

Buddhist Economics – Myth and Reality

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ABSTRACT

What E. F. Schumacher saw or heard in Burma (now Myanmar) in 1955 inspired him to explore Buddhist economics as an answer to the new world of 1960s and 1970s, when a generation, disillusioned and disenchanted by prevailing values and norms, was looking for alternatives, among others, to classical or mainstream economics. His slogan “Small is beautiful” attracted worldwide attention as the crux of Buddhist Economics. Despite the events since 1962 in Myanmar, his ideas found and continue to enjoy support among scholars, social activists and Buddhist monks in traditionally Buddhist countries of Asia. The questions taken up for examination in this paper are –

- 1. Do the teachings of the Buddha provide a foundation for Buddhist Economics as interpreted by Schumacher in terms of ideas and positions ascribed by him to a hypothetical Buddhist economist with the slogan “**Small is beautiful?**”*
- 2. How relevant and applicable to the current global situation and issues are the interpretations of **Buddhist Economics** of Venerable Dhammapitaka (better known internationally as P. A. Payutto), and Phra Bhavanaviriyakhun of Thailand, Professor Jagath W. Wickremasinghe of Sri Lanka, H-G Wagner of Germany and Prime Minister Nambaryn Enkhbayar of Mongolia?*
- 3. How valid are supporting statements of Professor John B. Cobb Jr. and criticisms of Professor Mark Skousen – both of the USA?*
- 4. To what extent can and will the Bhutanese concept of **Gross National Happiness** and Thailand’s **Sufficiency Economy** – both being initiatives of ruling monarchs – be implemented in the spirit of Buddhist Economics? and*
- 5. What impact will they have on globalization and the increasing tendency of nations to adopt the free market capitalist system?*

*What is attempted is to identify and distinguish between elements, which are too idealistic or far-fetched for broad-based implementation and those which are more realistic, with a view to promoting the worldwide recognition and appreciation of Buddhist wisdom and values having a direct relationship to **sustainable economic development**.*

I. Introduction

The expression “Buddhist Economics” came into vogue as a result of the writings of Ernst Friedrich Schumacher. In agreement with Mahatma Gandhi’s principles of non-violent economics, Schumacher was convinced that “economics of modern times, while claiming to be ethically neutral, in fact propagated a philosophy of unlimited expansionism without any regard to the true and genuine needs of man, which are limited.” (Schumacher 1965). Apart from the Gandhian concepts of economics of the spinning wheel and locally produced goods and Basic Education, the Club of Rome, which proffered convincing arguments on limits to growth especially in relation to nonrenewable resources, also influenced

his analysis of issues. (Cf. Dennis L. Meadows et al: *The Limits to growth* 1972: and M. Mersarovic et al: *Mankind at the Turning Point*, 1974) Reflecting the emerging post-modern New Age thinking, Schumacher added to the growing medley of slogans his own dictum "Small is Beautiful," the title under which he published in 1973 his writings on related economic and ethical issues. (Schumacher 1973).

A generation, disillusioned or disgruntled or, in the least, disenchanting with half a century of two World Wars, perturbed by the armed conflict in Korea and the imminent nuclear holocaust due to aggravating Cold War between super-powers, and protesting against the presumably interminable war in Indo-China with its concomitants like the draft was critically reviewing the prevailing culture and civilization in all fronts. Time Magazine renewed Friedrich Nietzsche's postulate "God is Dead" in its cover story on April 8, 1966. Representative of its new thinking were challenging and thought-provoking works with catchy titles like Alvin Toffler's "*Future Shock*," (1970), "*Third Wave*" (1984), "*War and Antiwar*," "*Revolutionary Health*," "*Creating a New Civilization*" and "*Learning for Tomorrow*;" and Ivan Illich's "*Celebration of Awareness – A Call for Institutional Revolution*" (1970), "*Deschooling Society*" (1971), "*Energy and Equity*" (1973), "*Tools of Conviviality*" (1973), and "*Medical Nemesis*" (1975). UNESCO's International Commission on Education, headed by Edgê Faure, named its report "*Learning to Be*."

In a related front in the field of literary and social criticism and interpretation of a text (meaning "any artifact of human activity subject to interpretation"), the concept of Deconstruction was developed by the French post-structuralist Jacques Derrida and the Yale School. The new lines of thinking in all these innovative approaches to problems of life and society assumed the basic framework of a brave new world in which everything was reversible. Thus were ideas like the following floated:

- (a) If only the maximum speed of transportation could be brought down to twenty-seven miles per hour –
- (b) If only the search for new medicines or medical procedures were stopped and humans went back to nature for cure –
- (c) If only schooling was eliminated and media and society provided nonformal education –
- (d) If only all prevailing advances in technology were to be replaced by small and intermediate technology –
- (e) If only the inherent weaknesses of human beings like greed, competition, and violence were wiped out –

all problems would cease and the dignity and happiness of humanity would be instantly enhanced. Whether such revolutions were feasible or how the desired results were to be achieved was apparently not considered by the promoters of the new thinking.

Their purpose was to challenge the present, advocate change, raise the awareness of issues, which the “Establishment” swept under the rug, and concentrate on the future and generations yet unborn. These thinkers were indeed very successful in that the evidence, which were painstakingly gathered and presented, indicated the urgency of curtailing, if not entirely eliminating whatever threatened the continuance of humanity on planet earth. They promoted thinking and discussion, leading to increased consciousness and a commitment to innovation in problem solving. What was aimed at and, therefore, achieved was the conscientization of the people. Personally, I had utilized this stimulating literature to generate new insights and influence attitudinal change in over four hundred senior educational administrators in twenty-four countries in Asia, whom I trained over a period of twelve years from 1968 to 1979 as UNESCO Specialist in Educational Management for Asia in Delhi and Bangkok.

It is in this fast developing literary genre of polemic essays that Schumacher wrote his brief paper on Buddhist Economics. It was a plea for a nonviolent way in economics and political life in contrast to the prevailing system that was seen as “rapidly depleting the power of earth to sustain it and piling up ever more insoluble problems for each succeeding generation.” He contrasted “production by the masses” against “mass production” on the ground that “the former provided dignity, meaningful contact with others and was appropriate in a country with a huge population while the latter was violent, ecologically damaging and self-destructive in its consumption of nonrenewable resources and dehumanizing for the individuals involved.” (Schumacher 1974: 128). According to Thomas Weber, it was the Gandhian dream of developing “a level of technology which would be appropriate to the needs and resources of the poor with tools and equipment designed to be small, simple, low-cost and environmentally friendly” that prompted Schumacher’s admonition to halt the rapid move into “a world dominated by the large-scale; complexity; high capital intensity which eliminates the human factor; and violence,”¹ Derived from Gandhian thinking were also his guidelines pointing “towards smallness rather than gigantism, simplification rather than complexity, capital saving rather than labor saving and nonviolence.” (Schumacher 1974: 27). The reason for the current situation was attributed by him to the affluence of a small part of the world, which was pushing “the whole world to the three concurrent crises concerning resources, ecology and alienation.” (Schumacher 1978:14).

What is proposed in this paper is to examine not only Schumacher’s concept of Buddhist Economics but also the reaction to it from various quarters. Most importantly, the response of traditionally Buddhist Countries as reflected in the writings of Thai, Sri Lankan, Mongolian, and Bhutanese scholars and opinion-makers will receive special attention. The provocative title “**Buddhist Economics – Myth and Reality**” has been purposely selected to highlight how much of the positions taken by these writers are realistic, feasible and even desirable.

With a view to presenting the diverse points of view with special emphasis on underlying nuances, I have quoted profusely from the original writings of the authors. In addition to the texts indicated with quote marks, all indented statements are direct citations with very slight modifications where it was found absolutely necessary.

My main objective is to examine how best Buddhism could serve humanity in assuring development conceived not merely as economic growth measurable in financial terms or provision of infrastructure but more comprehensively as **progressively reducing and ultimately eliminating hunger, malnutrition, disease, illiteracy, ignorance, poverty, social inequalities, exploitation, discrimination, insecurity and violence.**

II. Buddhist Economics in the Context of “Small is Beautiful: Economics as if People Mattered”

Written in mid-1960s and published in *A Handbook* (ed. Guy Hint, Anthony Blond Ltd. London 1965), the paper on Buddhist Economics of Ernst Friedrich Schumacher reflected nearly a decade of study of Eastern thought and hands-on experience as an economic adviser to Burma (now Myanmar) in 1955 (Wood 1984: 243). He had seen Burma under its pious and dedicated leader U Nu at a time his government was deeply involved in the massive Buddhist enterprise of rehearsing the Pali Canon in what was called the Sixth Synod or Chattha Sangāyanā. I had been in the country at that time in connection with this Buddhist Council and would endorse the most favorable impression Schumacher had formed of Burma as a new nation where religious and spiritual values and modern technology as well as spiritual health and material well-being could co-exist and develop in unison.

He was impressed as much as I had been with the policy statements of the government such as the following:

- The new Burma sees no conflict between religious values and economic progress. Spiritual health and material well-being are not enemies: they are natural allies.
- We can blend successfully the religious and spiritual values of our heritage with the benefits of modern technology.
- We Burmans have a sacred duty to conform both our dreams and our acts to our faith. This we shall ever do.

He was still dismayed that Burma sought economic advisers from “so-called” advanced countries², adopted the models and plans of development of modern economics and constructed a grand design for development through such strategies like five-year plans. “No one seems to think,” he regretted, “that a Buddhist way of life would call for Buddhist economics just as the modern materialist way of life has brought forth modern economics.”³

Based on his opening statements that “Right Livelihood” is one of the requirements of the Buddha’s Noble Eightfold Path and that “it was clear, therefore, that there must be a thing as Buddhist economics,” he took up some fundamentals to see “what they look like when viewed by a modern economist and a Buddhist economist”. These are the three fundamentals he chose for this comparison:

1. Human Labor

Modern Economist:

Fundamental source of wealth little more than a necessary evil:

- for employer an item of cost to be reduced to a minimum if not altogether eliminated by automation;
- for a workman a “disutility” sacrificing leisure and comfort with wages as compensation for sacrifice.

Ideal for employer: output without employees; and for employee: income without employment.

Reducing workload is a good thing either through automation or “division of labor: leading to specialization: e.g. each worker engaged in a totally insignificant unskilled movement of limbs.”

Full employment will be considered on purely economic grounds;

Fundamental criterion of success is simply the total quantity of goods produced in a given period of time.

Buddhist Economist:

Work as threefold:

- chance to utilize and develop his faculties
- overcoming ego-centeredness by joining with other people in a common task;
- bringing forth goods and services needed for a becoming existence.

Will not organize work to be meaningless, boring, stultifying or nerve-racking;

Display a greater concern with people than goods;

Will not strive for leisure as an alternative to work as work and leisure are complimentary parts of the same living process with the joy of work and bliss of leisure.

Will utilize mechanization to enhance a man’s skill and power without making man a slave to a machine.

Will thus distinguish a machine from a tool (i.e. handloom a tool with a role for the worker; power loom a machine)

Sees essence of civilization not in the multiplication of wants but in purification of human character, as formed by work conducted in conditions of human dignity and freedom.

Will consider creative activity more important than consumption.

Will plan for full employment (but employment of woman in offices or factories would be considered a sign of serious economic failure).

2. Goods and Services

Modern Economist:

Measuring by amount of annual consumption – more one consumes the better one is than one who consumes less.

Mainly interested in goods: ownership and consumption of goods are means to an end -- namely consumption as sole end and purpose of economic activity.

Making material so that it should wear out quickly.

Involves more time and strength in production at the expense of artistic creativity: e.g. complicated tailoring of clothing, making things ugly, shabby or mean.

Dependence on imports from abroad and consequent need to produce for export to unknown and distant peoples.

Statistics showing an increase in ton/miles per head carried by national transport system as proof of economic progress.

Buddhist Economist:

Mainly interested in liberation.

Following the “middle way” not antagonistic to physical well-being. (e.g. wealth not in the way of liberation but attachment to wealth is; so is enjoyment of pleasurable things without the craving for them).

Simplicity and nonviolence. (Utter rationality of its pattern – amazingly small means leading to extraordinarily satisfying needs).

Aims to attain maximum of well-being with the minimum of consumption and considers the opposite approach irrational.

As regards clothing, gains a much more beautiful effect by the skilful draping of uncut material.

Engages in the systematic study of how to attain given ends with the minimum means.

Less time and toil in production promotes artistic creativity.

Considers effort needed to sustain a way of life to attain the optimal pattern of consumption is likely to be much smaller than the effort needed to sustain a drive for maximum production. Cf. Burma vs. USA in relation to labor-saving machinery as this approach allows people to live without great pressure and strain and to fulfill the primary injunction in Buddhist teaching: "Cease to do evil; try to do the good."

People satisfying needs by means of a modest use of resources are less likely to be at each other's throats and people living in highly self-sufficient local communities are less likely to get involved in large-scale violence (as compared to those whose existence depends on worldwide systems of trade.)

Most rational way of economic life is production from local resources for local needs (i.e. neither import nor export).

Increase in ton/miles per head statistics as a sign of deterioration and failure.

3. Use of Natural Resources

Modern Economist:

Counts nothing as expenditure other than human effort.

Does not seem to mind how much mineral material is wasted or destroyed.

Does not realize at all that human life is a dependent part of an ecosystem of many different forms of life.

Ruling from towns and being cut off from any form of life other than human results in a harsh and improvident treatment of things upon which we depend: e.g. water and trees. (e.g. Heedless and shameless neglect of trees in South East Asia)

Does not distinguish between renewable and non-renewable material, as its very method is to equalize and quantify everything by means of a monetary price.

The cheapest is automatically preferred on the basis that the opposite is uneconomic. (e.g. A modern European economist would consider it a great achievement if all European art treasures were sold to America at attractive prices.)

Buddhist Economist:

Upholds the Buddha's injunction of a reverent and nonviolent attitude not only to all sentient beings but also, with great emphasis, to trees. (e.g. planting a tree and tending it until safely established). Demonstrates tree planting as resulting in a high rate of genuine economic development independent of any foreign aid.

Recognizes the essential difference between non-renewable fuel like coal and oil and renewable fuels like wood and water power and uses non-renewable resources only when indispensable and with the greatest care and the most meticulous concern for conservation. Considers a population basing its economic life on non-renewable fuels as living parasitically, on capital instead of income.

Considers the exploitation at an ever-increasing rate of non-renewable fuels -- coal, oil, natural gas, which are unevenly distributed and limited in quantity -- as an act of violence against nature which must almost inevitably lead to violence between men.

This intentionally exaggerated callous apathy to human concerns attributed to the modern economist by Schumacher was no doubt in keeping with the prevailing sense of disappointment of the emerging New Age. In that sense, he was in no way different from Illich, Toffler, and other idealists who looked for wisdom outside the norms of Western civilization. For Schumacher with the exposure to the romantically charming simplicity of Burma of the early years of independence, the ideal planner of economic development was an imaginary Buddhist Economist. Schumacher was apparently an enthusiastic supporter of U. Nu's vision and perhaps noted the success of initial efforts for universal literacy and promotion of Buddhism. Plans for spiritual and economic development as complementary and mutually reinforcing appealed to Schumacher as not only possible but certainly very desirable.

When he wrote the paper, however, he was intellectually cautious. While urging the meticulously careful use and conservation of non-renewable goods and natural resources as a guarantor of nonviolence, he wrote:

While complete non-violence may not be attainable on this earth, there is nonetheless an ineluctable duty on man to aim at the ideal of non-violence in all he does.

Schumacher was conscious that there were people in Buddhist countries, "who care nothing for religious and spiritual values of their heritage and ardently desire to embrace materialism of modern economics at the fastest possible speed." He expected them to "dismiss Buddhist economics as nothing better than a nostalgic dream" and "consider whether the path of economic development outlined in modern economics is likely to lead them to places they rally want to be." As ill effects of "modernization" without regard to religious and spiritual values, he wrote:

As far as the masses are concerned, the result appears to be disastrous -- a collapse of the rural economy, a rising tide of unemployment in town and country, and the growth of a city proletariat without nourishment for either body or soul.

In his conclusion, Schumacher reiterated his basic acceptance of the principles of Middle Way and Right Livelihood:

It is in the light of both immediate experience and long term prospects that the study of Buddhist economics could be recommended even to those who believe that economic growth is more important than any spiritual or religious values. For it is not a question of choosing between “modern growth” and “traditional stagnation.” It is a question of finding the right path of development, the middle way between materialist heedlessness and traditionalist immobility, in short, of finding “Right Livelihood.” (www. Schumacher-society.org)

Even as his article on Buddhist Economics was first published in 1965 and included in his book “Small is Beautiful” in 1973, the country which inspired him – namely Burma – had gone through cataclysmic political and economic change. Within fourteen years of independence, its democratically elected government was overthrown with a military junta assuming power, the Burmese Road to Socialism adopted as the governing ideology, a policy of isolation from the outside world progressively implemented, and an insurgency in outlying regions becoming a threat to security and peace. It is clear that Schumacher saw no reason to revise or reconsider his conclusions on Buddhist Economics in the light of Burmese experience. Nor have the supporters of his views, who through E.F. Schumacher Society continue to uphold and propagate his fundamental principle of “Small is Beautiful” with the sub-title “Economics as if People Mattered.”

III. Supporters and Critics of Buddhist Economics

The term Buddhist Economics and even more so the slogan “Small is Beautiful” gained ready acceptance and generated a significant group of enthusiastic supporters. Even Arthur Hailey, the popular novelist in the literary genre of journalistic fiction or fictional journalism, parodied the latter in his *Wheels* with “Black is Beautiful.” Glen Alexandrin, an advocate of alternative systems of economics, subscribing to TOES -- The Other Economic Summit -- listed the following in 1993 as works with references to Buddhist Economics:

Alexandrin, G.	1979	"Toward a Buddhist Economics", Zero, Vol. II, pp. 124-50;
_____	1981	"Buddhist Economics", Planning Review, Vol. 9, September, pp. 28-32;
_____	1981	"Buddhist Economics: An Economics of the Middle Way", Gandhi Marg, Vol. II, February, pp. 627-37;
_____	1986	"Buddhist Economics", Tibet House Bulletin, Spring;
_____	1988	"Buddhist Economics", The Eastern Buddhist, Vol. XX No. 2, Autumn, pp. 36-54;
_____	1991	"Consumer Decision Making in Buddhist Economics", Pennsylvania Economic Association, pp. 476-91;

- Buddhadasa, B. D. 1986 Dharmic Socialism, Thai-Inter-Religious Commission, Bangkok;
- Chattopadhyaya, D. 1969 Indian Atheism: A Marxist Analysis, Manisha, Calcutta;
- Diwan, R. and Lutz, M. 1985 Essays in Gandhian Economics, Gandhian Peace Foundation, New Delhi;
- Evers, H.-D. 1967 "Kinship and Property Rights in a Buddhist Monastery in Central Ceylon", American Anthropologist, Vol. 69, pp. 703-10;
- Gard, R. 1949 Buddhist Influences on the Political Thought and Institutions of India and Japan, Phoenix Papers No. 1, Society for Oriental Studies, Claremont, CA;
- Gerasimova, K. M. 1964 Obnovlenceskoe Dvizenie Buriatskogo Lamaisticheskogo Duhovenstva (The Reform Movement of the Buryat Lamaist Priesthood) 1911-1930, Buriatskoe Kniznoe Izdatel'svo, Ulan-Ude, Buryat Republic;
- Gernet, J. 1956 Les Aspects Economique du Bouddhisme (The Economic Aspects of Buddhism), Ecole Francaise d'Extreme-Orient, Saigon;
- Kantowsky, D. 1980 Sarvodaya, Vikas, New Delhi;
- Keynes, J. M. 1976 This Confused Society, Buddhist Information Center, Colombo, Sri Lanka;
- Macy, J. 1983 Dharma and Development, Kumarian Press, Hartford, CT;
- Nagajuna and Kaysang Gyatso (7th Dalai Lama) 1975 The Precious Garland and the Soul of the Four Mindfulnesses, Harper & Row, New York, NY;
- Powell, A. 1989 Living Buddhism, Harmony Books, New York, NY;
- Pryor, F. L. 1985 "The Islamic Economic System", Journal of Comparative Economics, Vol. 9, pp. 197-223;
- Sayercrantz, E. 1965 Buddhist Background of the Burmese Revolution, Martinus Nijhoff, The Hague;
- Schumacher, E. F. 1973 Small Is Beautiful, Harper & Row, New York, NY;
- Sivaraksa, S. 1986 A Buddhist Vision for Renewing Society, Taiwan Ltd, Bangkok;
- Snyder, G. 1974 Turtle Island, New Directions, New York, NY;
- 1977 The Old Ways, City Lights, San Francisco, CA;
- Spiro, M. E. 1966 "Buddhism and Economic Action in Burma", American Anthropologist, Vol. 68, pp. 1163-73;
- _____ 1970 Buddhism and Society: A Great Tradition and Its Burmese Vicissitudes, Harpet & Row, New York, NY;

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| Thayar, R. | 1961 | Ashoka and the Decline of the Mauryas, Oxford University Press, Oxford; |
| Tregarthen, T. | 1989 | "Iran and the Economics of Islam", The Margin, January/February, pp. 6-8. U Nu (1975), U Nu; Saturday's Son, Yale University Press, New Haven, CT; |
| Vijayaradhana, D. C. | 1953 | Dharma-Vijaya (Triumph of Righteousness or the Revolt in the Temple), Colombo, Sri Lanka; |
| Wieczynski, J. | 1978 | The Modern Encyclopedia of Russian and Soviet History, Vol. 9, Academic International Press. |

Hans-Guenter Wagner in 2004 had the following as the highlights of a literature on Buddhist Economics:

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| E. F Schumacher | 1965 | <i>Buddhist Economics</i> , in Asia - A Handbook, edited by Guy Hint, London: Anthony Blond Ltd., p.695-701; |
| P. A. Payutto | 1994 | <i>Buddhist Economics – A Middle Way for the Market Place</i> , Bangkok: Buddhadhamma Foundation; |
| S. Batchelor | | <i>Buddhist Economics Reconsidered</i> , in: Allen Hunt Badiner (Ed); |
| | 1990 | Dharma Gaia – A Harvest of Essays in Buddhism and Ecology, Berkeley, p.178-181; |
| Jing Yin | 1994 | <i>Jun fojiao de caifuguan (The Buddhist View on Wealth)</i> , in: fayin (Voice of Dharma, magazine of Chinese Buddhist association), Vol. 104 (April 1993), p.11-15 and Vol. 106 (June 1993), p.7-11 (2 parts); |
| H-G Wagner | 2/1995 | <i>Dharma und Wirtschaftliches Handeln (Dharma and Economic Action)</i> , in: Lotusblaetter (Quarterly of the German Buddhist Association – DBU), p.27-32; |
- scattered contributions to some aspects of Buddhist Economics we also find in,
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| K. Jones | 1989 | <i>The Social Face of Buddhism – An Approach to Political and Social Activism</i> , London: Wisdom Publications; |
| S. Sivaraksa | 1992 | <i>Seeds of Peace – A Buddhist Vision for Renewing Society</i> , Berkley; |

and in some of the numerous works on Ethics of Buddhism as in the books of Aitken, Saddhatissa, Tachibana and others. (www.buddhanetz.org)

(i) "b-elements" in Economics, Econometrics and Planning Techniques of Glen and Barbara Alexandrin of Villanova University, Pennsylvania

Glen Alexandrin of the Catholic University of Villanova, Pennsylvania, published his paper "*Buddhist Economics: Demand and Decision-making*" in the Eastern Buddhist (New Series) 11.2 as far back as 1978. He has represented the Buddhist point of view in panel discussions on economics in 1987 and 1989. His decades of research in this field, which includes the economic policy of the Buddhist Chinese Empress Wu Tse T'ien, and the interaction of Buddhism and Marxism in USSR, Mongolia, Cambodia, Sri Lanka and Burma, culminates in the joint work of Glen and Barbara Alexandrin, "*Toward a Buddhist Economics*," published by the Villanova University in 1992.

Impressed by Schumacher, Glen and Barbara Alexandrin speak of what they term the "b-element" (i.e. Buddhist element but note the lower case b) as an essential factor to be injected into traditional economics, econometrics and planning techniques and proceed to define it as "the Buddhist person, and the Buddhist concepts of Dharma and Sangha" The "b-elements" are further described as including the six Mahayana Paramitas of generosity, moral practice, patience, zeal, mindfulness and wisdom. One who adheres to these in business is termed a b-entrepreneur whose main characteristic is that he or she would "choose an occupation where work is conspicuously productive and helpful to others." Enthusiastically calling such work as "meditation in action, which would bring him psychic income," they state that a b-entrepreneur would avoid "becoming a butcher, a procurer, a soviet-style expediter, a socially unproductive researcher or a Madison-Avenue type executive." Instead he would "attempt to work for non-exploitative companies producing useful goods, industries offering useful services. He would, at the very least do his work, whatever it might be, in the most mindful and least destructive way."

Alexandirns' concept of Buddhist economics, based on Buddhist ethics, relates to individual behavior and motivation relevant to small-scale enterprises as the cases they discuss exemplify. They turn out to be strong supporters of Schumacher's thesis. A paper on "*Elements of Buddhist Economics*" published in 1993 in international Journal of Buddhist Economics, Bradford, Glen Alexandrin concludes with the following statement: (emphasis mine)

A Buddhist economics can be seen as answering some of the questions which are being asked both from the East and the West. **By reintroducing ethical elements into western economics, it provides a broader discussion of all the economics: supply and demand, monetary, micro and macro economics, credit, rates of interest, modeling and global forecasting.** Its theory still can be set out in the terminology standard to economics and business administration. Historically, synthesizing socialism (or Marxism) and Buddhism, a Buddhist economics has made a "western toolbox" more available to those responsible actually for creating the socio-economic/political milieu in the "new" twentieth-century countries. Whether allowing socialists to use Buddhism or

Buddhists to use socialism, as in Burma, it gave governments a way to build their countries with skilful means.

The main use, then, of Buddhist economics is educational. It can be helpful in planning for the future and coexist with many types of system and society. Buddhist economics recognizes existing human values which are appropriate and influential in our changing economic and social environment. If one absorbs some of the points one will discover that the rest of the world is neither like New Jersey nor Russia. This may make each of us a better businessperson, civil servant, and traveling companion.

It is interesting to note that the final position taken by Alexandrin appears to be that Buddhist economics is not to replace modern economics but only to affect it from an ethical point of view. That is to be achieved by replacing “competition” with “cooperation,” and self interest with altruism “for the benefit of all present beings” and changing behavior on the basis of the Middle Way, the six Paramitas and mindfulness gained through meditation.

(ii) Buddhist-Christian Economics of John B. Cobbs of Claremont School of Theology

John B. Cobb Jr., Professor of Theology Emeritus of Claremont School of Theology, California -- a retired minister of the United Methodist Church -- presenting a paper to the Eastern Buddhist Conference at Otani University in Kyoto on May 18, 2002, referred to Schumacher saying, “It is interesting that an early critic who wrote on ‘Buddhist Economics’ was a conservative Catholic. I refer, of course, to Schumacher.” Cobb examined how much of Schumacher’s critique of modern economics would be upheld from a Christian point of view. Hence was his paper entitled “*A Buddhist-Christian Critique of Neo-Liberal Economics.*” Some of the points he highlighted are as follows:-

1. Clearly Buddhists and Christians cannot agree that wealth is the supreme goal of social and political policy.
2. That does not mean that either Buddhists or Christians oppose the acquisition of material goods.
3. Both Buddhists and Christians want the basic needs of all to be met.
4. Justice, peace and meeting the basic needs of all are much higher priorities than simply increasing overall wealth.
5. Even if there were nothing else to criticize about economic theory, Buddhists and Christians would have to oppose the role that economic thought plays in our world today.
6. The social and economic system turns people to be *homo economicus* – that is one with insatiable wants with a selfish behavior. From the point of view of Buddhism and Christianity, this is not a gain.
7. The dualism of the human and the natural (with the natural including animals, environment and natural resources like oil), which leads to the commodification of everything with human satisfaction as the primary criterion is equally offensive to Buddhists and Christians. (Cf. Cobb’s statements: (1) “As a penitent Christian I join Buddhists in strongly

opposing this dualism.” (2) “At this point Buddhists and Christians can join humanists of many stripes in protesting.”)

8. Many Buddhists and Christians believe that many traditional communities were much more sustainable and better integrated with their natural environments than are the societies with which development and economic globalization have replaced them. We believe that modern development has destroyed and is still destroying much of great value.

Cobb, however, differs from Schumacher in that he has considered alternatives to the prevailing model of development. He raises a series of questions.

- As development is intended to overcome problems such as infant mortality, preventable diseases and hunger, could Buddhists or Christians oppose development?
- Should we romanticize the virtues of village life in the light of such experiences in Indian and African village life as degrading and abusing women?
- Could we oppose unjust and destructive traditions (e.g. female circumcision)?
- How can we challenge the pursuit of global wealth without opposing development but call for that kind of development that genuinely responds to urgent human need?

Cobb is fully conscious of the dilemma facing those who look for alternatives to prevailing concepts and strategies of development.

Although he has himself, in this paper, pointed out privatization as damaging the poor by its commitment to increasing wealth, he does not accept state socialism as an alternative to global capitalism. As an alternative to the top-down-development programs of both global capitalism and state socialism, he proposes bottom-up-development, which is defined as follows:-

Bottom-up development is often called community development. Instead of viewing persons as individual atoms related to one another through contracts and market transactions, we view people as persons-in-community, valuing the relations that constitute community. Our interest is in the development of communities, thereby improving the situation of the persons who make them up.

Cobb has chosen Sri Lanka's Sarvodaya movement of A.T. Ariyaratne, focusing on the restoration and the strengthening of village life, and micro-lending (i.e. small loans) of the Grameen Bank of Bangladesh as the kind of development which Buddhists and Christians can support with enthusiasm.

The conclusion he has drawn from this comprehensive discussion is stated as follows: (Emphasis mine)

Most Buddhist and Christian development activity around the world has this bottom-up character in one form or another. Hence, **I am not simply**

describing a theoretical ideal. The problem is that this is sometimes thought of as the consequence of limited resources rather than basic conviction. **Many who support this kind of development also give moral and political support to the top down policies that dominate the global economic system.** It is incumbent on those of us who are in position to influence the thinking of faithful people to make clear that the neo-liberal economic thought that informs most current top-down development, riding roughshod over communities, and reshaping the lives and thinking of hundreds of millions of people, is based on assumptions that are antithetical to ours. **We should articulately and unequivocally withdraw moral support from these practices and encourage all who truly care about human beings and the other beings that make up our earth to work directly for their benefit.**

(A Buddhist-Christian Critique of Neo-Liberal Economics <http://www.religion-on-line.org/showarticle.asp?title=2219>)

(iii) Capitalist Response of Mark Skousen

Typical of the critics of Schumacher's interpretation of Buddhist Economics is Mark Skousen, a former economic analyst of CIA, President of the Foundation for Economic Education and a professor at the Columbia Business School of Columbia University. His article on "*The Anti-Capitalistic Mentality, updated,*" published in November 2000 made the following points:

- Schumacher, on discovering Keynes and Marx, renounced his Christian heritage and became a "revolutionary socialist" and, later on a visit to Burma, was converted to Buddhism: he has commented, "The Burmese lived simply. They had few wants and they were happy. It was wants that made a man poor and this made the role of the West very dangerous."
- Schumacher, despite critics, has a flourishing following, including Schumacher College (in Devon, England) and the Schumacher Society (in Great Barrington, Massachusetts, USA).
- His message appeals to environmentalists, self-reliant communitarians and advocates of "sustainable" growth (but not feminists).
- [Schumacher's point of view implies that] traditional Buddhism rejects labor-saving machinery, assembly-line production, large-scale multinational corporations, foreign trade and the consumer society.
- There are two problems with Schumacher's glorification of Buddhist Economics:
 - (i) It denies an individual's freedom to choose a capitalistic mode of production and enslaves everyone to a life of nonmaterialistic values.
 - (ii) It clearly results in a primitive economy.
- It may be true that there are among Buddhist mendicants, living on alms in dirt and penury, some who feel perfectly happy and do not envy any nabob. However, it is a fact that for the immense majority of people such a life would be unbearable.
- There is no objection to preaching the Buddhist value that sees "the essence of civilization not in a multiplication of wants but in the purification of human character."
- Nor is localized market disapproved; but this idealism should not be forced on any other society.

- Ultimately we must let people choose their own patterns of work and enjoyment.
- Whenever freedom to choose was available, Third World Countries invariably choose capitalistic means of production and consumption.

Skousen's conclusion is that as a result of such a choice, "poor people have been given hope for the first time in their lives – a chance for their families to break away from the drudgery of hard labor, to become educated, and enjoy 'right living'." He coins his own slogan to replace that of Schumacher and that is **"Freedom is beautiful."**

IV. Buddhist Economics and Right Living as Schumacher and his Supporters Interpret

Schumacher as well as his supporters for the most part dealt with their general impressions of Buddhism rather than the actual teachings of the Buddha. Three Buddhist concepts have had a significant impact on them and, in the order of emphasis given to them, they are

- (i) The world-view which encompasses all sentient beings as interdependent and inter-related and the resulting emphasis on loving kindness and compassion to all;
- (ii) the fifth aspect of the Noble Eightfold Path pertaining to Right Living or Livelihood (though taken literally and in a wider general sense than in the manner defined in Buddhist scriptures); and
- (iii) the Middle Way avoiding extremes of luxury and asceticism.

The underlying view of all promoters of Buddhist Economics has been that the wisdom and values represented by these concepts support a way of life, which not only assures the well-being of humans but is also friendly to fauna and flora, and preserves the ecological and environmental integrity of planet earth and ensures its sustainability. This view addressed the overriding concerns of the post-WWII era and reflected the hopes, aspirations and apprehensions of the world where two events in particular were spectacular:

- a. the decline and fall of empires and eradication of colonialism; and
- b. the birth of new nations.

The world did look ready for radical and far-reaching reform and, whether admitted or not, the growing impact of Marxism, evident mainly in USSR and China, seemed to change public opinion in favor of socialist policies of state enterprise and egalitarian, state-sponsored welfare initiatives.

A corresponding disenchantment with Capitalism, described empirically as Materialism, was the order of the day. As Ludwig von Mises observed in 1956,

“The great ideological conflict of our age is, which of the two systems, capitalism or socialism, warrants a higher productivity of human efforts to improve people’s standard of living.” (Mises 1956 p.62)

Socialism in a variety of forms, ranging from total ownership and direction of production, distribution and consumption of goods and services by the state to partial combinations and permutations of mixed economies, found favor in nations recuperating from war damage and poorer nations gaining or regaining independence. Europe’s post-war acceptance of socialism as the dominant ideology was indicative of that trend.

United Nations, as the emerging conscience of humanity, through its Specialized Agencies approached development with a bias for state-involved or state-inspired central planning and an expressed dedication to raising the living standards of the disadvantaged sections of the world population. Just as per capita income or share of Gross National or Domestic Product became a unit of measurement of economic development, the life-related criteria of infant and child mortality, life expectancy at birth, literacy and level of education, especially of girls and women, daily calorie intake, availability of drinking water, immunization and health services were widely adopted as equally important measurements of social development. The Physical Quality of Life Index (PQLI) was developed as an alternative measurement of development. In fact, these criteria attained much higher attention, especially in the countries designated as the least developed, underdeveloped, developing or Third World Nations. The ideological conflict persisted within the United Nations system and the world did look for a third force, which politically manifested itself as the Non-aligned Movement.

The third force in the development front had to emerge with a characteristic not shared by either Capitalism or Socialism and that is where religion came in. Both Capitalism and Socialism advocated materialistic development as opposed to spiritual development. It is, therefore, not surprising that Schumacher’s thinking was deeply influenced by Mahatma Gandhi at first and subsequently by Buddhism in Burma. Mahatma Gandhi’s interpretation of Hinduism in the service of humanity and the Burmese efforts in the nineteen-fifties to give equal weight to spiritual and social development as to economic well-being inspired Schumacher and continue to inspire supporters of his thinking. As time went on, however, Buddhism seems to have had a greater impact and hence Buddhist Economics⁴. The role which spiritual values played in what Schumacher proposed brought his ideas the kind of support represented by those like John B. Cobb Jr.

Schumacher’s model, besides denouncing big cities and big businesses, suggests the socialist approach of state ownership of means of production and Cobb has expressed more explicitly his reservations on privatization. Schumacher has some strong opinions on the role of women in “outside” economic activity, and Cobb sees advantages of a bottom up process of development and favors localized markets and small-scale economic enterprises. But, and this has to be

emphasized, neither Schumacher nor his supporters have said anything which would lead to or justify Skousen's statement: (emphasis mine)

In sum, **traditional Buddhism** rejects labor saving machinery, assembly-line production, large-scale multinational corporations, foreign trade, and the consumer society⁵.

As Schumacher's Buddhist Economist is only a figment of his imagination – a populist idealist who is nowhere to be found in either traditionally Buddhist countries of Asia or elsewhere – the ideas and positions ascribed to that economist need to be reviewed in the light of current thinking of Buddhist activists and scholars, who have addressed the issues raised by Schumacher. Interestingly we have several exponents of Buddhist Economics from Thailand, Sri Lanka, Mongolia and Bhutan. Before proceeding to review their views, it is necessary to outline what the Buddha had to say on matters economic.

V. The Buddha's Teachings on Economics as in the Pali Canon and Corresponding Āgama Sūtras

It is in the Pali Canon and the corresponding Āgama Sūtras of the Chinese Tripitaka that we find statements attributed to the Buddha, remembered and codified by his immediate disciples and preserved by the incredibly sophisticated educational system of the Buddhist Sangha. (For details see Guruge 2004 and 2005). The Buddha was presenting a path of deliverance. How to achieve the end of suffering through a process of moral upliftment and the cultivation of the mind was the primary goal of his teachings. But he had advice to those who were neither ready nor prepared to seek salvation. Such advice delivered on his own initiative as well as opinions expressed when questioned deals with his views on wealth, consumption and other economic issues. Though scanty in comparison with his statements on ethical issues and spiritual development, these ideas and opinions should rightly form the foundation of any discussion on Buddhist views on economics.

Several disciples of the Buddha such as Sudinna and Raṭṭhapāla considered the wealth offered to them as worthless and advised their parents to throw the gold and the silver into the river where it was deepest (Sv. 1,5. and M. 32). But the Buddha himself has said nothing against wealth or affluence. In keeping with his spiritual message, he has upheld "wanting the least" (*appicchatā*) as a desirable quality. (A. X, 181-190: A. IV, 28: M. 33) So has he stated laconically but eloquently

"Contentment is the greatest wealth."
(*Santutṭhi paramaṃ dhanam*) (Dhp.v. 204)

He presented the acquisition of wealth or following a path of spiritual development as two options open to the youth:

Those who have not led the holy life or acquired wealth in the youth pine away like old herons at a dry pond without fish or like worn-out bows, sighing after the past. (Dhp. 155 – 156)

A person is described as two-eyed as opposed to the blind and the one-eyed when he or she uses one eye to acquire and improve one's wealth and the other eye to pursue spiritual development. (A. III, 128) This conforms to the Buddha's overall definition of prosperity as

- abundance of material goods
- abundance of virtue or knowledge (A.1, 93)

He listed four advantages of being rich and prosperous

- happiness of having (*atthisukha*)
- happiness of consuming (*bhogasukha*)
- happiness of being free from debt (*anaṇasukha*)
- happiness of blameless conduct (*anavajjasukha*) (A II. 62) and stressed the disadvantages, both moral and material, of poverty and indebtedness. (A. III, 351)

The Buddha recognized that money was needed for basic needs and listed the following as what a lay person had to spend on:

- a) food, clothing etc (= food, clothing and shelter)
- b) attending to parents, wives, children and servants
- c) illness and such other emergencies
- d) charity
- e) treating relatives
- f) treating guests and visitors
- g) alms in memory of the departed
- h) meritorious acts to offer merit to deities; and
- i) payment of taxes and dues to the state (A. II. 65)

Even a monastic has basic needs, which, of course, were few and consist of

- robes
- food
- shelter
- medication (A.II,27)

He also presented in Kamabhogi-sutta (A. V, 176; S. IV, 331) a carefully prepared matrix of fifty squares, in which he categorized the wealthy enjoyers of sensual pleasure on how they acquired and utilized wealth, and recognized its harmful impact on sense-pleasure.

The Buddha's concept of consumption, investment and saving is dealt with in several discourses. (S. I, 213: Sn. pp. 31-33) According to the oft-quoted Sigālovāda-sutta, one's income has to be divided into four and used as follows:

One part for one's expenditure (= **consumption**);
Two parts to be plowed back to expand and improve one's business (= **investment**); and
One part to be saved for use in times of adversity (= **saving**) (D. 31)

Elsewhere, the list includes five uses:

- i. support for oneself, family and dependents
- ii. sharing with friends and associates
- iii. investment for future use
- iv. offerings to (i) relatives,
(ii) guests and visitors,
(iii) departed ones,
(iv) state by way of taxes and dues and
(v) deities (oblations etc.)

support to spiritual teachers and monastics. (A. III, 45)

Sharing wealth with others is a virtue particularly emphasized (M. 2) while not doing so is listed as a cause of one's downfall. (Sn. vv. 91-115)

To Dighajānu, who sought advice applicable to a layman encumbered with wives and children and used to luxuries like imported perfume, handled silver and gold and decked themselves with garlands, perfumes and unguents, the Buddha enumerated the following

- persistent effort (*utthānasampadā*) - in whatever profession to be skilful and diligent, reasoning out ways and means of accomplishing tasks and being efficient and capable;
- security and wariness (*ārakkhasampadā*) - protecting one's wealth so that king would not seize it, thieves would not steal it, fire would not burn it, water would not carry it away or ill-disposed heirs would not take it away.
- good friendship (*kalyāṇamittatā*) - as also discussed in greater detail in Sigālovāda-sutta, avoiding association with persons who would lead one to economic ruin; and
- balanced livelihood (*samaṇvkatā*) - knowing one's income and expenditure and leading a balanced life without being either too extravagant or too niggardly but within one's income. (A. IV, 281; repeated in A.IV, 285)

Similarly, Anāthapiṇḍika, the wealthy patron of the Buddha, was told that wealth, rightfully gained, gave such advantages as enjoyment by oneself, friends and relatives, security in times of need, ability to pay taxes, and spending on one's religion. (A. III, 45: for similar teaching addressed to Anāthapiṇḍika, see Malalasekera: DPPN p. 70). Further, a person following the Buddha's path is said to grow in ten ways: lands and fields, wealth and possessions, wife and family, servants and retinue, beasts of burden, faith, virtue, leaning, generosity and wisdom. (A. V, 137: first five only in A. III, 80) How a diligent farmer or trader

succeeds is discussed in A. I, 239 and S. V, 412. An equally interesting statement is found in which the Buddha describes three qualities of a successful shopkeeper as shrewdness to succeed, skill to win customers and capable of generating trust. The last quality is elaborated as the capacity to generate confidence in financiers who would invest capital in his business for the interest that he would generate.

The Buddha referred to the main economic activities practiced during his time as:

- agriculture
- trade
- animal husbandry (mainly cattle-rearing)
- military services
- government services
- other professional service (e.g. medicine)

and condemned five kinds of trade: namely

1. weapons
2. human beings (for slavery or prostitution)
3. flesh
4. intoxicants
5. poison (A. III. 207)

In fact, the Buddha's own definition of *Sammā Ājīva* (Right Livelihood or Right living) – which Schumacher interpreted in his own way as the foundation of Buddhist Economics – referred to the following activities to be avoided in earning one's livelihood:

1. trade in weapons, living beings, intoxicants and poison
2. slaughtering animals and fishing
3. military service
4. deceit and treachery
5. soothsaying (astrology)
6. trickery
7. Usury (money lending)

The Buddha went to the extent of laying down how an employer should treat employees. Five obligations of an employer are listed as

1. Assigning work according to capability
2. giving due wages
3. assuring health care
4. sharing occasional luxuries (e.g. bonuses)
5. giving leave and time off (D.31)

Similarly, he enjoined one to avoid meanness or niggardliness as regards –

- assigning or providing dwelling places
- sharing one's friends and acquaintances
- enabling one to gain profit
- offer of recognition and praise
- sharing knowledge and skills

(A. III, 271)

Even though the Buddha's teachings do not include anything similar to Hindu human objectives (*puruṣārthas*) like *Kāma* (sensual gratification), *Artha* (wealth or economic viability), *Dharma* (performance of duties or obligations) and *Mokṣa* (spiritual liberation), four factors are mentioned as accruing to persons who are virtuous. They are *āyu* (longevity), *vaṇṇa* (good complexion), *sukha* (health and comfort) and *bala* (energy or power). These may not be stated in economic terms. Yet, they are benefits associated with economic well-being. The Buddha as a scion of a royal family knew the advantages of wealth. He listed being wealthy as one of the desirable qualities of a woman. (S. XXXVII.1). He also maintained very close friendships with rich and generous donors like Anāthapiṇḍika and Visākhā.

While all statements so far quoted deal with economics at the micro-level, the Buddha made a few statements relating to macroeconomics, too. Associating poverty as a root cause of violence and crime, he suggested the following as remedies to be effected by the state:

- (i) give fodder and seed-corn to those who keep cattle and cultivate farms (i.e. subsidize agriculture and animal husbandry);
- (ii) give wages and food to those in government service.

These steps are envisaged to increase state revenue and also ensure peace. (D. 5)

A king who knows the factors of welfare (*atthadhamma*) is required to be aware of moderation or limit (*matta*), proper time (*kāla*) and the nature of the assemblies (*parisā*) – A. III, 147. The ten royal virtues or duties (*dasa-rājadhamma*), listed not in a Canonical text but in a Jātaka, have little to do with economics as the emphasis is primarily ethical. On the other hand, the twelve duties of a wheel-wielding universal emperor (*Cakkavatti*), list the branches of government and sections of the population, including animals, to be nurtured such as,

- those in emperor's immediate circle
- armed forces
- governors and administrative officers,
- royal dependents and civil servants
- Brahmans, householders, craftsmen and traders
- town and country dwellers

- religious devotees
- beasts and birds

In addition, the universal emperor is obliged to distribute wealth to the poor. Only three of the duties, thus, are non-economic in nature:

- (i) ruling by righteousness
- (ii) preventing wrong-doing in the country and
- (iii) seeking advice from sages, aspiring to greater virtue. (D 26)

One may also delve into the Jātaka literature to glean further concepts relevant to economics. Jātakas reflect the feudalistic economy of ancient India. Agriculture, including animal husbandry, trade, both internal and external, and a variety of crafts and services are mentioned as principal modes of economic activity. Jātakas deal with all kinds of abuses ranging from adulteration, profiteering, deceit and bribery as practiced in the course of these activities, showing invariably how the injustice is rectified or punished. There is, however, in Cullsetthijataka, (Jātaka 4) the story of a man who is upheld as a paragon of economic success. Starting with the carcass of a rat as his only asset, he times his sales, hoards goods to create artificial shortages, profiteers taking advantage of a natural disaster, and becomes extraordinarily rich. It is interesting that all negative elements of a capitalistic economy are reflected in this story but without any comment⁶.

Do these teachings convey anything pertaining to “Small is beautiful?” Do they provide the foundation for what Schumacher elaborated as Buddhist economics? Have they been ever applied to a real world situation? We may begin to answer these questions with a peep into Buddhist history and proceeding from there to recent interpretations of Buddhist Economics by practicing Buddhists in a number of traditionally Buddhist countries of Asia.

Nearly three centuries after the death of the Buddha, one traces the impact of the teachings of the Buddha in the admonitions of Maurya Emperor Asoka to his people. In Rock Edict III is the statement:

Commendable is to spend little (*apavyavatā*) and possess few things (*apabhadatā*). (Guruge 1993 556)

He assured the people that he was constantly available to serve the people as

The welfare of the whole world is considered by me my duty. Whatever effort I make is for this. What? That I may discharge my debt to living beings. I will cause them to be happy. (Rock Edict VI – Ibid.560)

He portrayed himself as a father figure to his subjects and ordered his officers to inspire the people to think,

The king thus is like a father to us. Just as he feels for himself, so does he feel for us. We are thus to the king like his progeny” (Rock Edict XV & XVI Ibid 570 – 572)

Asoka’s desire was to provide his subjects “every welfare and happiness in this world and the next.” (Ibid. 572). He also mentions that “causing happiness by Dharma” was one of his injunctions (Pillar Edict I – Ibid. 574). In Pillar Edict VI, he has said, “Thinking ‘How could I bring happiness to somebody?’ I investigate, ‘Thus are welfare and happiness of people?’” (Ibid. 579) He also claims, “many other good deeds have been done by me.” (Pillar Edict I, Ibid).

Asoka had progressively restricted the slaughter of animals in the royal kitchen (Rock Edict I – Ibid 555) and become a vegetarian himself. (Minor Rock Edict IV) Besides prohibiting animal sacrifice, he also discouraged the slaughter of animals. Pillar Edict V listed protected species to be given sanctuary. He specifically urged, “The living should not be nourished by the living.” He also expressed his concern with the environment with such directions as the following.

Husks with living creatures should not be burnt.
Forests should not be burnt without a purpose or to harm.

He listed his welfare measures as the following done for the use of people and animals:

- planting shade trees along roads
- planting mango groves
- digging wells
- building rest houses
- establishing water stations (Pillar Edict VII – Ibid. 581)

In another list, he mentions similar services rendered to people in neighboring countries as well. These are

- provision of medical facilities to humans and animals
- planting medicinal herbs beneficial to humans and animals – especially where such herbs had not been available
- introducing fruit and roots (? yams) to new places
- provision of shade and water on roads (Rock Edict II – Ibid. 555)

Asoka had been a role model for kings wherever Buddhism was introduced by missions sent after the Third Buddhist Council.

The Sri Lankan Chronicles maintain records of its kings pertaining to their public services, listed under three categories:

- service to Buddhism
- welfare measures for the people
- action on defense of the nation.

Under the welfare measures, the most important activity mentioned is the construction of massive reservoirs and canal systems to irrigate rice fields, which for many centuries made Sri Lanka the 'the granary of the East.' One king (Āmaṇḍa-Gāmiṇi) is said to have prohibited the killing of animals (*māghāta*) and declared the whole island a sanctuary for wildlife. The vast network of reservoirs and irrigation canals constructed by ancient kings, which continue to be in service, as well as Greco-Roman, Chinese and Arabic records on Sri Lanka's foreign trade and diplomatic missions testify to significant economic development in a Buddhist environment. Further testimony comes from the massive monuments and the artistic heritage which Buddhism inspired but needed a sound economic system to achieve.

VI. "Buddhist Economics – A Middle Way for the Market Place:" Venerable P.A. Payutto

Since Schumacher introduced the concept of Buddhist Economics, the most important contribution to its analysis and elaboration has come from Venerable Dhammapitaka (earlier known as P.A. Payutto). His first publication in Thai in 1988 has since been translated into English and published in 1992 under the title of "*Buddhist Economics – A Middle way for the Market Place.*" It has been compiled from several works of the author and, in its present form, is available on-line in <http://www.geocities.com/athens/academy/9280/econ.htm>.

The objective of the book is stated in the Preface as follows:

It is well known that the study of economics has up till now avoided questions of moral values and considerations of ethics, which are abstract qualities. However, it is becoming obvious that in order to solve the problems that confront us in the world today it will be necessary to take into consideration both concrete and abstract factors, and as such it is impossible to avoid the subject of moral values. If the study of economics is to play any part in the solution of our problems, it can no longer evade the subject of ethics. Nowadays environmental factors are taken into account both in economic transactions and in solving economic problems, and the need for ethics in addressing the problem of conservation and the environment is becoming more and more apparent.

Proposing a spiritual approach to Economics, this book of Venerable Dhammapitaka (henceforth referred to as Venerable Payutto) traces the economic concerns of humans to the emotional urge for self-preservation: "emotional factors – fear and desire and the irrationality they generate – have a very powerful influence on the market place. Economic decisions – decisions about production, consumption and distribution – are made by people in their struggle to survive and prosper." (Introduction by Bruce Evans and Jordan Arenson).

Referring to Schumacher's pioneering writings, Ven. Payutto states,

Looking back, we can see that both the writing of *Small is Beautiful*, and the subsequent interest in Buddhist economics shown by some Western academics, took place in response to a crisis. Western academic disciplines and conceptual structures have reached a point which many feel to be a dead end, or if not, at least a turning point demanding new paradigms of thought and methodology. This has led many economists to rethink their isolated, specialized approach. The serious environmental repercussions of rampant consumerism have compelled economics to develop more ecological awareness. Some even propose that all new students of economics incorporate basic ecology into their curriculum. (Chap.1)

He further shows that Right Livelihood, which Schumacher, with his own definition, took as the foundation of Buddhist economics is only one factor out of eight in the Noble Eightfold Path and argues that Buddhist economics would not only consider the ethical values of economic activity, but also strive to understand reality and direct economic activity to be in harmony with the way things are.

Venerable Payutto is concerned with unethical business practices which are prompted and promoted by economic considerations: e.g. using substandard ingredients in foodstuffs to make undue profits; profiteering; manipulating the public through advertisement to buy unnecessary things and run into debt. He connected such practices as inherent in the free market system, of which his assessment was negative:

Taking a wider perspective, it can be seen that the free market system itself is ultimately based on a minimum of ethics. The freedom of the free market system may be lost through businesses using unscrupulous means of competition; the creation of a monopoly through influence is one common example; the use of thugs to assassinate a competitor a more unorthodox one. The violent elimination of rivals heralds the end of the free market system, although it is a method scarcely mentioned in the economics textbooks. (Ibid)⁷

In its place, he recommends an economic system, inspired by Buddhism, which gives due consideration to values, ethics and mental qualities. He says,

If the world is to be saved from the ravages of over-consumption and over-production, economists must come to an understanding of the importance of ethics to their field. Just as they might study ecology, they should also study ethics and the nature of human desire, and understand them thoroughly. Here is one area in which Buddhism can be of great help. (Ibid)

Venerable Payutto proceeded to examine in depth the two kinds of desire elaborated in Buddhism, namely *Tanhā* (craving or selfish desire) and *Chanda* (explained as desire for true well-being)⁸. He observes,

As they struggle against each other and the world around them to fulfill their selfish desires, human beings live in conflict with themselves, with their

societies and with the natural environment. There is a conflict of interests; a life guided by ignorance is full of conflict and disharmony. (Chap.2)

He urges that ignorance be replaced by Paññā or wisdom. As far as economic activity is concerned, he suggests two ways of evaluating the related ethical quality:

- (i) the effect an economic activity has on the individual consumer, on society and on the environment;
- (ii) kind of desire (i.e. Tanhā or Chanda), which is at the root of the activity.

He urges that decisions dealing with consumption, production and use of technology be made on such an evaluation.

These same factors are utilized to unravel Buddhist perspectives on economic concepts, such as value of goods, consumption, moderation, non-consumption, over-consumption, work, production and non-production, competition and cooperation, choice, and life views. Looking at each of these from the standpoint of ethics, Venerable Payutto advocates moderation, the curtailment of Tanhā, and a corresponding increase in Chanda as desire to gain satisfaction through service to others.

His comment on Chanda is indeed interesting. He says, “Too much contentment with regard to Chanda easily turns into complacency and apathy.” (chap.3). Basing broadly on the criterion that what is prompted by Tanhā is bad and what is motivated by Chanda is commendable, the conclusion of the discussion in Chapter 3 is on the form of ideal happiness: (emphasis mine)

Dependent happiness leads to competition and conflict in the struggle to acquire material goods. Any happiness arising from such activity is a contentious kind of happiness. **There is, however, a third kind of happiness which, while not as exalted as the truly independent kind, is nevertheless more skillful than the contentious kind. It is a happiness that is more altruistically based, directed toward well-being and motivated by goodwill and compassion.** Through personal development, people can appreciate this truer kind of happiness -- the desire to bring happiness to others (which in Buddhism we call *mettā*). With this kind of happiness, we can experience gladness at the happiness of others, just as parents feel glad at the happiness of their children. This kind of happiness might be called “harmonious happiness,” as distinct from the contentious kind of happiness. It is less dependent on the acquisition of material goods and arises more from giving than receiving. Although such happiness is not truly independent, it is much more skillful than the happiness resulting from selfish acquisition.

The most assured level of happiness is the liberation resulting from enlightenment, which is irreversible. But even to train the mind, through study and meditation practice, to achieve some inner contentment is a powerful antidote to the dissatisfaction of the consumer society. And with the clarity of

inner calm comes an insight into one of life's profound ironies: striving for happiness, we create suffering; understanding suffering, we find peace. (Chap.3)

Chapter 4 of Venerable Payutto's "*Buddhist Economics – A Middle Way for the Market Place*" discusses the role of wealth in Buddhism. It begins with clarifications of the Buddhist view on asceticism, poverty and wealth:

Although Buddhism has been characterized as an ascetic religion, asceticism was in fact experimented with and rejected by the Buddha before he attained enlightenment. As far as Buddhism is concerned, the meaning of the word 'asceticism' is ambiguous and should not be used without qualification.

The term 'poverty' is also misleading. The familiar Buddhist concepts are rather contentment (*santutthi*) or limited desires (*appicchata*). Poverty (*dadiddiya*) is in no place praised or encouraged in Buddhism. As the Buddha said, "For householders in this world, poverty is suffering" [A.III.350]; "Woeful in the world is poverty and debt." [A. III.352]

In fact, the possession of wealth by certain people is often praised and encouraged in the Pali Canon, indicating that wealth is something to be sought after. Among the Buddha's lay disciples, the better known, the most helpful, and the most often praised were in large part wealthy persons, such as Anathapindika. (Chapter 4)

With copious quotes from the scriptures to illustrate how wealth and the wealthy were not disapproved by the Buddha and how, on the contrary, miserliness was roundly criticized, the conclusions drawn are:

- (a) harmful actions associated with wealth can appear in three forms: seeking wealth in dishonest or unethical ways, hoarding wealth for its own sake, and using wealth in ways that are harmful; and
- (b) while wealth destroys the foolish, a wise person enjoys life on both the mundane and the spiritual planes by using wealth without greed, longing or infatuation, heedful of the dangers and possessed of the insight that sustains spiritual freedom. (Chap.4)

The two major characteristics of Buddhist Economics, which Venerable Payutto calls "Middle Way Economics," are –

- **realization of true well-being**

- Middle Way = the right or optimum amount = moderation = balance or equilibrium;
- Consumption attuned to an amount appropriate to the attainment of well-being rather than the satisfaction of desires;
- In contrast to the classical economic equation of "maximum consumption > maximum satisfaction," adopt a new equation of "moderate or wise consumption > well-being."

- **not harming oneself or others**
 - not harming others applies not only to humans but to all that lives;
 - In concord with the whole causal process with proper relationship among human beings, society and the natural environment, which have to be in harmony and mutually supportive;
 - Avoiding activities harmful to the health of individuals and welfare of society and the environment (e.g. use and disposal of toxic chemicals and fossil fuels). (Chap.4)⁹

The concluding chapter, entitled “Teaching on Economics from the Buddhist Scriptures” again presents copious quotes from Canonical texts as applicable to the Sangha, householders and government, and relevant to seeking and protecting wealth, happiness of a householder and benefits of wealth. Interestingly, the final section on wealth and spiritual development emphasizes the Buddha’s teaching that basic material needs must be fulfilled before spiritual development: (emphasis mine)

Buddhism considers economics to be of great significance -- this is demonstrated by the Buddha having the peasant eat something before teaching him. Economists might differ as to whether the Buddha’s investment of a 45 kilometer walk was worth the enlightenment of one single person, but the point is that not only is Right Livelihood one of the factors of the Eightfold path, but that hungry people cannot appreciate the Dhamma. **Although consumption and economic wealth are important, they are not goals in themselves, but are merely the foundations for human development and the enhancement of the quality of life.** They allow us to realize the profound: after eating, the peasant listened to Dhamma and became enlightened. **Buddhist economics ensures that the creation of wealth leads to a life in which people can develop their potentials and increase in goodness. Quality of life, rather than wealth for its own sake, is the goal.** (Chap.5)

Venerable Payutto’s well-documented discussion has four basic messages:

1. Poverty is undesirable and must be eradicated.
2. Wealth is desirable and should be honestly and ethically earned without harming, individuals, society and the environment and used for one’s own and others benefit.
3. All economic ills such as profiteering, hoarding of wealth, over-consumption, commodification of animals, abuse of ecology and environment arise from wrongful desires (equated to Tanhā, which are inherent in the free market system.
4. Once Tanhā (wrongful desire) is replaced with Chanda (right desire), economic pursuits will conform to Buddhist ideals.

It is the ethical element that is stressed upon: (emphasis mine)

Negative mental constituents such as greed, aversion, delusion and pride motivate economic activity as do the positive constituents such as non-greed, non-aversion and non-delusion, faith, generosity, and goodwill. In this respect, the Abhidhamma is a study of economics on its most fundamental level.

In a similar connection, the more esoteric practices of Buddhism, **meditation in particular, relate indirectly but fundamentally to economics.** Through meditation and mental training, we come to witness the stream of causes and conditions that begin as mental conditions and lead to economic activity. With this insight, we can investigate our mental process and make sound ethical judgments. Meditation helps us to see how ethical and unethical behaviors are the natural consequence of the mental conditions, which motivate them. **Individual people, classes, races and nationalities are neither intrinsically good nor evil. It is rather our mental qualities that guide our behavior toward the ethical and unethical. Greed, hatred and delusion drive us to unethical acts. Wisdom and a desire for true well-being guide us to ethical behavior and a good life.**

With meditation, we gain perspective on our motivations: we sharpen our awareness and strengthen free will. Thus, when it comes to making economic decisions, decisions about our livelihood and consumption, we can better resist compulsions driven by fear, craving, and pride and choose instead a moral course that aims at true well-being. In this way, we begin to see how mental factors form the basis of all economic matters, and we realize that the development of this kind of mental discernment leads the way to true economic and human development.

Perhaps more importantly, through meditation training it is possible to realize a higher kind of happiness—inner peace, the independent kind of happiness. **When we have the ability to find peace within ourselves we can use wealth, which is no longer necessary for our own happiness, freely for the social good.**

Coming from a learned and highly venerated monastic leader of Thailand, Buddhist Economics as he perceives is based primary on ethical transformation and spiritual development of individuals and society. It is meant to replace the free market system although no attempt is made to show how it is to be done unless, of course, he expects it to happen automatically once everyone adheres to Buddhist ethical principles, engage in meditation, and find inner peace through the eradication of Tanhā.

VII. “*Buddhist Economics*” of Phra Bhavanaviriyakhun (Phadet Dattajeevo) and “*Buddhist Economics: A Thai Theravada Buddhist Perspective*” of Tavivat Puntarigvat

Immediately after the tragic event in New York, USA of September 11, 2001, another Thai monk Venerable Phra Bhavanaviriyakhun (an accountant in lay career) wrote a book of eight chapters, called simply “*Buddhist Economics*.” The rationale for Buddhist Economics, according to him, is that Buddhist scriptures are rich in advice from the Buddha regarding sound economic values and such values are concerned with the quality of life – as defined in both material and spiritual terms. The latter relates to mental well-being and ultimately to the liberation of the mind from negative latent tendencies.

With the recent terrorist incident in mind, he began his presentation with a chapter entitled “The Economic Hidden Agenda Behind Every War.” Tracing wars – from the Crusades to Thai-Burmese war of the sixteenth century -- to economic factors, the author asserts, “when one nation’s army turns its guns on another, far from starting a war, they are the products of a war started long ago through economic exploitation.” (Chap.1) Concerned directly with the prevailing economic conditions and practices internationally referred to as “economic colonization,” and their impact on Thailand as “an economic plaything to more dominant superpowers,” he identifies two issues to be addressed:

- The scrupulousness of *how wealth is accrued*
- The scrupulousness of *those who accrue it*.

He says,

In brief, it can be said that when resources are acquired, hoarded or used unscrupulously, it soon leads to conflict and chaos throughout the world. Insignificant incidences of exploitation gradually exacerbate the burden of bitterness, which eventually stops short at nothing less than armed conflict (Chap.1)

What is significant in Phra Bhavanaviriyakhun’s analysis is that it is not a study of an abstract nature as those of Schumacher and Venerable Payutto. His is a search for macroeconomics at the level of national policy and microeconomics relating to individuals and his recommendations are specifically for Thailand. His base for the study is ethical and the hypothesis he seeks to prove is as follows:

Buddhist Economics and western economics diverge whenever economic advantage is used as a reason to justify conflict. In Buddhism economics, economic advantage is not seen as adequate means to justify ignoble ends. (Chap.1)

Chapter 3, titled “Buddhist Microeconomics for the here and now” elaborates the Buddha’s advice to Sigāla and Dīghajānu and the list of wrongful trades (A. III, 207) and concludes with the statement:

If you heed the Buddha's words on economics and put them into practice you will have prosperity in your future, never falling upon hard times.

The next chapter on "Buddhist Microeconomics for Hereafter" amplifies four principles for happiness hereafter as enumerated in A IV, 284:

- (i) Saddhāsampadā – faith or confidence in the wisdom and values as presented in the Buddha's teachings
- (ii) Pañāsampadā – wisdom
- (iii) Silāsampadā – self discipline by observance of the Five Precepts
- (iv) Cāgasampadā – self-sacrifice or generosity

Again, he concludes with an admonition: (emphasize mine)

Anyone who works diligently and is not reckless with their earnings, who knows how to earn their living in an appropriate way, while at the same time having faith, self-discipline, who is helpful to those in need (giving an amount to them which is appropriate), whose mind is free of stinginess, who cultivates continuously the path to happiness in the hereafter (rather than doing virtuous deeds sporadically or according to whim) -- making such good deeds habitual. **Thus, faith, self-discipline, self-sacrifice and wisdom are the microeconomic practices recommended by the Buddha for happiness in lives to come.** (Chap.4)

Progressing further to "Buddhist Microeconomics of the ultimate level" Phra Bhavanaviriyakhun delves into the philosophical teachings of the Buddha to attain "inner freedom (especially from the defilement of grasping in the mind)". He devotes chapter 5 to a search for economic values and practices leading to "uprooting sense-pleasure from the mind." He says,

When everyone is overrun with the defilements of greed the whole of the time, it causes people to seek endlessly for happiness from sensual objects—this is why such people are referred to as 'consumers of sense pleasure' [Kāmabhogi]. In such a search there is a never-ending work to do—whether it be acquisition or spending of wealth throughout one's life. (Chap.5)

He sees the answers in the Kāmabhogi-sutta (A.V, 176; S.IV, 331) addressed to the Buddha's wealthy patron, Anāthapiṇḍika, and presents the ten points made by the Buddha in concise tabular form to show how nine ways are blind to the harm caused by sense-pleasure. The tenth way, which the Buddha approves, is the following;

Consumers of sense-pleasure who acquire money solely by scrupulous means, who derive pleasure from their wealth, who disburse their wealth for others and donate it for meritorious causes. In addition, those of this category are no longer blind to the harmfulness of sense pleasure—thus they have the wisdom to want to escape from the cycle of existence (*saṃsāra*) and this wisdom will allow them to renounce attachment to the use of the wealth. Such an attitude to wealth can be considered smart in the acquisition, the usage and the saving and

furthermore allows one to overcome one's defilements, ultimately to enter upon Nirvana.

The next chapter on "Ideals and goals in Buddhist Microeconomics" summarizes the ethical teachings of the Buddha on three levels:

- (i) purely materialistic level (material comfort and economic security)
- (ii) material/spiritual level (mental well-being)
- (iii) purely spiritual level (inner freedom)

Using Ālavaka-sutta (S. I, 213-215) as the basic text, the discussion leads to four qualities through which one can avoid sorrow when leaving the world for the next:

- *Sacca* (truthfulness)
- *Dāma* (restraint, which is translated by the author as 'training oneself without end')
- *Ditthi* (right view, which is translated as 'patience'?)
- *Cāga* (self-sacrifice or generosity)

Phra Bhavanaviriyakhun has made an interesting observation in this chapter about happiness. He says, "Our modern neglect of virtue and good character are (*sic!*) relatively recent, being traceable back to the work of Kant who was the first to 'invent' happiness as distinct from virtue."¹⁰

So far Phra Bhavanaviriyakhun has devoted the bulk of his work to what he calls 'Buddhist Microeconomics' and exploitation as concerned with "our personal economic habits." The point made is that the application of the main ethical principles of Buddhism to production, consumption and distribution would eliminate greed and grasping, exploitation of others and such other social ills prevalent as a result of prevailing economic values and practices. One would hardly dispute it. But it is easier said than done. The author is conscious of the fact that as a Buddhist monk he is presenting an ideal.

His position becomes clearer in the last chapter on "Principles of Buddhist Macroeconomics." Here, he relies on the Kūṭadanta-sutta (D.5) to which he reads more that it really conveys. For example, he says,

The Buddha thus distinguished two levels or socioeconomic groups in society:
those at the top

- politicians
- senior civil servants
- academics
- major businessmen and bankers

those at the grassroots

- farmers and laborers
- shop-keepers and traders
- clerks and low-ranking civil-servants

He taught that any government or benefactor wishing to make the perfect sacrifice of benefit both to themselves and to society at large needed to take heed of the four upper groups and give to the three lower levels.

As regards, government investment, Phra Bhavanaviriyakhun speak of good old days when principles (as embodied in the Five Precepts and Right Livelihood) were easier to follow and kings would help people of real virtue, who as exemplars of virtue would shine forth in the kingdom. He continues to make recommendations applicable to present-day society. These include:

- a committee to look after allocation of local budgets;**
- investing government funds at the grassroots level even if they might easily disappear;**
- engaging local M.P. or local head of the civil service or academics to help set up systems and procedures for those who are less knowledgeable at the grassroots level;**
- enabling accountants to help teach recipients of government funds to regulate their finances;**
- encouraging businessmen at the top to get involved with investments at the grassroots level;**
- big businesses to allocate a part of the company's budget for 'good works' to benefit fellow countrymen; and**
- thus upgrading the bottom rungs of society to take responsibility for their own future.**

What the author expects the government to do is to "clean up society". Apparently recognizing as 'roads to ruin' the multibillion baht industry in Thailand relating to sense-pleasure, he states, (emphasize mine)

Even on a national level, it is the 'roads to ruin,' which do most damage to a fair economy. **If roads to ruin must continue to exist in society, then they should be zone- restricted and with clear opening hours so as not to encourage them to spread throughout society indiscriminately.** Better than that, however is to try to eradicate the 'roads to ruin' completely from our society - something which can only ever happen if there is co-operation on all levels. (Chap.7)

The book concludes in a tone of realistic modesty (emphasis mine):

*Riches ruin only the foolish
Not those in quest of the Beyond.
By craving for riches the witless man*

Ruins himself as well as other

Dhp.355

This book has dealt with the problems of the world through the eyes of Buddhist Economics. Usually such matters are not the domain of expertise of a monk such as the present author -- but when economics become such an implicit part of everyone's life, even monks cannot afford not to have a standpoint -- however, where monks do become involved in such matters, it should be in a way suitable for a monk. that is, **to try to gain insight into the reality of economics and waking people up to that reality, helping to train-up virtuous people and encouraging Buddhists truly to pursue Perfections in the footsteps of the Buddha** -- spreading the wisdom of Buddhism far and wide, while helping to forge an amenable homeground (patirupadesa) for Buddhism. It is the hope of the present author that by clarifying Buddhist principles relating to economics on the three levels of aim in life, **it will be easier for Buddhists in conscience to know where compromises can be made and where compromises would be unscrupulous.** What sort of wealth is worthwhile and what sorts undermine the fabric of society. It is also the present author's hope that readers will start to grasp that **from the point of view of Buddhism it is not just money or economic figures per se that matters in economics -- but happiness on three levels of aim in life. Often things other than money can better bring happiness and from the Buddhist economic viewpoint we would say that the virtues mentioned in this book that bring mental wellbeing or inner freedom are more valuable than money can buy -- and so economically priceless.** (Chap.8)

(<http://www.urbandharma.org/udharma/buddhisteco.html>)

The influence, which Venerables Payutto and Bhavanaviriyakhun, exerted in Thailand is further illustrated by the writings of young scholars like Tavivat Puntarigvivat, Director of the Institute of Research and Development of the World Buddhist University, Bangkok. In his article entitled "**Buddhist Economics: A Thai Theravada Perspective**," published in World Buddhism: Journal of the World Buddhist University (No. 1 - 2004), he contrasts the concepts of Buddhist Economics developed by Schumacher and Venerable Payutto with Capitalism:

Capitalism with its logic of minimizing cost and maximizing profit for the accumulation of private property has caused economic, social, cultural and ecological crises not only in the Third World but also in the First. There is an attempt among Buddhists both in the East and the West to establish a Buddhist economic model in response to the exploitative and destructive nature of capitalist economic structures. ... I present a theory of Buddhist economics, an economic theory essentially derived from Thai Theravada Buddhism, an approach which stands in stark contrast to the modern capitalist economic perspective. Buddhist economics emphasizes the normative or the ethical elements found in Buddhist sources and scriptures.

Besides agreeing generally with Schumacher and Venerable Payutto and especially with Glen and Barbara Alexandrin, Tavivat hardly offers an alternative system but concludes his analysis as follows:

The results of modern economic development appear to be disastrous: a collapse of rural economies, structural unemployment in town and country, and the growth of an urban lower class and an underclass, two socioeconomic groups structurally denied nourishment for either the body or the mind. Pursuing Buddhist economics is not a question of choosing between “modern growth” and “traditional stagnation” but rather question of finding the right path of development: the middle way between materialistic heedlessness and traditional immobility.

How this middle way is to be achieved is left for others to explore.

VIII. “*Buddhist Theory of Development Economics*” of J.W. Wickramasinghe of Sri Lanka

Jagath W. Wickremasinghe, Vice Chancellor of the University of Sri Jayawardanapura, Sri Lanka, presented in January 2000 an “Introduction to the Buddhist Theory of Development Economics” with the title “*People Friendly Economic Development.*” Dharmavijaya Foundation which published this paper as a brochure tied it to the following recommendation of the International Buddhist Conference, Colombo 1998:

“From a Buddhist perspective, development is a holistic process which should be directed to meeting the material, social and spiritual needs of human beings. A feasible plan of development should also recognize that human society exists in essential dependence on the broader environment, and developments should not be pursued in ways, which threaten the sustaining capabilities of the ecosystem. The current dominant economic model based on unregulated market economics and rampant consumerism has proved to be inadequate for meeting the above objectives. To the contrary, this model has led to massive human suffering, the degradation of society, and the unrelenting exploitation of nature. The model has also encouraged narrow fixation on short term economic gains for a privileged few at the expense of the long-term welfare of humanity as a whole.

It is recommended that a new model be evolved which will ensure that no one is deprived of the basic material needs consistent with human dignity. At the same time such a plan of development should recognize that there are natural limits to the fulfillment of people’s material needs and that the pursuit of material consumption beyond these limits is harmful both to the individual and society. A healthy plan of development would encourage human relations governed by a spirit of cooperation, kindness and compassion rather than competition and exploitation in the pursuit of private gains.

For the purpose of evolving such a new model, it is recommended that a committee of innovative Buddhist economic thinkers should be convened to produce, in collaboration with other organizations working out alternative models of development, the outlines of an ethically guided programme of economic and social development.” (Recommendation No.5)

Commencing with a learned analysis of Western thought as expressed by Adam Smith, Hobbes, Locke, Hume, Hutcheson, Bentham, Lionel Robins, J.S. Mill and Alfred Marshall, Wickremasinghe points out the evil consequences of self-interest and contradictions in modern economic reasoning and chooses the following as the objective for his study: (emphasize mine)

The purpose of this essay is to show that there are internal contradictions in the western economic rationale, philosophy and reasoning and are inappropriate guidelines in the voyage of discovery of solution to complex socioeconomic problems of the modern society; and also they misdirect human beings in their endeavor of achieving “human happiness”. In fact, it is extremely clear that the responsibility for the creation of the current economic morass, in which we live in, lies on the western philosophy, rationale and reasoning.

Now we are at crossroads: either we flounder on an ill-fated search for the type of development based on universal consumption and technology building up a system of social segregation on a global scale driven by self centered power, **or else** branch off on to fresh ground by accepting the challenge to build a new order in which economic system is governed by moral, ethical and spiritual principles, a framework in which respect for nature and containment of human wants would be key social objectives. It is intended to prove that the Buddha has penetrated far more deep into the working of the socioeconomic system than the western economists were able to and his teaching would provide the required framework for people to remain small actors in the economy, aiming to satisfy their needs only, without compromising with perseverance. **The main objective of this work is to enlighten the western reader who may be unfamiliar with Buddhist philosophy, which is more people friendly, and the application of Buddhist principles, which is more humanistic in approach, to economic development and would provide lasting solutions to modern burning socio-economic problems.**

Without subverting the western traditional notion of development, it will be impossible to grapple with problems of growing poverty and inequality and also impossible to incorporate ecological balance into social purpose. Western economic reasoning will perpetrate the problems by creating a large number of new problems once a solution is found to one problem in view of the Buddha’s discourse that there is no limit to craving of human beings and craving is an insatiable phenomenon. (Raṭṭhapala Sutta)

His view that Buddhist teachings would provide the required framework for “people to remain small actors in the economy” is indicative of the impact of Schumacher’s thinking. Wickremasinghe sees that some aspects of socialism and communism have similarities with the Buddhist thinking. But he rejects both as “a spent force with the fall of USSR in 1989” and as much concerned with materialism as capitalism is. His criticism of the modern economic system is based on the fact that “it has not only aggravated the poverty and mal-distribution of income both at local and global levels but it has also made the life of millions of people miserable and this process is still continuing.” He quotes copiously from UN and World Bank statistics to prove this point. From the global he gets

down to the local situation of Sri Lanka and the statistics he presents, are alarming.

Wickremasinghe proceeds to elaborate Right Livelihood (conceived more in line with Schumacher than in the traditional definition of *Sammā Ājīva* in the Noble Eightfold Path) and presents the Buddha's teachings, which Venerable Payutto and Phra Bhavanaviriyakhun have utilized for their model of Buddhist Economics and I have summarized in Section III above. His conclusions on this aspect of the study are the following:

It is very important to distinguish between consumable objects and craving. Craving is a phenomenon appearing in one's mind. These consumable objects are impermanent.

With that, arise desire or displeasure, and the want to have desirable things permanently in that status for his enjoyment.

Desired things change their status against the wishes of the person and he becomes unhappy.

What Buddhism is against is not enjoyment of these objects but lustful attachment towards them. Consumption according to Buddhist principles is not the final goal of the society. It serves another objective if taken in proper perspective (without craving towards them), i.e.; it permits achievement of the higher status of Nirvana, the ultimate goal of Buddhists

It is unrealistic to go to the extreme extent of pronouncing that wealth is evil and poverty is a blessing.

What is relevant here is that Buddhism is against the type of consumerism followed by our modern societies, but not against people's enjoyment of wealth and improvement of happiness.

The reality is that happiness is impermanent. It would not last long. Once it fades away one faces suffering. This phenomenon is unavoidable. By making efforts to make them permanent, people fall into unwholesome situations.

The permanent "happiness is Nirvāṇa. That is what all Buddhists strive to achieve. That is supra mundane and in economics what has to be determined is mundane objectives, short of this ultimate objective.

Further discussion of motivation for work and modern theory of development brings Wickremasinghe to his thesis that the prevailing theory of development is unsuitable for developing countries. He says,

Unsuitability of the modern theory of development for the problems of the developing countries lies on their dismissal of religious and spiritual values as a guiding principle of behavior of individuals. The rationale of the reasoning of these theories is the efficacy of self-centered approach. Of course, there are certain mythical beliefs and rituals, which are a hindrance to development, but as far as the Buddhist way of life is concerned we must emphasize that they are 'growth' promoting rather than 'growth' retarding. Here 'growth' refers to the growth of both spiritual and material advancement, which is long lasting, and human friendly.

The final section of his study has as its heading "Theory of People-friendly Development." Shorn of reiterated criticisms of the modern economic model, the main elements of his theory may be extracted as follows:

In contrast to self-centered economic approaches, a redefinition of accepted objectives of economic development and reformation of strategies adopted are crucial.

The conceptual model should be based on the Buddhist perception that achieving only material targets should be facilitating the achievement of ultimate objective, Nirvāṇa.

Project evaluators should not only look into the highest rate of return on investment but also into the social consequences of the project.

Ethical, spiritual and moral factors must be incorporated in social cost-benefit analysis of projects.

As each country is assumed to have sufficient resources to meet all the needs but not the wants, the model must concentrate only on human needs.

Objectives of people-friendly development have to be twofold:

- a. achievement of material goals of the modern development theory;
- b. achievement of the final goal of spiritual advancement, Nirvāṇic bliss.

The strategy suitable to achieve these objectives is the application of the Noble Eightfold Path.

Summary of the model:

Basic assumption - Available resources and present technology are sufficient to meet all the needs of the people living in the world.
Objectives of Development - Sustenance, self-esteem and freedom in the context of *atthi sukha*, *bhoga sukha*, *anāṇa sukha* and *anavajja sukha*.

Strategies - Noble Eightfold Path; in particular, Right Livelihood.
Sammā ājīva.

The idealist in Wickremasinghe prompts him to urge the adoption of his model, which he has amply argued as capable of eradicating the evil consequences of Adam Smith's model. But the realistic scholar he is has obliged him to assess how feasible his people-friendly model is. He makes two important points: (emphasize mine)

- (1) The strategies suitable for the achievement of material objectives are fairly well known. However, the strategies suitable for spiritual objectives will have to be worked out and an environment that is conducive for this has to be established. **As these lopsided economic activities have been in application for centuries, it is not easy to erase them instantaneously.** What is required is the 'stages approach'. Initially, the existing materialistic biased economic strategy has to be gradually modified by implementing restrictive aspects of economic activities announced by the Buddha. **Drastic changes in attitudes of the individuals are not feasible. A rigorous study has to be made about the psychological aspect of these changes.**
- (2) **One important constraint in this endeavor is the backlash that would result from the international setup.** If this system were experimented in one country only, leaving others alone, the backlash from the rest of the world would totally swallow the new system. Hence, **this system has to be simultaneously applied in all countries together to avoid retardiness (*sic!*). This is no easy task.** However, the purpose of this exercise, as stated earlier is only to enlighten the western reader the availability of an alternative system. **Buddhism respects the individual's freedom of choice, hence, the acceptance or the rejection of the alternative system.**

In fairness to Wickremasinghe's sincere enthusiasm, it has to be recognized that he has achieved the objective of his study of presenting to his readers the alternative system, which the Buddha's teachings suggest.

IX. "On Buddhist Economics as a Science of Right Livelihood"
Hans-Guenter Wagner of Germany

Equally inspired and influenced by Schumacher and Venerable Payutto, Hans-Guenter Wagner, in an essay available on www.buddhanetz.org, sees Buddhist Economics as both a science of right livelihood and an art of living. He traces Buddhist Economics to the days of the Buddha and says,

Although the fundamentals of the Dhamma (Dharma) are directed to the existential level of our human existence, in the Buddhist scriptures we also find numerous teachings and advice on how to manage life in a way that spiritual health and material well-being can come together, so that we can enjoy the benefits of both. Thus, Buddhist economics is no recent branch of knowledge or even a peculiarity of Engaged Buddhism. On the opposite, it is something that can be traced back to very beginning of the Buddha's teachings on the duties of a good householder and has its roots in the concept of the Middle Way between extreme asceticism and materialist heedlessness.

Agreeing with Venerable Payutto that economic decisions are **kamma** in the sense that "every time an economic decision is made, kamma is made and the process of fruition is immediately set in motion for better or worse, for the individual, society and environment," Wagner finds in the Abhidhamma the Buddhist study of economics in the most fundamental level as it deals with "the negative mental states like greed, aversion, delusion and pride, which doubtless influence economic behavior. He upholds the ethical principles of Buddhism as applicable to economic activity:"

Buddhist economics combines inner and outer reality; i.e. it connects the structure of the mind with the so-called objective reality of the external world. The bridge between internal and external realities is ethical thinking, judgment and behavior. In Buddhist ethics, ethical laws follow the natural laws of cause and effect: virtuous action leads to benefit and evil action leads to harm.

Based on this understanding, he compares Modern Western and Buddhist Economics:

He concludes the comparison, and states in agreement with Venerable Payutto,

Buddhism therefore advocates the wisdom of moderation and contentment. Whenever using things, we should reflect on their true purpose rather than using them regardless of natural environment and the interests of other beings.

He proceeds to discuss concisely the main teachings of the Buddha relevant to the issues discussed.

What makes Wagner's contribution to the on-going debate on Buddhist Economics significant is his recognition of the challenges of the modern world in modern times and the limitations of the teachings of the Buddha. He says, (emphasis mine)

As most of the canonical teachings on the right way of social and economic action are developed against the background of the old Indian society with their prevailing **feudalistic structures and a mainly agricultural mode of production, not all of this partly detailed advice and recommendations can be transferred to the modern industrial and post-industrial world.** It is not only because most of these economic teachings are addressed to small traders,

artisans and servants—occupations which all have lost importance in present-day society—but mainly because the modern world is far more complex than the easily comprehensible societies of former time. In the Information Society we live in, we are showered with pieces of information; and cause and effect-relations are often not even easy to predict. **The relations of cause, condition and result are in the modern world much more complex than at the Buddha's time.** The patterns of taking decision and responsibility in an Industrial Society are far more difficult than in an Agrarian one.

What he sees realistically as Buddhist Economics are “**the psychological values**” which can serve as a “**compass to guide our everyday lives in a meaningful way.**” He continues, (Emphasis mine)

Even though our motives are fundamental, to have a pure motivation is not always enough. We also must give attention to our actions and the direct and indirect results of them. **We need a profound understanding of the impact of all our actions on the ecological systems as well as on the social conditions around us.** The scope of Buddhist Economics has affinities with current social developments in many fields of thoughts and practice. Like the ascending values of the social and green movement, the psychological values of Buddhist economics involve **a shift of emphasis from means to ends, from heedlessness to taking responsibility, and from aggressive competition to peaceful cooperation.** The way we live and work, the way we interact with other beings is of much higher importance than high rates of material output, a maximum of consumption or everlasting economic growth.

Wagner's comment on Schumacher's “Small is beautiful” concept is that “*it is basically right but should not be taken absolutely or like a prescription to cure all kinds of social and economic disease,*” and that “*it cannot be applied to all and everything.*”

In some areas as railway and telecommunication networks it is logically impracticable and prohibitively expensive to operate small and highly autonomous units. Steel production on a small local level, for instance, leads not only to a kind of steel which is almost useless, but contributes furthermore to tremendous waste of natural resources and human energies as the Chinese policy of the Great Leap Forward in the late fifties has vividly shown, where such a vain attempt had been undertaken.

On the contrary, he sees much to recommend in Schumacher's concept of and attitude to work: (emphasis mine)

Schumacher shows now the Buddhist point of view takes “the function of work to be at least threefold: 1. work should give a man a chance to utilize and develop his faculties; 2. it should enable him to overcome his ego-centeredness by joining with other people in a common task; and so 3. to bring forth the goods and services needed for a becoming existence. **Work and leisure are complementary parts of the same living process and cannot be separated without destroying the joy of work and the bliss of leisure.**” It follows that according to the Buddhist view work should not be organized in a way that it become meaningless, boring, stultifying or nerve-wracking for the worker,

because it would indicate “*a greater concern with goods than people, an evil lack of compassion and a soul-destroying degree of attachment to the most primitive side of this worldly existence.*”

Admittedly an enthusiastic supporter of the Green Movement and its emphasis on the conservation of ecology and environment, Wagner continues to express his concerns over the impact of how natural resources are utilized:

As long as we respect the self regenerating power of nature and for that reason not take more out than we put back, we can live in stable permaculture with the natural environment for millenniums. But as the human mind is possessed by what the Buddhist teachings call *tanhā* that means craving, ambition, restlessness and thirst, mankind has already broken what we may call the **nature-budget income restriction**. The ecological crisis is finally caused by the mental state of *tanhā*, which has such a far-reaching influence on the global conditions of life.

His conclusion is in conformity with the position which both Venerable Payutto and Phra Bhavanaviriyakhun advocate: (emphasis mine)

The teachings of the Buddha enjoin a reverent and non-violent attitude not only to all sentient beings, but to nature in general. No other being should be killed or hurt; and even no plant should be unnecessarily broken. When we enjoy the kinship with all forms of life, we can overcome *tanhā*. **With a simpler mode of life, with emphasis on means and not on ends we can attain true happiness. True happiness does not rely on objects of the outer world, such happiness comes from within. Dhamma-happiness can be attained with a minimum of material things.** It arises when the defiled mind becomes clear, and it creates inner peace when always cultivated in the right manner. **Buddhist economics can be defined as the systematic study on how to attain true happiness by dealing with the objects of the economic sphere of life in a right way.**

He however, falls short of equating “Dhamma-happiness” to the ultimate Buddhist goal of *Nirvāṇa* as the last three exponents of the Buddhist Economics, discussed in my paper, had done.

X. Mongolian Buddhism and Economics: Initiative of Prime Minister Nambaryn Enkhbayar

The Mongolian Parliamentary Group had discussed the subject of Mongolian Buddhism and Economics. Asian Buddhist Network of the Alliance of Religions and Conservation (ARC) has issued a digest of the papers from the Group’s meetings and the Mongolian Nomadics and Buddhist Economics Conference (Phnom Penh, 2004). This digest has been compiled and edited by the Mongolian Prime Minister Nambaryn Enkhbayar, who is also the President of ARC. The document is intended “to help in understanding the peculiarity of the Buddhist approach to economics.” In the context of the present paper, what makes the Mongolian initiative important is that the inspiration comes from the

Mahayana tradition, whereas the other exponents had relied on the Southern Buddhist tradition.

The points highlighted in this document by Prime Minister Enkhbayar include the following:

- In Buddhism it is explained that everything has been created by cause or because of a cause. There is a cause behind everything and every phenomenon.
- Buddhist philosophy aims at finding a cause or a complex of causes lying behind a phenomenon or phenomena.
- Economics in a general way is or should be a science, which aims at finding a reason or complex of causes behind every economic and social phenomenon.
- The general understanding of the theory or causation regulating the very existence and/or activity of everything in the world according to Buddhist philosophy brings us to the notion of karma. Karma is a kind of accumulated potential power or weakness gained as a result of each deed done in the past. The notion of karma shows:

a. *The uniqueness of every human being* (all human beings and in a broader sense all communities and/or nations are different from one another because of their deeds). The economic development of each nation is something unique in a sense that it is a kind of accumulation of bad or good things, which have been done by the leadership of a given country after they have been given power to rule a nation.

b. *The responsibility of everybody*. That is everybody and/or every nation is to be aware of the responsibility for any action or inaction because it eventually, let us say, "accumulates" one's or its present status in a broad sense: "One is responsible for one's present status however good or bad it is" ('Each nation is responsible for its present status in the world').

c. *The understanding of everybody's accountability*. In other words karma indirectly means accountability. Everybody, every government, every nation should be accountable for its deeds. There is nobody without his or her karma, similarly there is no nation and/or Government without accountability.

d. *The deep understanding or feeling of one's right space (where) and time (when) of activities*. One should be aware of the necessity to stay within limits of space and time of one's activities in order 'to accumulate good deeds'.

- One of the Three Treasures of Buddhism is Sangha or Buddhist Brotherhood or the community of monks. The community, or living in the community, is considered to be one of the treasures of Buddhism. Living in community means learning of sharing. Sharing not only good but sharing suffering, happiness, sharing others' pain.
- One can draw a line to the modern understanding of economic and social development, according to which development can be achieved not at the

expense and/or excluding someone or any nation into the process of development.

- From the statement of learning to share other's pain it is easy to come to one of the very important characteristics of Buddhism, namely, of Mahayana Buddhism. This characteristic is the ideal of Bodhisattva.
- The Bodhisattva stays at the present level of existence because of great compassion and mercifulness towards the human beings, because of the great ability to feel others' pain. 'If someone or some nations have reached the relatively better level of existence (in our case development) it is immoral and because of it, it is impossible to develop further without 'feeling the pain of underdevelopment of others' (both human beings and nations) in a broad sense.
- The meaning of the Buddhist ideal of Bodhisattva could be put in the modern economic language in the following way: "The more you help others, the better, faster and more qualitatively you develop yourself."
- According to Buddhist philosophy, development means assisting others. The main difference of quantitative and qualitative development is that the latter means and includes morality, responsibility, accountability, feeling of community and of necessity to assist others, and uniqueness in each example of development.
- Another important link between Buddhism and economics is the one of attachment and non-attachment.
- According to Buddhism, attachment or passion for someone or something brings suffering. Once a person or a society (let us say consumer society) is attached in a broad sense to something, it starts turning into a body absorbed only by its desire to satisfy insatiable demands and starts losing its mobility and adaptability to new challenges, and flexibility.
- Buddhism considers the creation of a good balance or a healthy environment where everyone and everything can enjoy freedom to realize or improve its potential and that is the condition for the qualitative development.
- The realization (or improvement) of one's potential (or karma) is development. Under the good balance of material and spiritual, of cause and effect, the interdependence (not contradiction) of everyone and everything is implied. Buddhist philosophy proceeds from understanding that real, qualitative development is based not on theory of contradiction of two or multiple polarities (or interests) but rather on the notion of interdependence of everyone and everything.
- The famous theory of Śūnyata (or voidness) seems to be a philosophical basis for such understanding of economic and social development from the Buddhist point of view.
- If one is to be logically loyal to the general implication of the Śūnyata concept, one has to admit that there cannot be permanent indicators of development from a Buddhist point of view, because everything is dependent upon causation and is in constant move and change: everything is impermanent and relative.
- In the search for indicators one always has to proceed from understanding that the main, ultimate indicator of development is a human being.
- The Buddha said that when one was wounded he would not try to find out who did the shooting, what is the size of the arrow, what is it made of. Instead he would try to remove the arrow from his body as soon as possible.

- It is worthwhile to remove as soon as possible arrows which wound us: **irresponsibility, lack of accountability, narrowness of mind, ignorance of the fact that everyone and everything is dependent on causation and on each other.** The indicator and the ultimate aim of the qualitative development is a human being.
(<http://www.arcworld.org/projects.asp?projectID=186>)

This document, which I have quoted above in almost its entirety, summarizes the views of delegates from Mongolia, China, Laos, Thailand, Cambodia and Vietnam. The values they represent come from the “common spiritual culture that teaches to value nature and have compassion for all living things.” That Enkhbayar shares these values is significant because he grew up as a communist and now draws upon his Buddhist faith to rebuild Mongolia.

XI. From Idealistic Theory or Utopian Expectations to Government Policy on National Development

What we have so far discussed can be categorized as idealistic theory or Utopian expectations based on the teachings of the Buddha. We now proceed to examine two national initiatives of two Buddhist kingdoms, which have attempted to formulate their economic policies on these idealistic principles or Utopian expectations. Significantly, both these initiatives have their origin in the thinking of two ruling Buddhist monarchs.

A. Gross National Happiness (GNH) of Bhutan

His Majesty Jigme Singye Wanchuck is accredited with the coinage of the term **Gross National Happiness** as far back as 1972. The king of this land-locked Buddhist nation of an estimated population of 750,000 had, on his assumption of the throne, defined development in terms of happiness of its people rather than in terms of the widely used economic indicator of Gross National Product. Development thus defined as pursuit of happiness based on non-material values has been explained by the senior officials of the Bhutanese government as “a vision that puts the individual’s self-cultivation at the center of the nation’s developmental goals, a primary priority for Bhutanese society as a whole as well as for the individual concerned.” This model of development is aimed at “improving the **quality of life** while respecting natural and cultural constraints rather than the quantity of material production and consumption.”

Taking happiness to be a balance among economic, social, emotional and cultural needs, the Bhutanese ideology seeks to balance materialism with spirituality and depends on the knowledge of the self to achieve liberty and freedom. In this sense, the Buddhist implication that the mistaken self-view leading to selfish desire, arrogance, self-importance (cf. *sakkāyadiṭṭhi*) is the first and foremost fetter or obstacle to deliverance gives this concept a religious significance. Yet nowhere do the Bhutanese refer to it as Buddhist Economics.

On the contrary, “the four pillars” of the concept display a realistic appreciation of the challenges of modern times. The four pillars are

1. Economic growth and development
2. Preservation and sustainable use of the environment
3. Preservation and promotion of cultural heritage
4. Good governance

A country of its size and isolation from external forces could have adopted Schumacher’s “Small is beautiful.” Just as it avoided the term Buddhist Economics, it has desisted from adopting Schumacher’s slogan. The effectiveness of GNH, on the other hand, is established with anecdotal “evidence” such as the story of a farmer, who by using scientific farming doubled his harvest, takes leave of his cultivation to enter a monastery for self-improvement as he had “enough to eat for another year.” No other evidence is readily available. But internationally the Bhutanese ideology has been a tremendous success in that it has, in fact, surpassed both Schumacher’s and Venerable Payutto’s concepts when judged from the attention received all over the world.

First announced internationally in 1998 at the Asia Pacific Millennium Summit in Seoul, Republic of Korea, GNH has been presented to the United Nations, the South Asian Association of Regional Cooperation (SAARC) and international conferences in far-flung places like Zeist, Netherlands and San Diego, California, USA. In June 2000, CBS 60-minute program “Gross National Happiness: Nirvāṇa in the Himalayas” was followed by a poll on the question whether Bhutan was deluding itself in pursuing happiness in preference to material wealth. 87% of the listeners voted to say “No.” Only a meager 13% thought otherwise.

The Centre for Bhutan Studies, Thimpu, has published a 755 page-book entitled “*Gross National Happiness and Development*” – a collection of 45 papers by senior academics, research fellows, journalists, Buddhist monks and a variety of development specialists, who attended a well represented international conference in Bhutan in February 2004. Canada held the most recent international conference on GNH in Antigonish, Nova Scotia from 20 to 24 June, 2005 on the theme “GNH – Local Pathways to Global well-being,” co-hosted by Genuine Progress Index Atlantic, the Province of Nova Scotia; the Gorsebrook Research Institute at Saint Mary’s University; and the University of New Brunswick. The sheer volume of documentation that has been generated testifies to the enthusiasm with which the world media and social activists have responded and reacted to the concept or ideology of GNH¹¹. Yahoo records as many as 1,130,000 entries. An organization to internationalize the concept describes GIH as an extension of GNH in its website. (www.grossinternationalhappiness.org)

The GIH Project believes that GNH should not remain merely a slogan, but that it should become a guiding force for day-to-day economic and political decision-making for Bhutan and other countries “for there are many societies on the edge of the **global capitalist system** who are similarly searching for

appropriate yardsticks for **sustainable development, trade and foreign investment** while respecting cultural and ecological integrity.”

Bhutan, however, remains realistic in its plans and approaches to development. Thus this country, which has a long history of attracting the philatelic world by producing the most attractive and exotic postal stamps, recognizes that a market economy is inevitable. Its Finance Minister Lyonpo Yeshey Zimba is reported have said, “Now we are ready for democracy and a market economy. But we have to go slowly.” (www.globalpolicy.org) He has also to plan for modern sector employment: “Young people who have received an education are not going back to their villages to work on their farms, so we have to generate employment.” Thus plans for expansion of tourism may result a significant change in the current policy, which he described as follows:

“We decided to limit the number of visitors through a pricing mechanism, so you don’t get too many people and don’t let people in, who might bring bad influences.”

The \$200 a day minimum expenditure, which hitherto brought in only the affluent foreigners, may need to be revised if he expects an income of \$ 21 million a year from 2007. An equally significant pressure has been exerted on its expanded participation in international trade by joining the World Trade Organization. How the GNH as an ideology undergoes change in the land of its birth will be as interesting a project for research as how the world – especially countries said to be on the edge of a free market economy – will be influenced by GNH.

B. Sufficiency Economy of Thailand

The concept or rather the philosophy (as Thai scholars prefer to call it) of Sufficiency Economy was enunciated on December 4,1997 by His Majesty Bhumibol Adulyadej, King of Thailand in a birthday address to the nation. As in the case of GNH of Bhutan, the royal initiative had an overriding impact on the nation. It came at a crucial moment when Thailand was experiencing a financial meltdown demonstrating the failure of the free market economy it had successfully pursued for decades.

Sufficiency Economy, through not specifically called Buddhist Economics, is deeply inspired by the teachings of the Buddha. Not only is it based on the Buddhist principle of the Middle Way but has as its pillars the threefold path of practice: Dāna (giving or generosity), Sila (Virtue or morality) and Bhāvanā (meditation). Sufficiency is defined as moderation and due consideration in all modes of conduct and sufficient protection from internal and external shocks. The way to achieve it is to “strengthen the moral fiber of the nation, so that everyone, particularly political and public officials, technocrats, business men and financiers, adheres first and foremost to the principles of honesty and integrity.” (www.buddhistnews.tv and www.info.tdri.or.th)

Answering the question whether Sufficiency Economy opposed globalization and liberation, the Thai Development Research Institute’s year-end

conference in 1999 held in Jomtien (co-hosted by National Institute of Development Administration, National Economic and Social Development Board, National Research Council of Thailand and Chai Pattana Foundation) conceptualized Sufficiency Economy in the following terms:

- Although the philosophy of the Sufficiency Economy stresses self-reliance, it by no means favors self-sufficiency and isolationism.
- Self-reliance refers to the ability to assess strengths and weaknesses with wisdom and knowledge, and to foster appropriate tools to immunize the country and society against internal and external volatility.
- The middle path can be achieved only through moderation, rationality, prudence, wisdom and proper and honest use of knowledge.
- It encourages harmonious and constructive participation in globalization and liberalization to optimally utilize appropriate knowledge and resources and benefit from them.
- It guides the country and society to assess and correct factors hindering appropriate development; these hindrances can be in the form of national policies, ways of life, ways of thinking, or even values in society.
- Optimal behavior links the Sufficiency Economy to mainstream economics. In mainstream economics, human behavior is an effort to reach the optimum.
- Sufficiency Economy seeks to find appropriate behaviors for optimal benefits, taking into account limitations, risks, uncertainties and volatility.
- It takes into consideration market uncertainties in mainstream economics, and seeks patterns of decisions and behaviors that are based on prudence and a wise examination of the risks and uncertainties that are involved.
- It does not oppose the creation of wealth and growth. Growth and wealth are among development objectives of any society. However, growth is not the only contribution to economic development, nor is wealth the only provision of security.
- Its ultimate goal is sustainable development, and to reach sustainability, it is important that all citizens have equal opportunities and freedom despite their individual shortcomings.
- Equal opportunity to good education and health will lead to the ability to make optimal use of open doors in life. Citizens also need an equal opportunity to own land and other production capital, as well as to make a living within a fair and transparent environment.
- It embraces a holistic approach to development and takes into account political freedom and stability, economic development, social capital, cultural values and traditions, ethics, attitudes and the environment.
- Its application needs proper understanding and supporting attitudes, for instance, self-reliance and not seeking causes of problems from the outside but from one's own strengths and weaknesses.
- It accords with the Thai way of life and encourages the revitalization of the moral and ethical fabric of Thai society. It respects compassion, goodwill, mutual assistance in society, and outweighing social benefits to individual benefits.

As a fundamental guidance of conduct and decision-making, Sufficiency Economy is presented as containing five major components:

- Integrity
- Moderation and middle path
- Prudence achieved via mindfulness and wisdom
- Rationality that will lead to patience and perseverance
- Balance and sustainability (www.info.tdri.or.th)

The president of the Privy Council, General Prem Tinsulanonda, addressing a Leadership Forum in March 2001 elaborated the concept further and stressed the following:

- Sufficiency Economy is an enlightened way forward, a feasible approach to achieving the common objective of a stable, equitable Thailand.
- The severe over-reliance of our private-sector on short-term foreign currency dominated loans became our undoing.
- The exit of capital flows proved faster than its entry.
- Globalization cannot be wished away and hence the task of integrating ourselves with the new global environment makes it imperative for us to shield ourselves from the negative aspects of globalization.
- Domestically, the seeds of failure had already been sown well before the fateful month of July 1997. Economic growth, higher incomes, and material accumulation were pursued increasingly as ends in themselves. The volume, variety, and speed of economic and financial activities and services expanded at a breakneck pace. Sky-high buildings transformed the landscape of many cities and towns in Thailand. Sky-high corporate profits and salaries, and conspicuous consumption were being confused with economic development itself, as were prestige projects and prestigious material trappings.
- Poverty is the root of all problems facing our nation, and most of life in public has been dedicated to task of alleviating poverty, in the firm belief that it would help solving each and every one of those problems. But this crisis made the yawning gap between the haves and have-nots widen even further, against a background of searing social warmth. Unrelenting quest for material wealth seemed to have undermined compassion and caring, which in turn weakened the social fabric, community bond. And traditional values.
- Sufficiency Economy does not advocate isolationism but presupposes the inevitable process of increasing global interdependence.
- Sufficiency Economy seeks to strengthen the symbiosis and harmony between men and his natural environment. The crisis has brought into sharp focus His Majesty's lifelong work in agriculture.
- Agriculture, the mainstay of the majority of the Thai population who are still toiling in poverty, can serve as buffer against external shocks, testifying to the value of "going back to basics." For too long, the growth-oriented strategy has led to the rapid depletion of environmental assets priced cheaply at below their replacement cost. Conservation is but an integral part of sustainable development.
- Beyond the national context, "Sufficiency Economy" has been acclaimed by the international community at the Tenth United Nations Conference on Trade and Development (UNCTAD) in February 2000 which expressly recognized His Majesty as "the Developer King." (www.se-ed.net)

Just as Bhutan's GNH, Sufficiency Economy is an ideology in operation. But the Thai experience has a greater impact on economic thinking in that it is being applied in a country with a substantial population, a robust economy and a diverse economically active populace. The Thai five-year Plan of National Development (2002-2006) is based on it. The government is fully committed to its successful implementation. The national leadership is trained and motivated to comply with it. Professor Apichai Puntasen provides the theoretical foundation for what he promotes as an alternative economic path through the Buddhist Economics Unit of Thammasat University in Bangkok, and offers PhDs in the program of Natural Laws and Moral Sciences.

Kalinga Seneviratne reporting from Singapore has outlined the impetus given by Sufficiency Economy to localized enterprises such as Phra Payom Kalyano's "Thai help Thai" based on the concept of Dāna (giving), Phra Subin Paneeto's "Sajja Sasomsap" (Honesty Savings) similar to Bangladesh Grameen Bank project, and Sulak Sivaraksa's Spirit in Education Movement (SEM), mobilizing and training Buddhist social activists. There are, of course, critics who say, "Sufficiency Economy may slow down Thailand's growth and interfere with its industrialization and development." Medhi Krongkaew, an economist of Thammasat University is quoted as stating. "Buddhism should not be used as an excuse to reject the market economy. Buddhism teaches every one of us to perform our duties to the best of our ability. This is in keeping with the concept of efficiency in mainstream economics." (www.buddhistnews.tv)

XII. From "Small is Beautiful" to "Optimum Sufficiency" – Assessment of Feasibility

What I have reviewed in this paper is the development of the concept of "Buddhist Economics" over the last four decades as an alternative to two major systems of economic development that had dominated the world scene: Socialist/Communist Model with state ownership of means of production and central planning; and the Free Market System with emphasis on privatization and freedom.

The search for alternatives coincided with the challenges, which new nations with stagnant economies emerging from Western Colonialism, faced on the transfer of power to nationals. Dependent on imports from their colonial masters, the path to economic freedom was first conceived by them as import-substitution. In the wake of industrialization for this purpose, the poverty-ridden new nations disrupted their rural self-reliant economy, leading to such grave social problems as rural-urban exodus, shanty towns, mass unemployment and resulting social unrest. Schumacher's imaginary Buddhist Economist favored localized small-scale initiatives; leaned towards the Socialist System; agitated against imports from abroad, the search for full employment, and the employment of women in "outside" jobs; and advocated a massive attitudinal change from consumption to moderation through the adoption of Buddhist ethical values of curtailing desire and attachment.

It was not surprising that the emphasis on Buddhist values won the admiration of Buddhist monastics like Venerable Payutto and Phra Bhavanaviriyakhun of Thailand and devoted Sri Lankan Buddhist lay scholars like Jagath W. Wickremasinghe. The Buddha's teachings do touch upon the principal areas of concern to an economist: relevance, use, abuse, and protection of wealth; consumption, investment and saving; insatiability of desire and the tendency to "keep up with the Jones;" conservation of scarce resources; importance of freedom from debt; balanced budget; and prevention of economic ruin.

The enthusiasm of the Buddhist Scholars, who delved into Canonical texts, was shared by John Cobb who saw how Christianity would uphold the same values. All of them from Schumacher to Wagner had no hesitation to uphold, if not advocate, their concept of Buddhist Economics as a panacea to prevailing economic ills of the modern world.

It is true that the teachings of the Buddha, as identified through careful research by Venerable Payutto, Phra Bhavanaviriyakhun and Jagath W. Wickremasinghe can be utilized at the macroeconomic decision-making level of the state. The governance and the economic viability of the Sangha, as counseled by the Buddha, have elements like collective democratic decision-making, decentralized and localized units, joint or common ownership of property, non-inheritance to individuals, recycling of resources to the point that nothing is wasted; and non-injury to fauna and flora. These elements are already in operation in political and economic decisions of most states in the world (e.g. Parliamentary system, Socialist/Communist state policies, ecological and environmental laws). But it was never the intention of the Buddha who addressed issues relevant to individuals like Sigāla, Dighajānu and Anāthpiṇḍika to dictate policies to contemporary rulers, most of whom were his friends and patrons. It is interesting to note that the Buddha counseled the King of Kosala to regulate his diet and lose weight. But it does not appear that any matter of state was ever discussed with the Buddha. The Buddha's teachings are for the individuals and Phra Bhavanaviriyakhun rightly categorizes them under microeconomics. If every member of society lives strictly according to the Buddhist ethical code and be content with minimum desires, the cumulative effect on the state and in fact the whole world is undeniable. But is that an ideal in any way attainable?

In this context, it is necessary to point out that Schumacher started the tendency to give an extended meaning to Right Living or Right Livelihood (Sammā Ājiva) of the Noble Eightfold Path. He took the literal meaning and attributed to the Buddhist Economist, as he pictured, a system of wider values not associated in Buddhism with Sammā Ājiva, which traditionally refers to the avoidance of a number of specified trades and careers. The moral compass of Buddhism covers three of the eight elements of the Noble Eightfold Path – Right Speech, Right Action, Right Livelihood. So does Phra Bhavanaviriyakhun emphasize that Right Livelihood is only one of the eight elements. One also wonders whether the Buddha in any way upheld the principle of "Small is beautiful!"

It is true that he advised his disciples to learn a little and not all the books but practice what was learned. But that did not prevent him from encouraging all his discourses, debates, discussions and extensive poetic works to be remembered, codified and arranged for easy retrieval to the point that the forty-five volume Buddhist Canon is the largest and the most diversified of all the scriptures of world religions. He kept on adding to the rules of discipline for monastics to the point that the number came up to 227 in Early Buddhism. Though, at the beginning, he preferred forests, mango groves, potter's halls and public buildings for his own and his disciples' residence, he eventually accepted massive monastic complexes as Pubbarāma, Ghoṣṭārāma and Jetavana, and also enjoined the donation of beautiful monasteries to the Sangha. If the Buddha believed in "Small is beautiful", he would not have laid the foundation to a religious system that could spread worldwide. In any case, as Buddhism spread outside where it arose, it promoted architectural and artistic works, most of which are gigantic in design and complex in execution. Stūpas and statues of the Buddhist cultural heritage seem to suggest a principle "the larger and more complex, the better." (cf. Sanchi, and Amaravati Stūpas and Ajanta, Ellora and Nalanda monastery complexes of India, Ruwanveliseya, Abhayagiri and Jetavana Stūpas and Aukana, Maligawila and Galvihāra statues of Sri Lanka, Bamiyan and Begram of Afghanistan, Loyang, Dunhuang and Leshan of China, Borobudur of Indonesia, Angkor Wat and Bayon of Cambodia, Todaiji and Kamakura of Japan, Sakkaraḡam of Korea, Shwedagon, Pegu and Pagan of Myanmar and Śukhothai, Chiangmai, Ayuthia, and Bangkok of Thailand).

Wagner questions the applicability of "Small is beautiful" to the modern economic situation with reference to railways and telecommunications. Ivan Ilich of "*Deschooling and Re-tooling Society*" fame, speaking in New Delhi early in 1970s, spoke in favor of "Small is beautiful" by referring to a major earth-moving project using heavy machines. He criticized the use of mechanical power when doing the same with shovels would have given employment to several thousands. At question time, a young Indian engineer asked a simple question, bringing the large audience to reality and, of course, laughter, "How about using tea-spoons and employing a couple of millions?"

A realistic balance between what benefits communities through localized pursuits and what has to be done with economies of scale is indeed essential. One need not always be at the expense of the other. They are not mutually exclusive. It is in this respect that myth and reality have to be discerned in what is proposed and promised as Buddhist Economics.

In the light of the idealistic standpoint of Schumacher and supporters of his views, the two royal initiatives of Bhutan and Thailand are realistic in approach and promise a greater chance of being implemented. The fact that both are top-down plans seems to be advantageous in the two countries where they are being experimented with, though Cobb would not approve it. Both recognize the reality of economic growth and development as currently viewed by mainstream economists. They both have a common feature arising from Buddhist wisdom and

values: namely that humans share the world with flora and fauna and the respect for all sentient beings and environment is fundamental.

With that feature is imprinted the responsibility that each generation functions as custodians of the planet and its resources for generations to come. Such a realization prompts an attitudinal change conducive to reconciling globalization and state obligation with the good and the benefit of the many. Sufficiency Economy of Thailand promises greater success in implementation. The results achieved by Thailand will undoubtedly be of special interest not only to traditionally Buddhist countries but also the world in general. That experience is bound to demonstrate whether Buddhist Economics is a myth or a reality and, if it is a reality, how far it can influence the world today.

XIII. Conclusion

The following are the conclusions, which emerge from the above analysis:

1. **An exclusive system of economics by any name or designation for Buddhists as individuals, communities or nations is impractical, unimplementable and unwarranted. It is idle to pursue a discipline or practice of Buddhist Economics.**
2. **While Buddhist wisdom and values have a very important contribution to make to any economic system which a nation adopts for its development, whatever has been offered by various advocates as Buddhist Economics may not replace either centrally planned socialist economics or free market capitalist economics.**
3. **Basic needs of every human being have to be met wherever one may be – irrespective of ethnicity, creed, or any other specificity - - so that NO man, woman or child goes hungry; is subject of malnutrition, preventable disease, illiteracy and ignorance; is discriminated on any ground or socially and economically exploited; and is obstructed or prevented from achieving the highest fulfillment of one's destiny according to talent, skill and aptitude.**
4. **Diversity as regards the availability, access, affordability, rate of increase, and security of resources, which each human being has at one's disposal at varying degrees, is bound to perpetuate the prevailing inequalities and the ineluctable hierarchy of needs. This phenomenon is best explained by the Buddhist theory of Kamma, which calls for informed contentment (santutthi), coupled with the recognition that one's lot can be improved by one's own effort through virtuous life.**
5. **The Buddhist code of ethics and morality, which underscores the respectful consideration and moderation in the use of all available resources – human, material, financial, ecological**

and environmental – and their application for the widest possible benefit of all sentient beings, is valid universally for the entire humanity.

6. **As the belief in rebirth reinforces, the future generations for whom the planet is to be protected, conserved and developed by us may well be ourselves returning over and over again.**
7. **This is the conclusion, which Humanistic Buddhism derives from the teachings of the Buddha and emphasizes in applying Buddhism for the benefit of all sentient beings here and now.**

Abbreviations

A	Anguttaranikāya
Cv	Cullavagga
D	Dīghanikāya
Dp	Dhammapada
DPPN	Dictionary of Pali Proper Names by G. P. Malalasekera
It	Itivuttaka
M	Majjhimanikāya
Mt	Majjhimanikāya Commentary
MV	Māhavamsa
Mv	Mahāvagga
Pac	Pācittiya in Suttavibhanga
PTS	Pali Text Society of London
S	Samyuttanikāya
Sn	Suttanipāta
Sv	Suttavibhanga
U	Udāna

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Notes

¹ Gandhian concept of small scale or intermediate technology was specifically opposed by the foremost Buddhist thinker of the time, Anagarika Dharmapala, who quite tactfully wrote, "But the antiquated bullock cart would not do today, for we have to compete with people who have the motor lorry and auto car. The universal use of the spinning wheel throughout India is sure to bring about some change in the economic advancement of the starving millions but that is not sufficient to make a people progressive...What India and Ceylon need is more technical and scientific education." Ananda Guruge (Ed.) Return to Righteousness, Colombo 1965 p.715.

² Schumacher apparently did not note the irony that he was himself invited to Burma (Myanmar) in that capacity representing the expertise associated with Western Europe.

³ In the absence of any reports or recommendations Schumacher had made to the government of Burma in his capacity as economic advisor, it is not possible to gauge how far his disappointment was based on the non-acceptance of his ideas. If Burmese archives have any documentation on this matter, it would be interesting to study.

⁴ Another reason for not according to Mahatma Gandhi a greater acceptance could be that the Gandhian concept of Sarvodaya (as the advancement of all) is based on Antodaya (as the advancement of the "ends" – i.e. the population at both ends of the economic spectrum). Basic education, spinning wheel and cottage industry were for the lower end. The redistribution of wealth in this concept was more through charity as Vinod Bhave's Bhūdān Movement came to represent. Gandhian approach did not denounce big business of the rich.

⁵ Mark Skousen's summery statement would be correct if he had simply used "Schumacher" in place of "traditional Buddhism." Neither the teachings of the Buddha nor any form of Buddhist traditions could be shown to reject any of the factors mentioned, firstly because they did not exist and secondly because the Buddha had no extreme views on wealth or the wealthy, foreign trade or consumption. Cf. the Buddhist concepts of bhogasukha, kāmabhogi and allocation of ¼ of one's income to consumption.

⁶ Cullasetthijātaka illustrates how a young man, who was almost rejected as a failure but succeeded in gaining spiritual practice, had been a very clever businessman in a previous life. Hence the purpose was not related to business ethics. Anyone attempting to interpret this jātaka as Buddhist justification of questionable business practice is going too far.

⁷ In this criticism of the free market economy, Ven. Payutto seems to reiterate what Peter Drucker, the eminent management specialist, had identified as its main

disadvantage: that is the dishonesty and unethical business practices of self-serving executives. Peter Drucker has been repeatedly mentioned in the media recently in relation to debacles such as Enron and WorldCom.

⁸ Compare the Pali Text Society Dictionary definitions of Taṇhā and Chanda:

Taṇhā (f.) [Sk. tṛṣṇā besides tarṣa (m) & tṛṣ (f.) = Av. Tarṣna thirst, Gr. Rapoia dryness, Goth. paürsus. Ohg. Durst, E. drought & thirst; to *ters to be, or to make dry in Gr. Repouat, Lat torero to roast, Goth. ga pairsan, Ohg. Derren.-Another form of t. is tasiṇā] lit. drought, thirst; fig. craving, hunger for excitement, the fever of unsatisfied longing (c. loc.: kabalinkāre āhāre “thirst” for solid food S II.IOI sq; cīvare piṇḍapāte taṇhā = greed for Sn 339). Opp. to peace of mind (upekkhā, santi). – A *Literal meaning*: khudāya taṇhāya ca khajjamānā tormented by hunger & thirst Pv II.I (=pipāsāya PvA 69). – B. *In its secondary meaning*: taṇhā is a state of mind that leads to rebirth. Plato puts a similar idea into the mouth of Socrates (Phædo 458, 9). Neither the Greek nor Indian thinker has thought it necessary to explain how this effect is produced. In the Chain of Causation (DII. 34) we are told how Taṇhā arises – when the sense organs come into contact with the outside world there follow sensation and feeling & these (if, as elsewhere stated, there is no mastery over them) result in Taṇhā. In the first Proclamation (S v.420 ff; Vin I.IO) it is said that Taṇhā, the source of sorrow, must be rooted out by the way there laid down, that is by the Aryan Path. Only then can the ideal life be lived. Just as physical thirst arises itself, and must be assuaged, got rid of, or the body dies; so the mental “thirst,” arising from without, becomes a craving that must be rooted out, quite got rid of, or there can be no Nibbāna. The figure is a strong one, and the world Taṇhā is found mainly in poetry, or in prose passages charged with religious emotion. It is rarely used in the philosophy or the psychology. Thus in the long enumeration of Qualities (Dhs). Taṇhā occurs in one only out of the 1,366 sections (Dhs 1059). & then only as one of many subordinate phases of lobha. Taṇhā binds a man to the chain of Samsāra, of being reborn & dying again & again (2b) until Arahantship or Nibbāna is attained, taṇhā destroyed, & the cause alike of sorrow and of future births removed (2c). In this sense Nibbāna is identified with “sabbupadhi-paṭinissaggo taṇhakkhayo virāgo nirodho” (See Nibbāna). – I. *Systematizations*: The 3 aims of t. kāma, bhava, vibhava, that is craving for sensuous pleasure, for rebirth; cp. Vibhava. These three aims are mentioned already in the first Proclamation (S v.420; Vin I.10) and often afterwords D II.61, 308; III. 26, 158; It 50; Ps 1.26.39; II. 147; Vbh IOI, 365; Nett 160. Another group of 3 aims of taṇhā is given as kāma, rūpa & arūpa & nirodha at D III. 216. – The source of t. is said to be sixfold as founded on & relating to the 6 bāhirāni āyatanāni (see rūpa). Objects of sense or sensations, viz. sights, sounds, smells, etc.: D II 58; Ps I.6 sq.; Hd 271; in threefold aspects (as kāma- taṇhā, bhava & vibhava) with relation to the 6 senses discussed at Vism 567 sq; also under the term cha- taṇhā-kāyā (sixfold group see cpds.) M.I.51; III. 280; Ps.I.26; elsewhere called chadvārika-taṇhā “arising through the 6 doors” DhA III.286 – 18 varieties of t. (comprising worldly objects of enjoyment, ease, comfort & well-living are enum at Nd 271 (under taṇhā-lepa). 36 kinds: 18 referring to

sensations (illusions) of subjective origin (ajjhattikassa upādāya), & 18 to sensations affecting the individual objective quality (bāhirassa upādāya) at A II. 212; Nett 37; & 108 varieties or specification of t. are given at Nd2 27 (under Jappā) = Dhs 1059 = Vbh 361 - Taṇhā as “kusalā pi akusalā pi” (good & bad) occurs at Nett 87; cp. Tālaputa’s good t. Th I.1091.f. – 2. *Import of the term*: (a) various charaterizations of t.: mahā Sn 114; kāma SI.131; gedha SI.15; bhava DIII.274 (+avijjā); grouped with diṭṭhi (wrong views) Nd2 271, 271.T. fetters the world & causes misery: “yāya ayan loko uddhasto pariyonaddho tantākulajāto” A. II.211 sq.; taṇhāya jāyati soko ... kuto bhayan Dh 216; taṇhāya uḍḍito loko S. I.40; yan loke piyarūpan sātārūpan etth’ esā taṇhā ... Vbh 103; it is the 4th constituent of Māra’s army (M-senā) Sn 436; M’s daughter, S.I.134. In comparisons: t. = jālini visattikā S. I.107; = bharādānan (t. ponobbavikā nandirāga-sahagatā) S iii. 26; v.402: gaṇḍa = kāya, gaṇḍamūlan ti taṇhāy’ etan adhivacanan S IV.83;=sota S IV.292 (and a khiṇāsavo = chinmasoto); maujassa pamatta-cārino t. vaḍḍhati māluvā viya Dh 334. – (b) taṇhā as the inciting factor of rebirth & incidental cause of sansāra:kamman khettan viññāṇan bijan taṇhāsineho... even āyatin punabbhavābhinibbatti hoti A I.223; t. ca avasesā ca kilesā: ayan vuccati dukkh-samudayo Vbh 107, similarly Nett 23 sq; as ponobbhavikā (causing rebirth) S III.26; Ps II.147, etc; as alink in the chain of interdependent causation (see paṭiccasamuppāda): vedanā-paccayā taṇhā, taṇhā-paccayā upādānan Vin I.I, 5; D II.31.33.56, etc.; t. & upadhi: taṇhāya sati upadhi hoti t. asati up. Na hoti S II.108 ye taṇhān vaḍḍhenti te upadhin vaḍḍhenti, etc. S II.109; taṇhāya nīyati loko taṇhāya parikissati S I.39; taṇhā sanyojanena sanyuttā sattādigharattan sandhāvanti sansaranti it 8. See also t.-dutiya, - (c) To have got rid of t. is Arahantship: vigata-tanha vigata-pipāsa vigata-parilāha D III.238; S III.8, 107 sq., 190; samūlan taṇhan abbuyha S I.16=63, 121 (Godhiko parinibbuto); III.26 (nicchāto parinibbuto); vita Sn 83 849, 1041 (+nibbuta); taṇhāya vippahanena S. I. 39 (“Nibbānan” iti vuccati), 40 (sabban chindati bandhanan); taṇhn pariññāya ...te narā oghatiṇṇā ti Sn 1082; ucchinna-bhava- taṇhā Sn 746; taṇhāya vūpasama S III. 231; t. nirodha S IV. 390. – See also M. I.51; Dh 154; It 9 (vita + anādāna), 50 (n pahantvāna); Sn 495, 496, 916; & cp. Khaya. – 3. *Kindred terms* which in Commentaries are expl by one of the taṇhā formulæ (cp. Nd 271v & 271vii): (a) t. in groups of 5: (a) with kilesa sanyoga vipāka duccharita; (b) diṭṭi kilesa duccharita avijjā; (y) diṭṭi kil kamma duccharita. – (b) quasi-synonyms: ādāna, ejā, gedha, jappā, nandi, nivesana, parilāha, pipāsā, lepa, loluppa, vāna, visattikā, sibbanī. – In cpds. the form taṇhā is represented by taṇha before double consonants, as taṇhakkhaya, etc.

Chanda [cp. Vedic and Sk. Chanda, and skandh to jump]. I. impulse, excitement; intention, resolution, will; desire for wish for, delight in (c. loc). Expl at Vism 466 as “kattu-kāmatāy” adhivacanan; by Dhṭp 587 & Dhṭm 821 as chand = icchāyan. – A. As virtue: dhammapadesu ch. Striving after righteousness S I.102; tibba ardent desire, zeal A I.229; kusaladhamma A III.441. Often comb with other good qualities, e.g. ch. Vāyāma ussāha ussolhi A IV.320; ch. viriya citta vīmansā in set of

samādhis (cp. iddhipāda) D III. 77 (see below), & in cpd. Âdhipateyya. – kusalanān dhammānan uppādāya chandan janeti vāyamati viriyan ārabhati, etc., see citta V. I d M II. 174; A I.174 (ch. vā vāyāmo vā); III.50 (chandasāinstr); Sn 1026 (+ viriya); Vv 24 (=kusal VvA 116); J VI.72; DhA I.I4. – B. As vice: (a) kinds & character of ch. – With similar expressions: (kāya-) ch. sneha anvayatā M I.500. – ch. dosa moha bhaya D III.182; Nd 337 (See also below chandāgati). Its nearest analogue in this scene is rāga (lust), e.g. ch. rāga dosa paṭigha D I.25 (cp. DA I.II6); rūpesu uppajjati ch. vā rāgo S IV. 195. See below rāga. In this has sense it is nearly the same as kāma (see kāma & kāmachanda: sensual desire, cp. DhsA 370, Vism 466 & Mrs. Rh. D. in Dhs trsl. 292) & the combination kāmachanda is only an enlarged term of kāma. Kāye chanda “delight in the body” M I.500; Sn 203. bhava ch. (pleasure in existence) Th 2. 14 (cp. bhavacchanda); lokasmin (sexual desire) Sn 835 (expl. By ch. vā rāgo vā pema Nd 181), - Ch. in this quality is one of the roots of misery: cittass’ upakkilesa S. III. 232 sq; V.92; mūlan dukkhassa J IV.328 sq. – Other passages illustrating ch. are e.g. vyāpāda & vihinsā S II.151; rūpa-dhātuyā S III .10;IV.72; yan aniccan, etc...tatha S III.122, 177; IV.145 sq.; asmi tic h. S III.130 atilīno ch. S v.277 sq., cp. also D II.277. – (b) the emancipation from ch. as necessary for the attainment of Arahantship: - vigata (free from excitement) and a S I.III; III.7, 107, 190; IV 387; A II.173 sq.; D III.238; ettha chandan virājetvā Sn 171 = S I.I6. Kāye chandan virājaye Sn 203. (a) vita A IV. 461 sq n vineti S I.22 197; n vinodeti S I.I86; ch. supptviniṭa S II.283. na tamhi n kayirātha Dh 117. – 2. (in the monastic law) consent, declaration of consent (to an official act: kamma) by an absentee Vin I.I2I, I22. dhammikānan kammānan chandan datvā having given (his) consent to valid proceedings Vin IV. I5I, I52; cp. dāyaka II.94. – *Note.* The commentaries follow the canonical usage of the word without adding any precision to its connotation. See Nd s. v.; DhsA 370; DhA I.I4, J VI.72, VvA 77.

⁹ Ven. Payutto does not delve into what his compatriot Venerable Bhavanaviriyakhun has termed “roads to ruin” element of Thai economy, represented by the underworld of prostitution, drugs and sex-based tourism. Assuming that “roads to ruin” have to continue, Ven. Bhavanaviriyakhun advocates zone restrictions and restricted hours.

¹⁰ This statement needs examination because Hedonistic and Epicurean approaches did exist much earlier. In India, itself, the Lokāyata or Cārvāka materialistic doctrine of “As long as one lives, one should live happily. If one has no money, let him take loans and drink clarified butter. There is no coming back when the body is reduced to ashes.”

¹¹ Buddhadasa Hewavitharana presented a paper entitled “The concept of Gross National Happiness (Introductory Comments)” to the International Buddhist Conference, 2547/2003 Colombo, Sri Lanka, with the comment: “Now at last, the term Gross National Happiness has hit media headlines and has gained currency not merely in academic circles but among the intelligentsia in general across the world. It has the potential to jerk the conscience of all thinking people back into a better balance? Way Forward Buddha Sasana (Ed. Buddhadasa Hewavitharana, Ministry of Buddha Sasana, Colombo 2547/2003 p.121.