

# **Buddhist Economics in the Globalized World**

An essay extracted from an address by Venerable Phra Brahma Gunabhorn (P. A. Payutto) to the “2<sup>nd</sup> *International Conference of the Buddhist Economic Research Platform: Theory and Practice*”, December 5, 2551 B.E. (December 5, 2008 A.D.)

## **Brothers and sisters in the dhamma.**

People say we now live in an age of globalization.

Then we should ask, “What is globalized and what globalizes it?” Broadly speaking we may say that it is the world that has been globalized and it is information and communication technology that has made the world globalized. But, to look deeper and to be more specific, the “what has been globalized” is the human situation.

And when we look at the human situation, many people today seem to be rather pessimistic. There are so many problems prevailing all over the world and these problems have been globalized to be global problems. Among these problems the most predominate seem to be economic problems. In the final analysis, it is obvious today that almost all of the major global problems are economic.

Throughout the long period of time in what is called the modern age people have witnessed progress and prosperity that has been made possible by the central role of the trio or triad of science, technology and industry. The process of thinking about this progress and prosperity has come to be called development, and this development process has as its goal or objective economic affluence measured by material abundance. This development process has brought us to a life which has been affluent in developed or industrialized countries: a life where people hope for happiness from the consumption of material things. After some time this has led people to what is called consumerism and at last to what we call the consumer society.

People in this society seem to hold a view, something like a theory, that they can enjoy happiness with the consumption of material goods or through material pleasures or sensual pleasure but, before long, the consumption of material goods means the consumption of natural resources. This consumption has increased to the point of squandering natural resources and this is evidenced in the depletion of our natural resources and the serious problem of pollution.

And then we face, all the world faces, environmental problems to a degree that is almost making the world, the earth, an unfavorable place to live. This problem is very serious and, at last, this process of development has come to be called unsustainable: unsustainable development. It means that the world or the people cannot go further in this direction of development.

People, who enjoy consumeristic happiness, come to be frustrated. This means the consumeristic happiness is at last frustrated. But we witness not only the dead end of consumption on the part of the consumer but the dead end to the society and to nature

or the natural environment. This means all three parts or systems suffer because of the same problem. Note that consumption here means over consumption.

This consumeristic theory has led to conflict among people and between nations; it has caused environmental problems; and also, as mentioned earlier, consumeristic happiness has been frustrated in the minds of individuals.

As we can not go further in this direction, we have to seek for a solution and try to set up a plan or something like that for what is called sustainable development. Sustainable development has been a term that came into use long ago. I think about 1972, so, it has been discussed for 2 or 3 decades.

Even after 2 or 3 decades the world has not advanced toward a way of solving this problem and that is why we make our best effort to seek for a solution in the form of a view or a theory based in the teaching of the Buddha or in Buddhism.

Now, as we speak of Buddhist Economics, we hope that in some way we may find some answer or solution for this problem.

What is the cause of this problem? As I mentioned earlier, it is mainly an economic problem and this economic problem has been caused by the current economic system. This means the current economic system, at the very least, can not be considered reliable. There must be something wrong in this economic system but what is wrong? It seems that the mistake can be traced to a wrong understanding of human nature. That might be the root cause of the problem.

In modern economics, for example, people look at human nature as driven by what is called wants or desires and they say human desires or human wants are not limited; all people have unlimited wants or unlimited desires and as the resources here, the natural resources are scarce, we must be able to allocate these resources in order that people in general will be able to enjoy them. But now, nearly 2 or 3 centuries after the industrial revolution, economics seems to not have achieved the goal of what we can call the over-coming of scarcity. Even worse, instead of overcoming the scarcity, economics has led to the increase of insufficiency and at last to the dead end of the development of the two bodies

Among individuals, as I mentioned before, there are people who would like to enjoy happiness and hope that their happiness can be enjoyed through the consumption of material goods but now we see the dead end to that hope in that consumeristic happiness has been frustrated as well as societal happiness and the well being of the environment.

And now, as the problem has its cause here, it is here that we can solve the problem.

This means, if it is a wrong understanding of the nature of the human or human nature, then we should speak, we should analyze and we should discuss what is the right understanding of human nature?

According to Buddhism, at the first level, it is true that human desire or human want is unlimited. However, we say that there are two types, two kinds of desire: the

skillful desire and the unskillful one. The unskillful desire cannot be satisfied and it leads to what is called dependant happiness. We enjoy happiness through the satisfaction of desires. But, as this type of desire can not be satisfied, it is unlimited and as it is unlimited, it can not be satisfied.

Then the people can not enjoy and can not fulfill their happiness through this kind of satisfaction of desire. That means they consume material goods and then they enjoy what is called consumeristic happiness which is also dependant happiness. Consumeristic happiness is dependant happiness. This is happiness that depends on the consumption of material goods and then the consumption of the material goods entails the squandering of natural resources and then it leads to the environmental problems.

And let us speak of the social conflict or the conflict among people. This is the cause and as it is the humans that have caused the problem, it is the humans who can solve the problem. This means, if we know the true nature of humans, or the true human nature, then we can deal with the way they try to seek happiness.

Now people have the first kind of desire, that is still good but we should develop and try to satisfy a kind of skillful desire and then we can have what is called independent happiness. This means happiness that is independent of material goods. This also means that it does not depend on the squandering of natural resources and will not lead to environment problems. Then, if people have at least a degree of the independent happiness to balance their dependant happiness, we can lessen the environmental problem and the conflict among people and at last deepen the minds of the people. Consumeristic happiness would not be frustrated because we would be able to enjoy other kinds of happiness at the same time.

And it is possible because it is in accord with the human nature. When people have developed this independent happiness, their happiness is not dependant on their wealth. Then wealth becomes something like a surplus that they can distribute for the benefit of their neighbors or for society. And then the people who have independent happiness will let other people share happiness by enjoying wealth of their own.

This is the teaching of Buddhism.

And what is very important when we speak of independent happiness is that we should also think of freedom. When economics and the process of unsustainable development have led people to depend on the consumption of material goods to be happy you have dependant happiness. They unconsciously lose fundamental freedom. We hope that economies, I mean effective economies, should lead people to enjoy freedom but, instead of freedom, this current economics and its process of unsustainable development have led people to the lack and loss of the fundamental freedom: freedom at the basic level.

We used to say that people should be free or enjoy freedom from hunger. That is ok. But deeper, what is freedom from hunger? We should be free even from the dominion of the material things. In order that when we are free from the dominion of materiality we will be able to go forward to achieve some higher and nobler end or noble goal for life in society. But as we see, obviously, in consumerism and a

consumer society, people are infatuated with this kind of happiness and the consumption of material goods even to the extent that they do not go forward to endeavor to achieve higher and nobler goals for life and society. This is the point that should be taken seriously: the loss of freedom, the fundamental freedom of mankind.

But now we fall under the even deeper influence of material goods but we can not go further down this path or even human civilization might come to an end if we cannot find a way out of this.

And here when we come to look at human nature, this is a starting point, the beginning of Buddhist Economics. Buddhist Economics defines its beginning at the right understanding of human nature. We say that there are two kinds of desire, as I mentioned earlier: the skillful desire and the unskillful one.

We enjoy happiness through the satisfaction of desire. When we satisfy our desire whether it is skillful or unskillful, we enjoy happiness. But if we know only one desire, only one kind – the unskillful one that is dependant on the consumption of material goods – then we have only dependant happiness. And to be sure, if we depend on dependant happiness, our happiness depends in turn on the squandering of natural resources and causes the environmental problem as I mentioned earlier. That is a dead end.

And now we have to find another way. This is another process of development. It is the process of human development. At least the process of human development should be in parallel or paired with economic development. In reality it is economic development that should be the foundation or the basis on which human development is built or where we can start. If we go this way, first people will enjoy independent happiness at least to balance dependant happiness and then they can go further to fulfill human freedom. This kind of independent happiness and the fundamental freedom – freedom of human beings to live with peaceful and happy coexistence of individuals with their neighbors and within society, and the environment – should be our goal. This means we should have a good and happy life in the midst of beautiful and refreshing environment and in a peaceful society. This should be a goal. It is a common goal.

This goal is here at my center. In this center, as a man, as human beings we should have a good life, a good and happy life. Then we go further to the environment: in the midst of beautiful and refreshing environment. And then we go further yet to the society: in a peaceful society. This is then good for all of the three parts. And what is good for the individual life should be good for the society. What is good for the individual life should be good for the environment. And what is good for the society and for the environment should be good for the human beings individually and for society and so on. These are mutually helpful. We should go this way and it is this goal, the common goal of the three parts; that is the concern of Buddhist Economics.

And we think that Buddhist Economics can lead us to achieve or realize this goal.

Now I think this is Buddhist Economics in brief but there are some points that should be especially noted.

First, let us look at human nature. I should try to be brief here. First, human nature regarding the desires of people, we should make clear that there are two kinds of desire: the unskillful, unlimited desire leading to the dependant happiness and the skillful desire which is limited and leads to independent happiness. This is the first one.

The second point is the development of skillful desire, which can be achieved by the process of human development.

Now we come to the true second point, what I call human development. These are the key words: Human development. Because Buddhist Economics is economics in which human development matters. And then through the process of human development we can enjoy what is called independent happiness, which at the least degree, at the lowest degree, is the starting point for us to go further to achieve freedom: to fulfill freedom for human beings. And that is real freedom. Not freedom as it is now.

We say that we are free, we have freedom. We are free to go into the forest and cut down the trees! We say we have freedom but we unconsciously do not know that now we are not free. The people are dependant; at least their happiness is dependant, on the consumption of the trees. And they fall under the influence of materiality.

We also have to be clear about the meaning of the term freedom. What we call freedom now may be something that we call dependence. Take for example, a boy or girl, a kid, who is addicted to a game, a computer game. They believe they are free to play the game when in fact the game controls them.

Summarizing, the second point is human development. By human development we can develop independent happiness which is the starting point for us to go further to fulfill human freedom.

Point three is about wealth. Wealth is not denied in Buddhism. It is not discouraged. On the contrary, for lay people, wealth and the seeking and amassing of wealth, is encouraged in so far as the person deals with wealth in the rightful way. The rightful way considers four things. First, one should amass or seek wealth lawfully and not at the expense of one's neighbors and nature. To repeat: not at the expense, **not at the expense** of one's neighbors and nature. Secondly, wealth should be something like a surplus such that one makes use of it to make oneself happy, one's family happy, people under one's responsibility happy, and all people happy by doing good or meritorious deeds. Thirdly, one should be skillful in safe guarding it. And then fourthly, one should have a right attitude towards wealth.

It is important to know the true nature of wealth as well as all things: to know that they are subject to impermanence, unendurability, and causes and conditions. One should be heedful in dealing with wealth and maintaining spiritual freedom.

And then, as I said earlier, wealth would be something like surplus that would be not only for one's own happiness, but for the happiness of fellow human beings. Then it will be for the good.

The fourth point is the common goal I mentioned earlier that is: the common goal of having a good and happy life in the midst of beautiful and refreshing environment in a peaceful society.

Then if you go on to the fifth one, we should make effort to realize that common goal common goal for individual life, for society and environment.

And we have the common process of human development for human beings. But at a given moment people are at different levels of development therefore we have something which can be called unity in diversity. It means also that we should organize society to suit and to meet the needs of these people who are at different levels of development. And not only to suit and to meet their needs and desires but also organize the social condition and environmental conditions that will be conducive to their further development because human development is at the heart of this Buddhist Economics.

I would like to make one final point. We see or we regard economics as the means, not as an end. And as a means what we call sufficiency economy can belong to Buddhist Economics. This means Buddhist Economics is also Sufficiency Economics. That implements sufficiency economy in so far as it meets three points or criteria

First, economics should not have as its end, consumption to meet the unlimited desires or wants. Now, we usually say that consumption is the end of the economic process but here we should have a change. The economic process should not have consumption to satisfy the unlimited wants as its end but rather it should have instead as its end what is called here sufficiency. The economic process should lead to the end of achieving sufficiency. This is the first criteria.

Then the second: one it should ask, "For what should it be sufficient?" "Should it be sufficient for the survival of the human being?" No. Not just that. It should be sufficient to allow people to gain energy to make the endeavor to go further to achieve or to realize the higher and nobler end, the nobler goal of life and society through the process of human development or in other words, we should achieve this sufficiency for human beings to join the process of human development toward the nobler goal of life and society. Sufficiency, to repeat, is not only for the survival.

And then in this way sufficiency is a means when we speak of sufficient or sufficiency, we have to have to follow to have it followed by the term "for what?" Not just sufficient. You must understand: it is sufficient for the energy to go into the process of human development

Thirdly, the economic process comes to an end at the beginning. At the beginning of the process of human development. This means that the economic process leads to the beginning of the process of human development. And in this way I think we can achieve what should be the goal for humankind: that is to fulfill freedom, the real freedom.

A last, at various levels we should realize the final freedom: to be really free, to be truly free. Then we will, as I mentioned earlier, enjoy a good and happy life amidst a beautiful and refreshing environment in a peaceful society.

With this I think I should bring my talk to its conclusion.

Thank you all and let peace and happiness be unto all.