

Peoples Economy (3 Tier Production)

Even before we can distribute wealth we must be able to produce it. The question arises, “Should control of production be in private hands or should it be controlled by the government?” Both extremes have been tried and various combinations in between, but so far humanity has failed to find an effective solution to this vital problem. Today millions starve and millions more live their entire lives in oppressive and exploitative conditions. Prout (Progressive Utilization Theory) resolves this conflict by allotting specific sections of the economy to both private and public sectors, and then awarding the most significant section of the economy to a new sector, the cooperative sector – although a sector essentially in the hands of individuals who participate in cooperative enterprises.

In the Prout system small scale enterprises are run by the private sector, medium scale by the cooperative sector, and large scale enterprises by immediate local government authorities (on trust for the public).

This three tier division has the following benefits:

- a. Neither private nor government enterprises have scope for dominating or monopolizing the supply of goods and services. The economy is not in the control of a few capitalists and is also not nationalized. Economic control remains in the hands of the local people through cooperatives, and key industries are run for the benefit of the people.
- b. Private sector production in small scale industries promotes motivation, efficiency and adaptability to local needs and conditions.
- c. Cooperative production in medium scale industries maintains high motivation due to worker and investor ownership and management, yet prevents concentration of economic power and wealth in the hands of a few.
- d. Local government control of key industries ensures that essential infrastructure and services can be provided to all at affordable prices and be decentralized enough to ensure that all regions have the opportunity to develop. Vital resources will never fall into private hands. As central government control, and nationalization, of industries are also excluded the key industries can be focused to provide for local needs.
- e. The environment will be protected because the economy is under local control.
- f. The socialization of land will result in efficient and effective use of land for the benefit of the people, who have various usufructuary rights of use (permanent or temporary, as required), and who in general are the real owners of all the wealth in this world – that is why the term ‘socialization’ is used.
- g. People can get opportunity to develop their interests, intellectually as well as spiritually, under a coordinated cooperation system. Thus, people’s minds will be expanded.