

Why Buddhist Economics is Needed as a New Paradigm for Better Understanding of Happiness (Wellness)



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19 July 2007



Topics to be presented :

- A Brief History of the Concept of Happiness
- Happiness or *Sukha* in Buddha-Dhamma
- Buddhist Economics vs. Mainstream Economics; Production, Consumption and Distribution in Buddhist Economics
- Conclusion



A Brief History of the Concept of Happiness

- A degeneration of happiness from that of the Aristotelian “good life” to that of “good” in life, namely, prosperity, pleasure or gratification that actually implies Aristotelian desirability.
- The concept was changed as the result of the increasing domination of the concept of market forces where price is more important than value.



A Brief History of the Concept of Happiness

After the World War II, gross domestic product (GDP) was used almost the sole indicator to measure economic success. The rapid rate of increase in GDP was almost synonymous to the rate of increase in national happiness.



A Brief History of the Concept of Happiness

“The Limit to Growth” in 1972 caused some critical concern of such euphoria. In response to the accusation in 1987 by a journalist from UK’s *Financial Times* for the slow pace of development of his nation, King Jigme Singye Wangchuck of Bhutan said that, “Gross National Happiness is more important than Gross National Product”. His concept of happiness has its root in Buddhism.



A Brief History of the Concept of Happiness

In 2002, a Nobel Laureate economist, Daniel Kahneman questions the relationship between the levels of income and happiness. In 2003 Richard Layard defined happiness in two ways, hedonic tradition that equates happiness with pleasure and eudemic tradition of Aristotle.



A Brief History of the Concept of Happiness

Layard himself in 2003 defined happiness as “feeling good, enjoying life and feeling it is wonderful”. Later on he explained happiness more in the tradition of Buddha-Dhamma “happiness depends on your inner life as much as on your out circumstances”. People need to cultivate trust, compassion, and positive thinking; and that society needs to concentrate more on “education of the spirit”.



Happiness or Sukha in Buddha-Dhamma

- *Sukha* is the term drawn from Buddha-Dhamma. It is closer to wellness than happiness.
- *Sukha* implies the state where pain or *dukkha* (either physical, mental or both) is reduced from its original level.



Wellness or *Sukha* in Buddha-Dhamma

Sukha from acquisition known as *kamasukha* is a lower level of *sukha*. It can be the same as hedonism. However, in Buddha-Dhamma, it requires additional qualification, namely, it must not cause any burden on one-self as well as any other living things. This is because without such qualification, it will no longer be certain whether the result will be *sukha* or the reduction of burden or pain.



Happiness or Sukha in Buddha-Dhamma

The higher level of *sukha* is *niramissukha*. It is *sukha* from non-acquisition. It can be derived from giving, meditation, helping the others or doing good things in general. It is more of the win-win situation.



Happiness or Sukha in Buddha-Dhamma

The highest level of *niramissukha* is *vimuttisukha*. It is the *sukha* derived from being emancipated or liberated from all impurities of mind or all the defilements known as *kilesa*



Happiness or Sukha in Buddha-Dhamma

In order to improve the level of *sukha* from that of *kamasukha* to *vimuttisukha* requires what Layard called “education of the spirit” or what the Dali Lama called, “training the mind”. The main purpose of such training is to achieve *pañña*, the ability to understand everything in its own nature, the way for the cessation of *dukkha*.



Buddhist Economics vs. Mainstream Economics

- Mainstream economics “is a subject explaining economic activities (production, distribution and consumption) that aim for individuals to achieve **maximum utility** under the condition of resource constraint and for the society to reach **maximum welfare** under the same condition”
- Buddhist economics is the subject explaining economic activities with the aim for both individuals and society to achieve **peace and tranquility** (wellness, or *sukha* in Buddha-Dhamma) under resource constraint.



Buddhist Economics vs. Mainstream Economics

- Core values of mainstream economics are “following self-interest is a rational behavior and competition leads to progress”.
- Core values of Buddhist economics are “non-self that leads to compassion and cooperation instead of competition”.



Buddhist Economics vs. Mainstream Economics

- Mainstream economics employing capital as the mode of production known as capitalism will be most efficient through industrialism and consumerism. Unfortunately, it will lead to self-destruction of humankind, eventually.
- Wellness or *sukha* is not generate through more consumption but through mental development that does not require excessive material inputs. This economic system can offer a much more promissing alternative known as *pañña-ism*.



Buddhist Economics vs. Mainstream Economics

Production in Buddhist economics has *pañña* as the mode of production. It is used to control all factors of productions such as technology, capital, energy and natural resources in the way to enhance the good qualities of human inputs. The process should generate human skills as creativity as well as provide a sense of fulfillment from their work.



Buddhist Economics vs. Mainstream Economics

Minimum use of non-renewable resources should be constantly practiced, while the use of renewable resources should be encourage to replace the non-renewable resources as much as possible. Waste from production process should be kept at a minimum. The need for production to be increased to meet the increasing demand for consumption is not required, since the best level of consumpt is at its moderation.



Buddhist Economics vs. Mainstream Economics

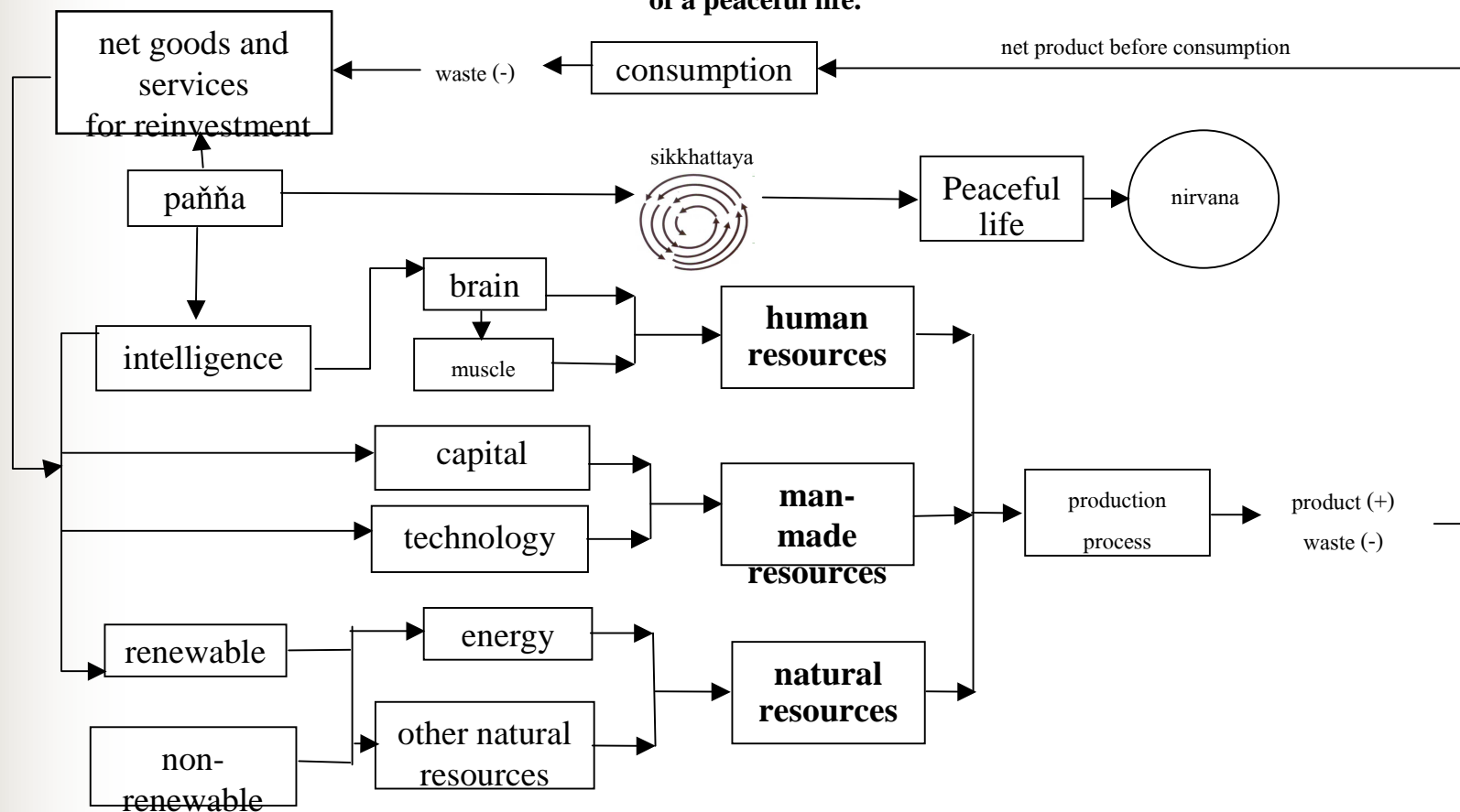
The main objective of consumption in Buddhist economics is not to maximize pleasure or utility but to maintain good physical and mental health that serves as a strong foundation for the generation and accumulation of *pañña*, the fundamental tool to relieve individuals and society from *dukkha*.



Buddhist Economics vs. Mainstream Economics

Distribution in Buddhist economics is to help relieve pain especially those who are still having inadequate material needed. Buddhist economics insists that distributive priority goes to that living things that are still in pain because of inadequate materials to support their lives.

Fig. 1 Consumption and Production Theories of Buddhist Economics.
The system of production and consumption under the conditions of sustainable development and the promotion of a peaceful life.



Sustainable development and the reduction of conflict or contradiction yielding a more peaceful body and mind is the condition when net goods and services produced are more than enough to maintain the existing system of production. The rest can be used to reduce pain and suffering of those who need it. With the help of technology, production efficiency can be improved.



Conclusion

Happiness in Aristotelian sense does not come from desirability but from having good life that require more than basic necessity needed for survival but a little more for flourishing in order to help or take care of the needy ones. This concept is closer to that of philanthropist in Buddhism. However, *sukha* in Buddha-Dhamma especially at the highest level, known as *vimuttisukha*, or *sukha* gained from freedom from all defilements does not require anything more than necessities to maintain life.



Conclusion

Also according to Layard's interpretation, of Aristotelian happiness, it is not happiness in the moment, while *sukha* is the state of mind that one can be felt at anytime, namely, feeling good. At the *vimuttisukha* level one will have complete freedom from pain.



Conclusion

Therefore, *sukha* in Buddha-Dhamma is the most efficient one because it requires no more resources than the level of necessity for living maintenance. It also a good feeling or better, a feeling of freedom (from pain) all the time.



Conclusion

The only difficulty is that its necessary and sufficient conditions require *pañña* as its fundamental base. Buddha himself also admitted that the task to cultivate human *pañña* is the most difficult one among all.