Buddhist Economics: the development approach for world peace and happiness

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Outline of the Paper

• The difference between mainstream and Buddhist economics
• The Buddhist concept of happiness and quality of life
• Buddhist Economics in the concepts of:
  • Work
  • Consumption, Production, and Trade
  • Poverty and the Distribution of Resources
  • Relationship with Nature and Sustainable Development

Conclusion
### Key Differences: M vs B Economics

<table>
<thead>
<tr>
<th>Key differences</th>
<th>Mainstream economics</th>
<th>Buddhist economics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Self vs Non-self focus</strong></td>
<td>Self-interest, with the assumption that humans are rationale to pursue self-interest.</td>
<td>Non-self (emptiness / impermanent in Buddhism). Reduce selfishness</td>
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<tr>
<td><strong>Human’s wants and needs</strong></td>
<td>It accepts that human wants can increase unlimitedly.</td>
<td>It distinguishes real needs and unnecessary wants. Real quality of life concerning real needs.</td>
</tr>
<tr>
<td><strong>Development driven by</strong></td>
<td>Competition (with winners/losers), specializations</td>
<td>Cooperation, compassion; moderation, diversification for immunization; integrated approach</td>
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<tr>
<td><strong>Development values</strong></td>
<td>Materials / economic prosperity: more consumption/services and production</td>
<td>Add values for spiritual wellbeing, ethic, goodness, giving, concerns about nature and subjective aspects. Wisdom or insight is essential</td>
</tr>
</tbody>
</table>
# Key Differences

<table>
<thead>
<tr>
<th>Narrow VS broad meaning of happiness</th>
<th>Higher consumption =&gt; higher utilities (used as happiness), higher satisfaction of wants and happiness</th>
<th>Happiness developed from lower to higher levels: from materials, mind, and wisdom, respectively. Mind and intellectual development lead to real and sustainable happiness. Satisfaction is the state of mind. Inner happiness</th>
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<tbody>
<tr>
<td><strong>Physical-based happiness</strong></td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Key analytical factors</th>
<th>Limit to only objective indicators and choices</th>
<th>Open for subjective well-being aspects and determinants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Measurement</td>
<td>Development measurement based mainly on economic indicator such as GDP</td>
<td>Development measurement should be reflected by right views (followed by all in Noble Eightfold Path)</td>
</tr>
<tr>
<td>Development Perspectives</td>
<td>Human well-being depends on material wealth. More limited to assumptions to explain human mind and societal well-being.</td>
<td>Broader perspectives of human well-being (not limited to material wealth), more holistic and balanced development. Realize interdependence of human-human and human-nature, moral, self-immunization, peace of mind, etc.</td>
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<tr>
<td>Goal</td>
<td>Economic growth</td>
<td>Happiness from insights/mind development. Human development for societal happiness, livings in harmony between human beings and nature, social/global peace.</td>
</tr>
<tr>
<td>Results</td>
<td>Human have extreme life style =&gt; highly consumption, competition &amp; stress, concerning self-benefit, loss morality Can have social conflicts and unsustainable development.</td>
<td>Human can have moderated life style under the middle-way economics, and knowing what is appropriate. Social benefits from peace and sustainable development. Can solve world crisis</td>
</tr>
</tbody>
</table>
Buddhist Happiness and QOL.

Difference in direction of happiness

General happiness studies
- Job
- Materials
- Mind
- Health
- Spiritual
- Relationship

Happiness ranks in Buddhism
- Lower to higher happiness
  - Wisdom level
  - Mind level
  - Physical level
  - Type A
  - Type B
The different kinds of works between Mainstream and Buddhist Economics

<table>
<thead>
<tr>
<th>Key Differences</th>
<th>Working Differences</th>
<th>Mainstream Economics</th>
<th>Buddhist Economics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivation</td>
<td>Money, rewards, promotion.</td>
<td>Work values and usefulness. Driven by Chanda; i.e., good desires to do useful work for good purpose.</td>
<td></td>
</tr>
<tr>
<td>Focus</td>
<td>Products</td>
<td>Workers</td>
<td></td>
</tr>
<tr>
<td>View</td>
<td>Product-centered view Workers as labor</td>
<td>Human-centered view Workers as humans</td>
<td></td>
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</tbody>
</table>
# The different kinds of work

<table>
<thead>
<tr>
<th>Process and goals</th>
<th>Production for consumption</th>
<th>Dhamma principles for human development</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Earnings</td>
<td></td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td>Stress, conflicts, unhappy work. Avoid working.</td>
<td>Happiness or satisfaction from work. Love to work.</td>
</tr>
<tr>
<td><strong>Working concepts</strong></td>
<td>Work as being employed and paid or getting returns.</td>
<td>Real work for real improving quality of life, covering spiritual well-being and good human relation. Working is practicing Dhamma.</td>
</tr>
</tbody>
</table>
Consumption in Buddhist Economics

- Need to be mindful
- Consumption with purposes for real values
- For 3 levels of usefulness:
  - immediate usefulness (meeting physical needs)
  - intermediate usefulness (enhancing quality of life in higher levels & mind development)
  - ultimate usefulness (enhancing wisdom development to be free from suffering)
- Distinguish basic needs and unnecessary wants.
- Moderated consumption = Optimal level for real quality of life and healthy life.
- Emphasis on moral and quality of consumption for improving quality of life.
Production and trade in Buddhist Economics

- Production using wisdom rather than capitals
- Minimize negative impacts on natural resources and environment
- Use more of renewable resources and energy rather than non-renewable ones.

- Trade system encourages more human relationship, which reduce harmfulness from unsafety or dishonest.
- Should be done in shorter distance, if possible, that reduce energy and transportation costs as well as knowing human faces.
Concerns of Poverty and Nature

- Poverty is hardship, need to be eradicated in order to advance human development for higher life goals.
- Promote compassion, sharing, and equitable distribution of resources for happy society. All must meet basic needs.
- Promote the harmonious among human beings and other living things and nature
- Deal with nature with great care. Not destroy
- Understand that natural resources is essential for human well-being.
- Promote moderated life style and mindful living, with inner happiness can reduce the over-exploitation of resources and is the pathway for sustainable development
Concluding remarks

• Buddhist approach of development is beyond economics concern. It is more human-focused development for harmonious livings on earth.
• The approach is truly support sustainable development and the post-2015 global agenda
• The approach promote inner and sustainable happiness.
• The approach would help release world problems from human conflicts, natural resources destruction, unethical and loss in values in lives and societies.
• Buddhist economics for humanity and world peace.