invaders' ethos of usurpation and subjugation, which has been surreptitiously practiced in the West (by transgressing their constitution) and which has been ignominiously exposed in 2008.

Recent research shows that the first-best efficient, constitutional system (rules of governance) is actually the same as the ancient Indian Rama-Krishna philosophy for economic prosperity.<sup>7</sup> Now there is no need to invoke Rama or Krishna to prop a first-best efficient and constitutional system attained in equilibrium within the most general model of economics than ever scripted. Any challenge to the ancient Indian philosophy or equivalently to this first-best efficient equilibrium must be based on a more general model. The challenger has to prove (not simply opine with economic jargons) that a system of surreptitious or direct usurpation and subjugation is economically more efficient and constitutional.

No one has challenged the first-best efficient economic equilibrium results so far. This is why the US Congress has adopted most, if not all, of the efficient and constitutional rules obtained in this first-best policy research.

Why are Indian rulers gloomy when the ancient Indian philosophy has once again triumphed and prevailed? I say “once again” because Rama and Krishna had already defeated the usurpers and subjugators during their times to establish the superiority of their ethos for economic prosperity commonly longed by people. The gloom is perhaps because post-independent Indian rulers willy-nilly adopted the system of surreptitious usurpation and subjugation from the West while trying to convince Indians about its efficacy thus far. This system has enriched and entrenched many rulers, their kith, kin and cronies.

Most Indian rulers have thus far remained satiated about their well-being as a result of the philosophy of surreptitious usurpation and subjugation. They had so far believed that people would not notice being surreptitiously usurped and subjugated.

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<sup>7</sup> See Acharya, S. (2012), “Arbitrage Pricing of Total Risk of Assets and First-best Governance of Financial Markets,” available at <http://pro-prosperity.com/Research/morahazardliberty.pdf>

What is superior about Mogul ethos? Moguls have been driven by destruction of others' life, property and heritage. This amounts to direct usurpation and subjugation, as opposed to the surreptitious approach in the Western economic philosophy. Any form of usurpation or subjugation is actually antithetic to the ancient Indian philosophy and is economically inefficient and unconstitutional.

## **6. Origin of Capitalism**

Rama and Krishna epitomized a philosophy of eliminating usurpers and subjugators. Rama's philosophy can be inferred from his actions narrated in Ramayana. Krishna's actions narrated in Mahabharat as well as Gita more explicitly outline this philosophy. While Rama and Krishna defeated the usurpers and subjugators, they could not extinguish the genes which sought comfort through usurpation and subjugation of others. Many of the dominant carriers of the comfort-seeking genes must have emigrated India, after getting defeated by Rama and Krishna and after most Indians revered Rama and Krishna. Making others work is the essence of capitalism. The capitalistic philosophy is antithetic to ancient India philosophy of eliminating the usurpers and subjugators. This is perhaps why Indian rulers have not been attracted towards capitalism after independence. Ironically, the Indian emigrants established capitalism in Europe. They too have developed the system for surreptitious usurpation and subjugation practiced in the West. The emigrating Indians have also crafted the Mogul ethos to extinguish the ancient Indian philosophy and to establish their ethos of subjugation and usurpation.

After humans settled in India, they must have cultivated two competing and antithetic ethos: capitalism which relies on usurpation and subjugation and the Krishna-Rama philosophy of elimination of usurpers and subjugators. The capitalists clashed with the followers of Krishna-Rama philosophy and emigrated from India after a decisive defeat. India guided by the Krishan-Rama philosophy prospered enough to contribute to 23% of global output.

## **7. Decline of India's Prosperity**

Prosperity then lulled the Indians to forget how Krishna and Rama had vanquished the usurpers and subjugators: better weapons of the time like quoits and spears and skillful operation of weapons and better strategy, e.g., of endearing the Pandavas to defeat the Kauravas or uniting Banar Sena against Ravana.

Rama and Krishna's success had made Indians believe that "god" periodically reincarnates in the form of a human to destroy the subjugators and usurpers. But, during the same time India prospered, the emigrant capitalists were perhaps developing better weapons and pining for returning to their ancestral land that had vanquished them, philosophically. The emigrants came with better weapons and strategies to loot as well as physically subdue the Indians. The invaders were even armed with new religious dogmas to supplant the ancient Indian Dharma.

## **8. The policy issue now**

Should the Indian parliament or ruling Cabinet promote rules based on the repeatedly vanquished philosophy of usurpation and subjugation? The answer is NO. India should, therefore, repeal all laws which amount to surreptitious or direct usurpation and subjugation. There should be absolutely no subsidies based on birth to certain religion, caste or political class.

Most people following any religious faith cannot be blamed for the philosophy of their religion or their caste or class. It is because they were forced to have their parents' religion, caste or class at birth, when they were children without independent philosophical maturity. A modern nation— aspiring to be a global knowledge leader—should offer a platform of a unifying philosophy and repeal existing rules which reward followers of specific religious or political ideologies.

Krishna and his uncle Kansa belonged to Gouda caste. Yet, Krishna eliminated Kansa because the latter usurped others' wealth and subjugated people. Krishna did not believe in rights based on birth to a caste in his time. He could become a Maharaja with the largest army and also the most influential philosopher in his time. A Rajput, Rama, could become an ascetic-mendicant in the jungles, while his brother Bharat rejected the kingdom bestowed on him surreptitiously. A Brahmin, Ravana, was a very powerful king. The reason for bringing these ancient events to the discussion here is that the caste system then was for division of labor with rewards based on talents, not on birth-rights.

So, the ancient Indian philosophy during 3000-5000 BC (times of Krishna and Rama) did not allocate rights based on birth to certain castes. The concept of religion did not exist then. The only ethos that mattered then was elimination of usurpers and subjugators to bestow equal opportunity for people to prosper based on their skills, perseverance and integrity. Even Rama did not assign a Brahmin author to write Ramayana. Rama's message converted a marauder to become a saint (Valmiki) who scripted Ramayana on his own volition.

Ramayana and Mahabharat have been certainly exaggerated by their authors. But the sole purpose of such exaggeration is to ingrain in the minds of people the ancient Indian philosophy to not usurp others' wealth and to not subjugate others by any means. The invaders termed Ramayana and Mahabharat mythology—discourse of Mithya (lies). They obviously wanted to brainwash the Indians with the antithetic philosophy of usurpation and subjugation. The modern economics profession, which has perpetuated the philosophy of surreptitious usurpation and subjugation, can be proved to be a mythology which crashed in 2008.

So, without being dragged by the rubric of mythology, it is important to simply focus on the two antithetic ethos—(i) usurpation and subjugation and (ii) elimination of usurpers and subjugators.

The philosophy of eliminating the subjugators and usurpers to offer equal opportunity to everyone for enterprise and perseverance must have led to the pre-invasion era economic prosperity of India, which according to Adam Smith, was about 23% of global output.

Indians should celebrate now because their ancient economic philosophy, which had once made India nonpareil and enviable, has triumphed and prevailed once again. There is no reason for Indian rulers to be gloomy when the Indian philosophy has triumphed. It is true that the country needs and will soon see a radical adherence to first-best efficient rules of law by repealing the failed second-best (subsidy and birth-right driven) rules.

## **9. Conclusion**

This paper has argued that the kernel of modern constitution – to not usurp public and private properties even through sophisticated acts or policies of government – is the same as the crux of ancient Indian philosophy which is necessary for economic efficiency in governance and competitiveness of nations.