

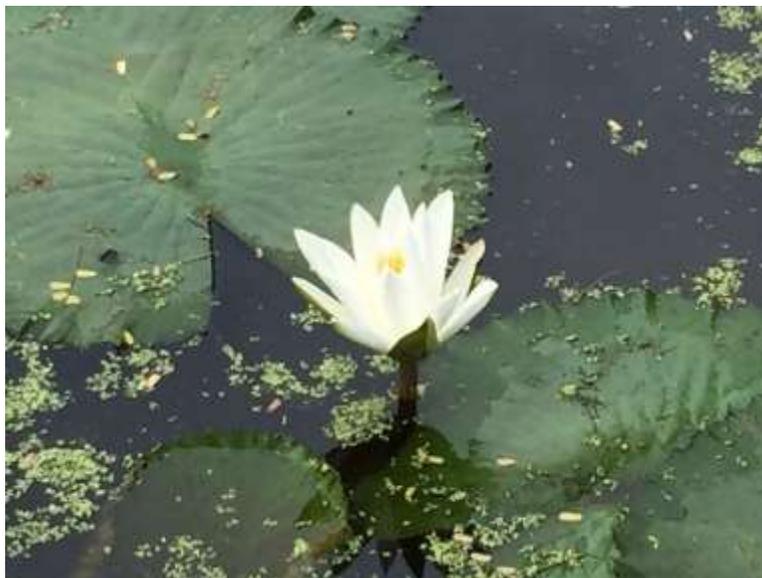
**Buddhist Sustainable Development
Through Inner Happiness**



Sauwalak Kittiprapas

September 2016

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**BUDDHIST SUSTAINABLE DEVELOPMENT
THROUGH INNER HAPPINESS**

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Abstract

This paper deals with human-mind development and an appropriate path for individuals and for socioeconomics in order to achieve the objective of sustainable development. This paper begins by providing background and discussion on different schools of thought on sustainable development. It also discusses conceptual changes in economics and happiness from Western and from Eastern Buddhist perspectives. The paper explains the meaning of happiness in Buddhism and compares it with those used in general studies / theories. It also highlights meanings of real quality of life, values of consumption, work, production, and natural wellbeing in Buddhist concept. The difference between Buddhist concepts and Western theories of happiness and economics are compared, and focus on different implications for development.

The paper proposes a new approach and concept of Buddhist Sustainable Development (BSD), which is human-centered sustainable development, driven by inner happiness (happiness at the mind and wisdom levels). By applying Buddhist happiness concepts, human beings can be happy with reasonable and moderated levels of consumption and resource use as well as exhibiting more compassion and loving kindness towards others and nature. Wisdom is essential to develop a high level of happiness; whereas, a high level of consumption and resource use may not lead to an increase in happiness. This development direction contrasts with that of conventional economic theories, which promote self-centeredness, competition, ever more increased consumption and accumulation, and consequently threaten resource exploitation. The BSD approach, supported by the Buddhist economics concept integrating Buddhist principles into

development, provides a new pathway for sustainability with right views (understanding natural truths) towards living and true happiness, also moderation in consumption and in lifestyle. Further, the BSD concept emphasizes an understanding of the interdependence of all beings and nature, and caring for nature for humanity's wellbeing. By focusing on analysis of human happiness, BSD extends the conventional widely used sustainable development framework by dealing with the root causes of sustainable development problems arising from human behavior. Thus, the BSD approach can contribute to a possible new approach and solution to the world's development challenges and problems.

Key words: Sustainable Development, Buddhist Economics, Buddhist Development Approach, Happiness, Well-being, Quality of Life, Development, Buddhist Sustainable Development, Human development, Happiness in Buddhism

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Chapter I

Introduction

1.1 Background and Rationale

Sustainable development has been a topic of discussion in development practices and theories for a long time. Since the industrial revolution, development has mainly focused on economic progress in consumption, production, and industrial growth together with technological advancement. Human and social development as well as the environment has not much received careful consideration, and all three have deteriorated. As human beings have experienced social, environmental, and psychological problems from development driven mainly by economic growth, there have been increased discussions on development directions and new paradigms for development. Sustainable development has become a topic of interest among development agencies.

Among major milestones in the sustainable development movement, the United Nations Conference on the Human Environment, held in Stockholm in June 1972, may be considered as the start of global concern towards the international environment.¹ Shortly thereafter, related UN organizations, as well as the World Commission, were established.

This stream of consciousness has promoted international attention to environment-friendly development. At the same time, another stream of movement from UNESCO declared, in December 1986, “the World Decade for Cultural Development” (1988-1997) to focus on culture (related to human values) for development. However, it seems that only sustainable

¹Summarized background and ideas on sustainable development of UN organizations from *Sustainable Development* (in Thai) by P.A. Payutto, 2006 (p.56-60),

development, focused on the environment, has been popular within the active global movements and consequently a second global conference was organized in 1992, held in Rio de Janeiro. Environment economics has since become a subject of study in its own right, and seems to dominate the idea of sustainable development.

Meanwhile, the global environmental situation has been deteriorating, even though organizations all over the world have put in efforts to solve this problem. Over the last twenty years, there have been many active movements towards sustainable development. Since the 1992 UN conference in Rio, heads of states and governments adopted Agenda 21 and the Rio Declaration; however, environmental problems have not been resolved effectively and have gotten worse. Obviously, there are still huge implementation gaps across the world in moving the sustainable development pathway forward. Upon reaching 20 years of implementation in 2012, Rio + 20 adopted “The Future We Want to speed up campaigns of sustainable development with focus on green growth concepts and integrating economic, social and environmental aspects.

The UN General Assembly and related agencies have approved the Sustainable Development Goals (SDGs) to replace the Millennium Development Goals (MDGs) after 2015. Although many UN and other development organizations have declared high priority to work towards SDGs, they are likely to focus on the old framework of green growth or quality growth with environmental friendliness.

Mainstream sustainable development framework covers economic, social and environmental dimensions. The Sustainable Development

Solution Network (SDSN),² a global initiative for the UN in support of the SDGs, proposed a fourth dimension - good governance - to this framework, though, it relates to systems rather than human beings. However, that conventional idea, implemented globally, may need a rethinking because it is still focused on growth, and consequently ineffective to solve sustainable development problems. As environmental problems in global development today are largely driven by consumption-led growth, the development framework needs a new paradigm. There may be some missing elements in the sustainable development pathway that are more crucial than the four dimensions noted above which exclude human minds and spirit.

In contrast, this study draws attention to the inner-human dimension as a critical factor for sustainable development and a starting point for all change. Greater concern for living with nature is likely to be driven from spiritual or inner happiness obtained by wisdom directed towards understanding the interdependence of all kinds of living beings and nature, as well as promoting happiness from less use of resources and being more independent from physical materials.

In this regard, Buddhist principles and practices, focusing on inner happiness, well support holistic sustainable development. The inner happiness focused sustainable development may be called “Buddhist Sustainable Development”, driven by the “Buddhist sustainable happiness” path or happiness at high (mind and wisdom) levels. Payutto (1995; 2006) has indicated that Buddhist sustainable happiness can make sustainable development effective and can explain why the Western sustainable development pathway - which does not include sustainable happiness - has not been effective.

² SDSN. *An Action Agenda for Sustainable Development: Report for the UN Secretary-General*. October, 2013.

This research, therefore, aims to study and clearly demonstrate this idea academically. To achieve the goal of sustainable development successfully, human beings must be happy with moderation and be consciously willing to preserve environment and resources for future generations. That is why the Buddhist approach outlined in this paper has to relate to the issue of happiness, insightfully. Moreover, the study relates to external factors such as right environment (i.e., the social and economic system) surrounding peoples' lives as supporting conditions for their Buddhist practice and Buddhist way of life, which can reinforce sustainable development. Consequently, the study offers a new development paradigm focusing on human-mind development as a critical factor to drive sustainable development.

1.2 Objectives

This paper aims to contribute to innovative thinking on happiness and development. Specifically, its objectives are:

- 1.2.1. To rethink the current development paradigm, economics, happiness, and sustainable development frameworks.
- 1.2.2. To provide Buddhist perspectives on new development concepts and support for individual practices leading to sustainable happiness and sustainable development.
- 1.2.3. To provide a new Buddhist development paradigm that can lead to world peace and social happiness as well as effective sustainable development.

1.3 Methodology

This is a documentary research project exploring relevant concepts with analytical review and discussion of essential concepts from both Western and from Eastern Buddhist perspectives. With critical analysis, the paper suggests a new idea and approach for development from Buddhist perspectives.

The research project has also included two workshops: one at the beginning of the study for brainstorming ideas and shaping direction of the study, and the final one for presenting the research draft as well as getting feedback for possible follow-up studies. Comments from participants have been considered for adjustment and improvement of the final research paper.

1.4 Benefit of Research

The study contributes to extending knowledge of core values in Buddhist philosophy that can contribute to individual / societal peace and happiness, as well as to development conceptual / theories and sustainable development. In addition to individuals, Buddhist principles can also be applied to much broader social and global development issues. People and organizations continue to search for better paradigms or alternative development approaches that can bring in better results and solve existing world development problems holistically. Buddhist sustainable development approach offers a new way of thinking and can fill some gaps of missing key elements in development today. The study will suggest how Buddhist practices and theories can be framed as a new development model, contributing to solution of current world problems and conflicts. The research and education on this subject is intended to be useful for both Thai and international societies, academically and practically.

Moreover, this new idea on Buddhist sustainable development or the new sustainable development framework is a timely contribution to global discussion on the Sustainable Development Goals (SDGs) towards 2030. This research is offered as an input for the discussions or global dialogues on sustainable development.

Chapter II

Sustainable Development Concepts

2.1 Background of Sustainable Development Movements

The global movement for sustainability started, remarkably, in 1972 through two significant works: (1) The Club of Rome's the *Limits to Growth*³ and (2) the global environmental conference in Stockholm, discussed in Chapter I. The *Limits to Growth* prepared for the Club of Rome may be the first significant work challenging traditional growth concepts, while the UN conference in Stockholm is recognized as the first global / international gathering to discuss the environment and development issues. The conference initially focused on environmental problems of industrialization indicating the need to solve conflicts of environment and development. As a major result, the United Nations Environment Program (UNEP) was established by resolution of the UN General Assembly in December 1972 to act as a Governing Council for environment programs. UNEP later joined with related UN agencies to form the World Conservation Strategy (Adams, 1990).

In 1983, the UN established the World Commission on Environment and Development (WCED) or called "Brundtland Commission" as an independent agency and published an important report - *Our Common Future* (1987), providing the definition of sustainable development⁴ as:

³ D. H. Meadows, G. Meadows, J. Randers, and W. W. Behrens III. (1972). *The Limits to Growth*. New York: Universe Books. ISBN 0-87663-165-0

⁴ *Our Common Future*, Chapter 2, p. 42 <http://www.un-documents.net/our-common-future.pdf>

Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

This definition of “sustainable development contains two key concepts:

- (1) the concept of 'needs', in particular the essential needs of the world's poor, to which overriding priority should be given; and
- (2) the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs.

The publication of *Our Common Future* (the Brundtland report) called upon nations of the world to adopt the objective of sustainable development as an overarching goal. This is when the term “sustainable development” first received widespread attention. The report forecasted greater population growth in urban areas of the world’s poorest countries. The problem of making the economy of an increasingly populous world environmentally sustainable is one of the central challenges that motivate the sustainability movement (Hackett, 1998).

Sustainability concepts were further discussed in the UN Conference on Environment and Development (UNCED), or the Earth Summit, in Rio de Janeiro in 1992 when *Agenda 21* – a program of action for sustainable development worldwide was adopted. As a major result of the Earth Summit, the Earth Charter listed guiding principles of sustainable development. It contains a broad array of economics, social, political, and environmental / ecological policies and acknowledges the interdependence between these elements in addressing the peoples’ wellbeing.

Previously, there were two broad approaches from economists and ecologists towards the concept of sustainable development. They debated whether it is appropriate to discount future benefits and costs, and to

substitute human-made capital for diminished natural resources, and discussed the earth's carrying capacity for human beings. Although both approaches are consistent with the importance satisfying present needs without compromising the ability of future generations to meet their own needs, they differ in "how" this sustainable development mandate can be achieved.

These are different approaches towards environmental sustainability, including those based on Buddhist principles or Buddhist economics. The following section discusses sustainable concepts of these schools of thought.

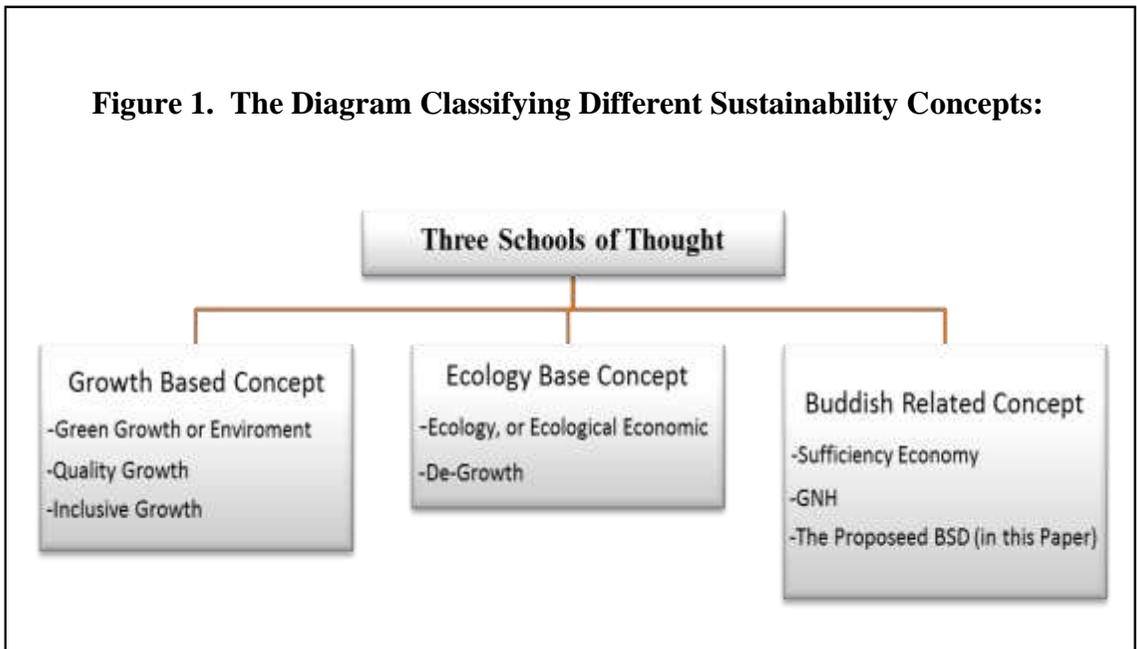
2.2 Comparison of Sustainable Development Concepts

This section outlines broad approaches on the existing concepts of Sustainable development, which are categorized into three groups:

- 1.) Economics or growth-based concepts
- 2.) Ecology-based concepts
- 3.) Buddhism- based concepts.

The first group includes concepts that accept growth or having no process to limit growth in general. The second group concerns ecological factors or de-growth concepts that counters-growth and materialism in order to preserve resources. The third group includes those related to Buddhist philosophy that promote simplicity, a balanced lifestyle with moderate consumption and middle-way economics, driven by wisdom. The diagram in Figure 1 below shows the classification of these three main concepts.

Figure 1. The Diagram Classifying Different Sustainability Concepts:



2.2.1 Growth Based Concepts

Economists have tried to deal with environmental problems from development by using conventional models of intervention and market mechanisms under growth-led development. Their theories of sustainability were developed from economic view and models of growth and technological change in the context of limited resources with the assumption that human-made capital can effectively substitute for natural capital and the benefits provided by ecological systems.

Environmental economics, which place environment consideration into growth, and most international development organizations working on the environment still attach to the conventional concept of economic development that requires growth for poverty eradication but with environmental cautions and concerns. Growth is needed, but with little adverse impact on the environment or to be environment friendly. These concepts have been termed, for example, are green growth (or green GDP),

quality of growth (growth with quality content), and even inclusive growth (that protect the poor and the vulnerable). These concepts consider the change in content of growth to be with environment friendliness and with quality and equity. The World Commission on Environment and Development in *Our Common Future* (the Brundtland report) that highlights the need to balance the interests of generational needs may also fall under this category as it concerns growth (as well as equity) but does not counter the growth concept. It essentially requires in change in the content of growth for sustainable development. Though it promotes quality of growth and concerns ecological capital, it views economic growth is necessary for meeting basic needs, as mentioned in the following⁵:

6. Meeting essential needs depends in part on achieving full growth potential, and sustainable development clearly requires economic growth in places where such needs are not being met. Elsewhere, it can be consistent with economic growth, provided the content of growth reflects the broad principles of sustainability and non-exploitation of others. But growth by itself is not enough. High levels of productive activity and widespread poverty can coexist, and can endanger the environment. Hence sustainable development requires that societies meet human needs both by increasing productive potential and by ensuring equitable opportunities for all.

Although the Brundtland report represents the blend of environmental and developmental concerns and the need to merge environment and economics in decision making, the Commission's idea still relies on growth; i.e., the way to tackle poverty or a new form of growth to achieve

⁵ Our Common Future, Chapter 2: Point 6, p. 42

environment-development objectives. It, however, does not radically question the growth-led approach. Above all, the report's vision of sustainable development is predicated on the need to maintain and revitalize the world economy (Adams, 1990). Below are critical objectives for environment and development policies that follow from the concept of sustainable development in the Brundtland report, showing the objectives of this concept⁶:

1. Reviving growth
2. Changing the quality of growth
3. Meeting essential needs for jobs, food, energy, water and sanitation
4. Ensuring a sustainable level of population
5. Conserving and enhancing the resource base
6. Re-orientating technology and managing risk
7. Merging environment and economics in decision making

As noted by Adams (1990), these objectives seem to be based on an economic rather than environmentalist vision. The concept of inter-generational well-being in the Brundtland definition of sustainable development is also unclear. These may reflect by the following points⁷ in the Brundtland report:

48. The concept of sustainable development provides a framework for the integration of environment policies and development strategies - the term 'development' being used here in its broadest sense. The word is often taken to refer to the processes of economic and social change in the Third World. But the integration of environment and development is required in all countries, rich and poor.

⁶ Our Common Future, Chapter 2, P. 46 and W.M. Adams, (1990), *Green Development: Environment and Sustainability in the third World*, in reference to Brundtland, 1987, as in Table 3.3.

⁷ Our Common Future, Chapter 1, p. 38-39 <http://www.un-documents.net/our-common-future.pdf>

49. Sustainable development seeks to meet the needs and aspirations of the present without compromising the ability to meet those of the future. Far from requiring the cessation of economic growth, it recognizes that the problems of poverty and underdevelopment cannot be solved unless we have a new era of growth in which developing countries play a large role and reap large benefits.

Moreover, the conventional idea of intergeneration well-being includes consumption as an important element in conventional utility concepts, as noted in the World Development Report (2003) by the World Bank:

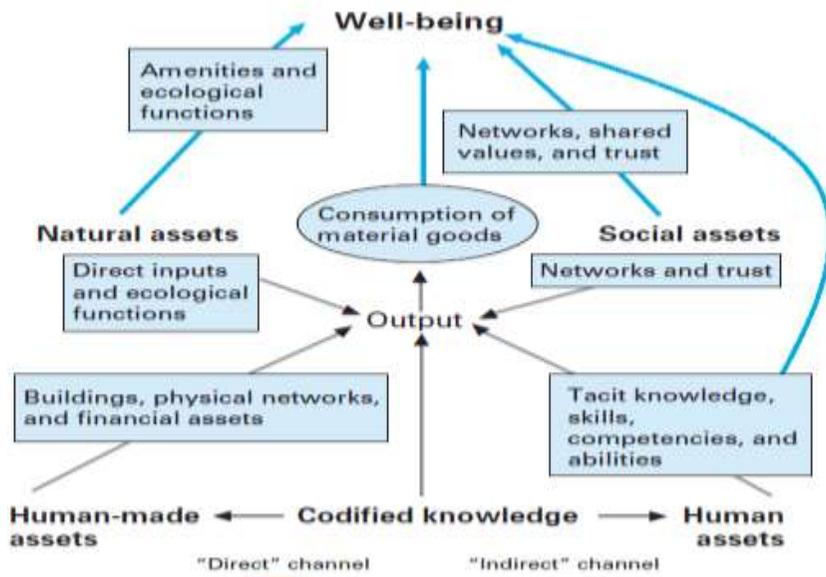
One concrete approach to thinking about sustainability and intergenerational well-being is to ensure that the flow of consumption does not decline overtime. But what is needed for this? The academic literature shows that a country's ability to sustain a flow of consumption (and utility) depends on the change in its stock of assets or wealth. Intergenerational well-being will rise only if wealth (measured in shadow prices and excluding capital gains) increases over time – that is, only if a country's adjusted net savings are positive⁸.

This concept and the relationship of how various kinds of assets affect human wellbeing are illustrated in Figure 2.

⁸ World Bank. World Development Report 2003: *Sustainable Development in a Dynamic World*.

Figure 2.

How society's assets enhance human well-being



Source: World Development Report,2003, p19

From this diagram, natural assets as well as social assets and consumption of material goods can enhance human wellbeing. However, the concept reflected in Figure 2 does not deal with possible conflicts between consumption of material goods and natural assets as well as social assets, which, consequently, can have adverse effects on wellbeing. The concept does not aim to limit consumption of material acquisition, which may due to the assumption that more consumption would enhance wellbeing.

Moreover, this concept seems to need progress of both economic growth and quality of the ecosystem. As noted in the report:

Accelerated growth in productivity and income can eliminate poverty and enhance prosperity in developing countries. This growth needs to

be achieved at the same time critical ecosystem services are improved and the social fabric that underpins development is strengthened.

Yet, this school of thought - mostly dominated by international donors - has not questioned, whether or not, these aims can go together or possible conflict among them. The idea needs both growth and green.

With the focus on environment in the “growth” concept, there are efforts to count environmental costs in GDP, which is called “green GDP” or green accounting. However, the concept has faced difficulties in practical applications.

In principle, environmental costs and benefits, natural resource assets, and environmental protection are all presented in flow accounts and balance sheets. But in practice, given the difficulty in valuation, the emphasis has often been on using information on physical quantities from environmental accounts.

WDR (2003, p16)

Moreover, there has been practical difficulty with the concept of discounting, used by economists to compare economic impacts occurring in different times (different discount rates for future economic damage from climate changes). There have been different opinions among economists; for example, William Nordhaus and some other economists have not agreed with Nicholas Stern’s low discounting; whereas using a high discount rate⁹ decreases the assessed benefit of actions designed to reduce greenhouse gas emissions.

⁹ A high discount rate implies we would much rather have money/ consumption today than in the future, reflecting that we won’t value future generations much. Thus, society should have a lower discount rate than individuals.

There are four main reasons commonly proposed by economists for placing a lower value on consumption occurring in the future rather than in the present:

- 1.) Future consumption should be discounted simply because it takes place in the future and people generally prefer the present to the future (inherent discounting):
- 2.) Consumption levels will be higher in the future so the marginal utility of additional consumption will be lower;
- 3.) Future consumption levels are uncertain; and
- 4.) Improved technology of the future will make it easier to address global warming concerns.

Thus, the concept of intergenerational wellbeing of the present and future (even represented only by consumption of economic concept) still has no conclusion, not to mention other non-economic aspects of wellbeing.

In sum, this conventional sustainable development approach led by environmental economists seems to put faith in institutional mechanisms; namely, how market mechanisms work and can be designed to protect environmental damage (for example, environmental economics' concept of compensation or estimating environmental costs and interventions, etc.), or how government regulations can prevent conflicts and the misuse of resources, etc. This growth-based approach, including the Brundtland concept of sustainable development, has focused on three pillars of sustainability: economic, social, and environment, and advocated for green growth.

As mentioned earlier that the concept of green GDP have faced some technical difficulties in application. Recently, the term “green economy”, beyond green accounting or green GDP, has received greater attention and

coverage. Green economy, to make economic development green, includes green jobs in production and consumption, technology and energy as well as an appropriate proper growth strategy. These can be found in development organization strategies or roadmaps. For instances, the low carbon green growth roadmap of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) is an example of focusing on green innovation for renewed growth. It also attempts to reduce the gap between economic and ecological efficiencies by using fiscal instruments and prices (ESCAP, 2012a). For example, a price is put on carbon in order to reduce carbon emissions based on the idea that prices affect people's behavior. The green growth concept also believes that it can also deliver higher growth in the long run through innovation and efficient gains triggered by system change (ESCAP, 2013b). This approach's road map in five stages is :

- 1.) Improving the quality of growth and maximizing net growth
- 2.) Changing the invisible structure of the economy: Closing the gap between economic and ecological efficiencies
- 3.) Changing the visible structure of the economy: Planning and designing econ-efficient infrastructure
- 4.) Turning green into a business opportunity
- 5.) Formulating and implementing low-carbon development strategies

Although this type of green growth concept has tried to shift away from economic growth to quality of growth - or moving from quantity to quality aspects of growth - it still concerns growth as a necessity for job creation and poverty reduction, etc. It believes in institutions and market mechanisms as key instruments to be used for a sustainable development

pathway. The other two groups of thought are different as explained in 2.2.2 and 2.2.3 below.

2.2.2 Ecology-Based Concepts

In contrast to the idea of sustainability in mainstream economics, ecologists value the natural ecosystem and interdependence within it. As ecology-based concept emphasizes the ecological imperatives of carrying capacity, bio-diversity, and biotic resilience, human capital cannot effectively substitute for the vital contributions provided by ecological systems. For the most part, technology and human-made capital cannot substitute for natural capital. This school of thought concerns ecological sustainability within limits of time and space scales. The ecological system without human intervention is an example of natural sustainability.

All living things are related naturally and support each other in using and re-using natural resources (for example, in the respiration-cycle: emitted oxygen and carbon dioxide from plants can be reused by animals whose exhaled gases can also be utilized by plants). If one living species increases in population, this imbalance would affect the entire ecological system. Therefore, the increase in human population growth and consumption growth would affect the system balance.

This imbalance is also enhanced by technology. Since the industrial revolution, human beings have utilized massive amounts of resources for the sharp increases in production and consumption. Global development, as based on Western economic models, emphasizes consumption and production, which has been accelerated by technological advancements. This kind of development adversely affects the environment and the ecological system.

Humans are only a small part of nature and only a part of the ecosystem. Therefore, the domination of human beings over other beings as well as natural resources and the environment is unacceptable. As nature and ecological systems have existed long before the human race, the natural systems must be treated with respect, and they must not be utilized and exploited in a way that will result in the degradation of ecology. This naturalist ethics is the origin of one stream of thought known as *deep ecology* (Puntasen, 2014).

Ecologists and economists often have opposite views in managing sustainability. The economists developed theories from economic models of growth and technological change, in the context of limited resources, with the assumption that human-made capital can effectively substitute for natural capital and essential services provided by ecological systems. In contrast, ecologists have not seen how technological or human capital can effectively substitute for vital services provided by ecological systems. There is little substitution between human-made capital and natural capital in terms of the services (Hackett, S.C., 1998).

A basic disagreement between ecological economics and mainstream economics regards to the notion of limits. Ecological economists believe that the size and material well-being of human populations are ultimately limited by environmental factors. This is in contrast to mainstream economists who believe that economic well-being, especially in the short term, is limited by allocative efficiency. Many mainstream economists tend to believe that human ingenuity could overcome any environmental constraint. Ecological economists, on the other hand, argue that technical innovations may allow human populations to exceed their carrying capacity, but this is temporary. Much of the technical change during the industrial revolution was based on the use of non-renewable resources, yet these

technologies lose their effectiveness as the availability of energy and material resources declines (Folmer, 2001).

The confrontational nature of the two streams of thought led to the development of ecological economics. Ecological economists believe that rapid increases in population, and even faster increases in consumption, put unsustainable pressure on the natural resource base.

Human welfare is gradually reduced as the environment degrades and natural resources become scarce and expensive. Furthermore, the global ecosystem is fragile; for example, consider the risks derived from climate change / global warming. Ecological economists view that the governments of future generations need a much more aggressive program to rein in the twin pressures of population and consumption growth on the deteriorating stock of natural capital (Goodstein, E.S., 1999).

A key difference between ecological economics and mainstream economics is that ecological economics focuses on an appropriate economic scale, the fair distribution of resources and products supporting long-term efficiency and sustainable development. Ecological economics focuses on quality development of human life and societies, and does not hope that technology can solve the problem of resource limitation. Instead, technology has been used to threaten the environment through increased industrialization, and massive consumption and production.

Concern over excessive industrialization and an oversized economy in the context of limited resources on earth also leads to the radical view that global development now needs de-growth (Chiengkul, 2013). The development path following the conventional development model allowing for more and more increased consumption and continued growth is inconsistent with sustainable development.

2.2.3 Buddhist Related Concepts.

Buddhist economics is another stream of thought disagreeing with mainstream economic models. Related Buddhist development concepts that have emerged recently in the Eastern world include, for example: Sufficiency Economy Philosophy and Gross National Happiness (GNH), in addition to the proposed concept of Buddhist Sustainable Development (BSD) in this paper.

2.2.3.1 Sufficiency Economy Philosophy

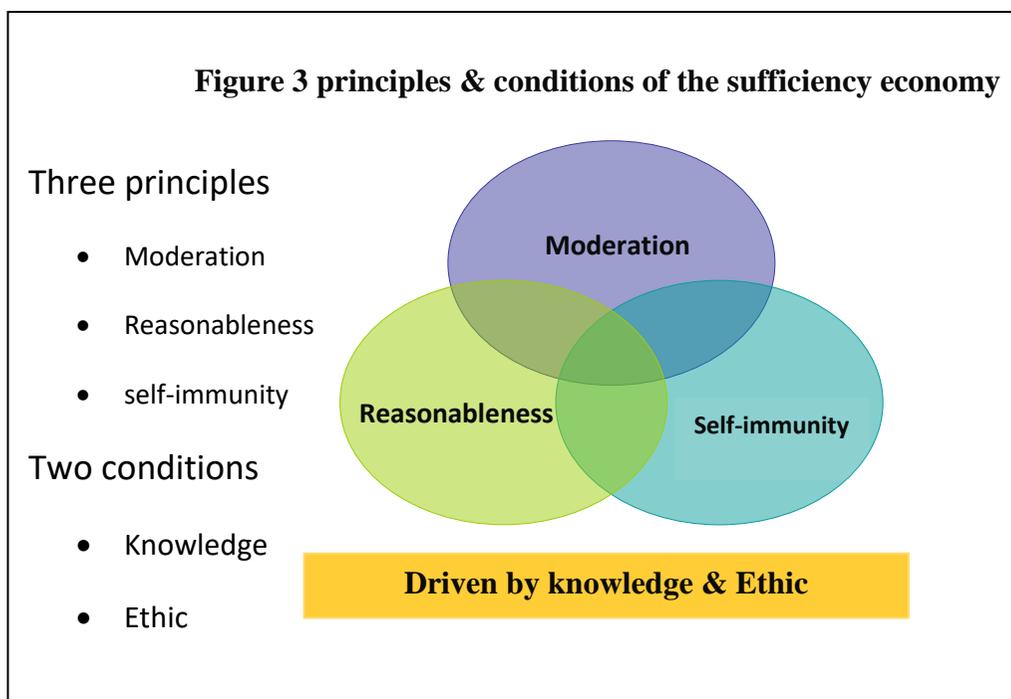
The sufficiency economy philosophy (SEP) initiated by King Bhumipol Adulyadej of Thailand can be seen as a practical model of Buddhist concepts. It is based on the Buddhist principles of self-reliance, contentment, moderation, and the middle-path, which are consistent with Buddhist economics. The word “self-sufficiency” in this concept means having enough to live on and to live for, as well as being satisfied with one’s situation (i.e., people are satisfied with needs at the moderate level, less greedy and more honest, consequently less trouble towards others). Thus, it has a broader meaning than the word “self-sufficiency” used in English¹⁰.

Sufficiency economy means a philosophy that stresses the middle path as the overriding principle of appropriate conduct by all levels of the population. “Sufficiency” means moderation and due consideration in all modes of conduct, as well as the need for sufficient protection from internal and external shocks. To achieve this, the application of knowledge with prudence is essential. It also requires the strengthening of morality in all sectors and groups to adhere to principles of honesty and integrity, and

¹⁰ From ‘Sufficiency Economy Based on the Principles of Buddhist Economics’ in *Inside Thailand Review 2006 “Sufficiency Economy”*, Office of the Prime Minister, 2006, p.27.

serves as a balanced approach combining patience, perseverance, diligence, wisdom and prudence to appropriately cope with critical challenges from socio-economic, environmental and cultural changes arising from globalization¹¹.

Therefore, the sufficiency economy philosophy is beyond economics and shares Buddhism’s core concepts for right living. Sufficiency economics principles rely on the concepts of three elements (moderation, reasonableness, and self-immunity), under two conditions of knowledge and ethics, as shown in Figure 3:



Thus, the key features of Sufficiency Economy are¹²:

¹¹ Summarized from Philosophy of the “Sufficiency Economy” page in *The King’s Sufficiency Economy and the Analyses of “Meanings by Economist”*, The Office of the National Research Council of Thailand, 2003.

¹² From Wibulswasdi, C. et. al., *Sufficiency Economy Philosophy and Development*, the Crown Property Bureau, Bangkok, 2011.

- 1) **Moderation within reason.** People shall be moderate; however, moderation is a relative concept that relates to one's means. This suggests to live with limited means, individually, locally, and globally.
- 2) **Emphasis on self-immunity and risk management.** This can apply to individuals, organizations, and nations.
- 3) **The pursuit of knowledge (implying insights or wisdom).** This requires appropriate analytical ability. Theoretical knowledge should be used with caution, while recognition of geo-social differences of specific local conditions is crucial.
- 4) **Emphasis on ethics and moral considerations as well as the spiritual dimension.** Ethical foundations vital to economic systems are to be sustainable and foster human development, in order to be successful.
- 5) **Emphasis on foundation-building.** This is to strengthen economic foundations, a bottom-up approach by aiming first that the majority of people have enough to live on and then expanding this approach to raise economic standards at higher stages.
- 6) **SEP can be used as a guiding principle.** It can help guide the behavior of individuals, households, organizations, and government.

An obvious application of sufficiency concepts for daily life is to maintain balance and control risks within a manageable limit. This builds self-immunity and reduces risk. For example, farmers adapt crop diversification and businessmen invest in portfolio diversification. Essentially, insights and applications into moderation in ways of life are the key for realizing this in daily living and behavior.

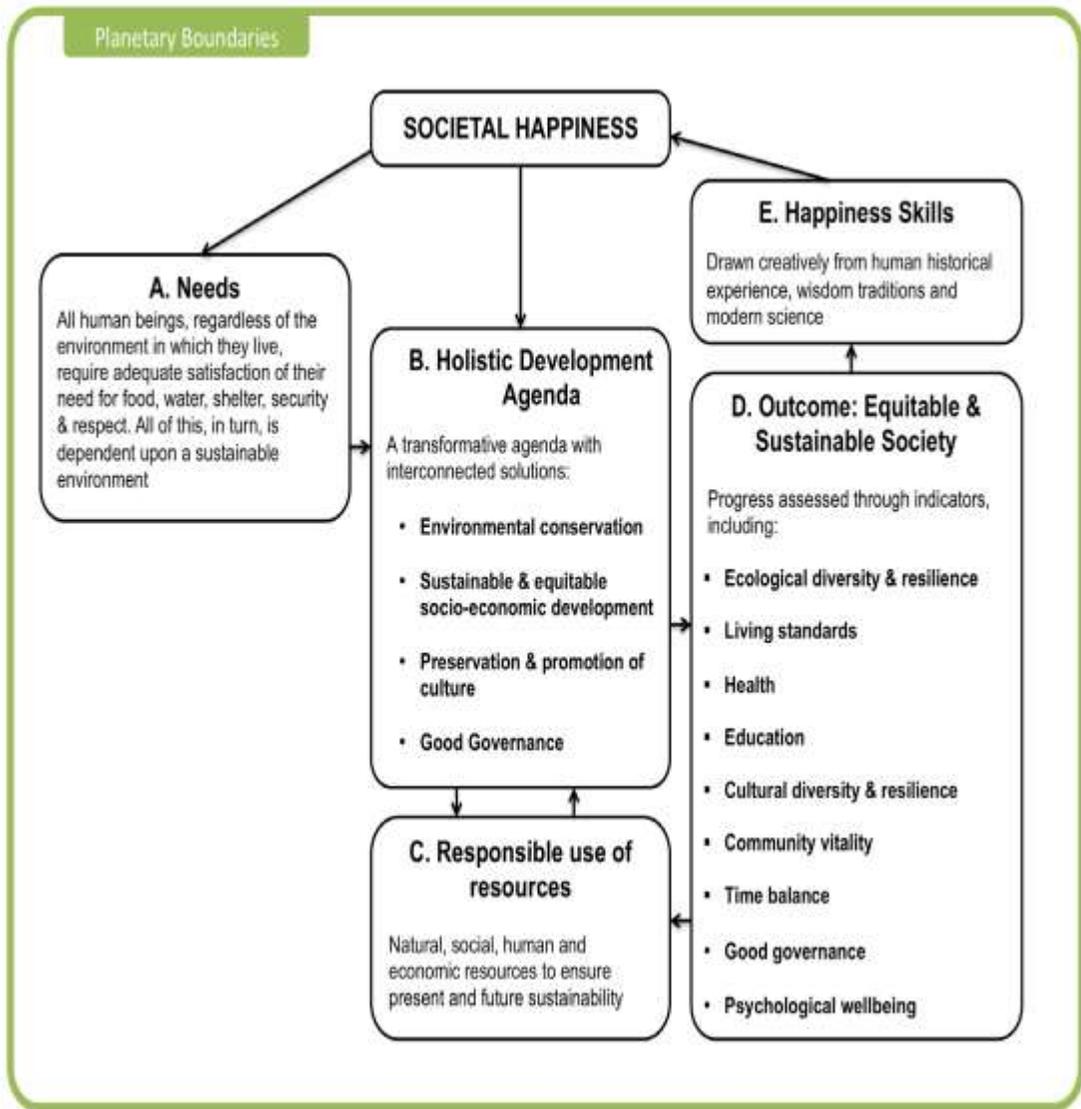
2.2.3.2 Gross National Happiness

Bhutan's Gross National Happiness or GNH initiated by the fourth King, Jigme Singye Wangchuck, places the core value of happiness in a relationship with four main dimensions: (1) sustainable and equitable socioeconomics, (2) good governance, (3) promotion and preservation of culture, and (4) environmental conservation. This concept not only disregards growth, but also views an economic growth strategy as misdirection in pursuing individual and societal happiness. GNH has inspired a new paradigm for development, which Bhutan has proposed to the United Nations and the overall global development community (NDP, 2013).

In the new development paradigm (NDP), genuine happiness arises from a deep sense of harmony with nature, with compassion and contentment. It also acknowledges basic needs from society and the environment - i.e., clean air and water, good health and decent living conditions, knowledge, peace, security and justice, meaningful relationships, etc.) - as preconditions for human-beings to flourish and achieve true happiness (ibid, p. VI). The NDP values the sustainability of all life on earth (i.e. human beings and other species) and their interrelatedness. Amidst a global crisis in all dimensions, the NDP addresses the need for holistic views on development. This new paradigm is expected to influence the transformative post-2015 development agenda.

In the NDP model, the vision of societal happiness views human progress within planetary limits, thus it becomes necessary to focus on real needs and the fulfilling of the needs of *all* humans rather than the “wants” of just a few. The NDP also recognizes happiness skills as necessary personal tools to experience human and social happiness (Ibid, VII). The NDP framework can be illustrated as in Figure 4.

Figure 4. New Development Paradigm (NDP) framework



Source: NDP (2013: p. VIII).

This Figure clearly indicates that, under this framework, wellbeing conditions and measurement can be assessed according to the nine domains currently used in Bhutan's GNH Index:

ecological diversity and resilience,
living standards,
health,
education,
cultural diversity and resilience,
community vitality,
time balance,
good governance, and
psychological wellbeing.

These are under key four components of GNH: 1) environmental conservation, 2) sustainable or equitable socio-economic development, 3) preservation & promotion of culture, and 4) good governance.

In sum, Buddhist-related concepts of Sufficiency Economy and GNH recognize non-growth dimensions of wellbeing and the inter-connectedness with nature, thus providing a holistic view of development. These two approaches also promote a balanced lifestyle with moderation and contentment, rather than materialism and consumerism as the economic growth model. Obviously, the two models put much less emphasis on growth and place value on their own pathways, which can guide happier development for their societies .

2.3. Analyzing conceptual differences

In conclusion, by reviewing the above three main streams of thought for sustainable development, it is obvious that Buddhist concepts are different from the growth model of mainstream economics and also from ecologist concepts. While mainstream and ecological economics concern sustainability in relation to physical factors, sustainability in Buddhism focuses more on the inner spirit and values of humans. While the other two concepts mainly focus on physical sustainability of natural resources similarly, they have different approaches towards how to maintain sustainability as discussed in 2.2.1 and 2.2.2.

Overall, these three approaches are similar in trying to meet basic needs of all and extend opportunities for bettering lives, but they are different in “how to” or pathways to reach the goal. The Buddhist approach seems to deal with human behavior (which has consequences for sustainability) more than the other two approaches which deal directly with natural resources. However, each Buddhist related concept may have different focuses in aims and practical processes. For example, the Sufficiency Economy philosophy is concerned as being a living guidance system for individuals and societies, while GNH concerns happiness (in general) as the ultimate goal of human beings and sustainable development as a key element amongst the dimensions of happiness.

Given these existing concepts, the new Buddhist approach introduced in this paper will focus on how to reach sustainable development goals and emphasizes inner happiness as the key factor to make sustainable development effective. This approach clearly links the two subjects of sustainable development and happiness together, and with more detail and more weight on higher levels of happiness. It also indicates

direction or a pathway to reach the goal of sustainability, which has some different focuses from other Buddhist approaches.

After presenting details of happiness and economic development in the Buddhist approach, the following chapters explain the logic and rationale regarding how Buddhist Sustainable Development is formulated, in comparison with the mainstream Western approach.

Chapter III

Happiness in Buddhism and in Western Economics

This section explains characteristics of happiness in Buddhism and their relationship to human and social development. Details of each level of Buddhist happiness for human beings are explained. In addition, happiness used in the Western concept is compared in order to know the differences, which result in different development implications.

Happiness in Buddhism - or “*sukha*” as called in the Pāli language - has its own meaning, which is more precise than the term “happiness”, as generally used in the Western sense. *Sukha* is the opposite status of *dukha*, or suffering; thus, to have *sukha* means to reduce *dukha* (including physical pain and mental status that people do not want to experience). In Buddhism, there are different levels of *sukha* (happiness) for human development; and each individual can be trained to achieve higher and greater or a more refined happiness. Therefore, happiness is not viewed as a static but a dynamic process in human development. The development of happiness or *sukha* from a basic to higher level can be seen as a process of reducing *dukkha* (suffering) until it is completely gone at the highest level of *sukha*, which is *nibbānasukha*. This can be called a process of practicing *dhamma*.

To develop happiness in Buddhism, people must engage in the process of reducing suffering, from the root cause, by truly understanding natural inter-dependence through right views with a clear and purified mind. To achieve happiness, one has to understand how to deal correctly with suffering.

The **Four Noble Truths** describe the nature, causes, and how to eliminate suffering. Table 2 summarizes the meanings and methods to deal with each element of the Four Noble Truths .

Table 2. The Four Noble Truths, the Meanings, and Methods:

Each Noble Truth	Meaning	Method
<i>Dukha</i>	Suffering, dissatisfaction	To comprehend suffering. To know location of the problem
<i>Dukkha-samudaya</i>	The cause or origin of dissatisfaction or suffering	To eradicate the cause of suffering. To diagnose of the origin
<i>Dukkha-nirodha</i>	The cessation or extinction of suffering	To realize the cessation of suffering. To envision the solution
<i>Dukkh-anirodha-gāminī paṭipadā</i>	The path leading to the cessation of dissatisfaction or suffering	To follow the right path through actual practices

Therefore, human beings need to know about dissatisfaction or suffering, its causes,, and how to follow the right path for cessation. When one has no *dukkha* (suffering), one can have *sukha* or happiness. In the process of practicing, the more one can reduce *dukkha*, and the higher *sukha* one can achieve.

3.1 Happiness Ranks and Classifications in Buddhism

In Buddhism, there are different kinds of classifications or levels of *sukha*. No matter how many classified levels, its range starts from the lowest level – *kāmasukha* that is happiness from acquisition or meeting sensual pleasures- to the highest level, *nirodha samāpattisukha*, the total extinction of suffering.

Kāmasukha is a kind of happiness, but it can also cause and increase *dukkha* or suffering; therefore, it is not considered as real happiness. This type of happiness depends on external pleasures to serve one's needs and may cause conflict with others who also need them. People can get stress and tension for the object that they depend on and their happiness can fade away with higher desire and pressure. Thus, individuals should watch out for this type of happiness and monitor their own mind in order to manage it with wisdom that understands the natural truth of change and true happiness.

However, this lowest rank of happiness at the physical or material level is required for basic needs to relieve a person's physical sufferings. After the basic needs are fulfilled, that person should develop further to attain a higher level of happiness. Excessive material accumulation driven by greed may not lead to an increase in happiness and will never enable happiness to be sustainable. Instead, it may increase problems, resulting in suffering and reducing happiness.

Buddhism encourages human beings to have happiness with less dependence from materials outside oneself. Happiness can be obtained from non-acquisition, which is mind and wisdom based. This is the higher level of happiness or inner happiness which can be generated inside human beings and be independent of external factors. This level of happiness is considered to be a desirable higher-order level of happiness that human beings should

become oriented to and be trained for, and it should be the goal for human development.

The advancement in developing oneself to gain happiness at a higher level is also progress from practicing *dhamma*¹³, which can be achieved by continued practicing correctly through a process of rigorous training of the mind. When people reach true happiness with full wisdom (attaining the ultimate truth), they will be free from any attachment and will not move back to enjoy a lower level of happiness (P. A. Payutto, 2012). In other words, true happiness means realizing *dhamma*, and reaching true happiness means reaching *dhamma*¹⁴. Human beings have to understand what is a good life and genuine happiness to be achieved.

However, there are many steps to reach true happiness and many detailed classifications of happiness in various *dhamma* books¹⁵. Different ranks or levels of happiness also reflect degrees of real happiness (or different levels of truths). However, to simplify the concept, this study follows the classification in Payutto (2011) which summarizes this into three levels, from the lowest to the highest, as follows:

¹³ Dhamma is the duties to be performed in accordance with the laws of nature that the Buddha taught; and the results of fulfilling such duties; thus, Dhamma includes Buddha's teachings, the practicing of his teachings, and the attainment of enlightenment - from <http://buddhism.about.com/od/basicbuddhistteachings/a/What-Is-Dharma-In-Buddhism.htm>. In a Dictionary of Buddhism by P.A. Payutto (2008), Dhamma is translated into English as things, states, and phenomena. Thus, *dhamma* can be learned and understood from phenomena under the law of nature.

¹⁴ The concept and contents in the following sub-sections are Dhamma teachings, mainly summarized from *A Brief Introduction to Buddha Dhamma*, by Bhikkhu P. A. Payutto, 2011, p. 1-14 and *Buddha-Dhamma: Extended Edition*, 2012, p 1023-1136). Some of the contents are also from other works and the author's interpretations.

¹⁵ For example, in *Buddha-Dhamma: Extended Edition* (2012), happiness classifications are summed up to 10 levels but in other Dhamma books, the levels and kinds of classification may be different.

3.1.1 The Level of Sensual Pleasures

Happiness from sensual pleasures is the lowest level of Buddhist happiness, obtained from the five senses: eye, ear, nose, tongue, and body; such as nice forms, pleasant noises, good smell, sweet taste, and comfortable touches. This is pleasure from enjoying these things at the physical level. **This sensual pleasure or *kāmasukha* is not real happiness because it may involve dissatisfaction and suffering (*dukkha*).**

Kāmasukha itself can be further divided into two categories: undeveloped and developed:

(a) **First, the undeveloped one from the untrained mind**, driven by *kilesa* (defilements) is troublesome desire. This type of desire is driven by ignorance of the three characteristics of truth (impermanent, suffering, and non-existing), and can cause people to get into trouble with lack of satisfaction and unlimited wants. This type of desire may be called *taṇhā* (craving and attachment). When the desire is not met, it can cause frustration due to attachment from anticipation. For this type of happiness, people search for materials and consumption to meet physical sensual pleasures. However, if all people have unlimited wants for themselves, this could result in conflicts in the society with limited resources as well as making themselves suffer if their desires are not met.

(b) **Second, *kāmasukha* that is more developed from mind training.** It is acceptable that people can be happy with sensual pleasures, if they have wisdom and practice for living appropriately in society. People can have material things and wealth, but they need to know how to develop their lives as well as helping others towards higher goals. In other words, material accumulation can be used to improve human development to benefit the society as a whole. Also, humans should limit sensual desires and people must know what level is appropriate for themselves and behave well towards

others. In the process of acquisition of material wealth, one should not burden oneself as well as any others.

If people in society have *sīla* (morality), *dāna* (generosity, sharing), and *paññā* (wisdom / insights), society can gain positively from material development. Therefore, Buddhism does not reject materials or physical development, if it is supervised by *dhamma* (the duties to be performed rightly).

After all, the happiness from sensual pleasure in materials depends on external factors outside oneself, yet people may face unfavorable circumstances that may lead to suffering. **Therefore, people still need more development in terms of mind- and wisdom-based happiness in order to manage these sensual pleasures without suffering.** As happiness at this level still involves suffering or it is temporary and unsustainable, there is a need for happiness at higher levels through *dhamma* practice.

3.1.2 The Level of Mind Development

This is happiness that can be generated in the mind, not from getting things. Happiness can be developed inside one's own mind. Therefore, this level of happiness is higher than the level of physical wellbeing, which has to depend on other things outside oneself.

As indicated in P.A. Payutto (2011, p.10):

Development on the mind-level will allow the individual to have a mind that contains virtues like loving-kindness (mettā), compassion (karuṇā), faith (saddhā), gratitude (kataññūkataveditā) and so on. It is a mind with efficiency, strength, stability, diligence and patience; a mind that has mindfulness (sati) and knows its responsibilities, and so it is in good health because it is peaceful, relaxed, clear, fresh, joyful, and happy.

With loving-kindness (*mettā*) and compassion (*karuṇā*) in mind, we want other people to be happy. Therefore, we are happy to give, share, or help others, instead of taking advantage of them. People can be generous (*dāna*) towards others rather than be selfish, and this can generate happiness within the givers. Instead of being happy from acquisitions, individuals can be happy from giving away and acquiring less. In that case, individual happiness from mind development as well as societal happiness both increase as the givers and the receivers are also happy together.

Mind development can bring in a higher quality mind characterized by power, clarity, and peace. These are conditions for the establishment of various virtues and can be used for reflection, investigation, and contemplation through wisdom. This is the characteristic of a mind having *samādhi* or concentration, which is especially required for high level mind development (ibid, p.11). When one's mind is developed to higher levels with higher quality, it leads the way for more wisdom.

However, Buddhist teachings encourage people to develop more than happiness at mind level because people still have attachments. For example, they may attach to *samādhi* and its results; i.e, peaceful mind and calm, or some goodness / good expectation. When *samādhi* has gone and people return to their normal situation, they may feel suffering again. Even though people attach to goodness and good behavior, the attachment can result in dissatisfaction or suffering when things do not conform to expectation. Therefore, happiness at this level is still temporary; and thus human beings need to develop more to the level that they can be happy sustainably without suffering.

3.1.3 The Level of Liberation

Happiness at this level is characterized by wisdom or insight (*paññā*), with full understanding of natural changes from the three characteristics of truth: the impermanence, the state of suffering, and the non-existing (or selflessness). Realizing that these characteristics are not worthy to attach to, human beings then have purified minds free from any attachment. Therefore, they are completely free from suffering as they have insight to understand all natural laws, i.e., changes as well as causes and effects. This is the highest level of happiness and the individual who has progressed to reach this level is completely awakened or enlightened, with natural freshness and joyfulness (Ibid. p.13). Nothing can cause suffering to that person whose wisdom is able to solve all problems wisely with the mind of emptiness and detachment from all defilements. They will neutrally understand everything under the law of nature without suffering.

This level is the ultimate goal of *dhamma* practice or happiness development to be called the *lokuttara* (beyond the world) level or *paramattha* (the highest level). Those who can achieve this level are noble individuals or called “Ariya” (starting from *Sotāpanna* up to Arahant who can have genuine happiness at the *lokuttara* level). Individuals who have achieved the highest happiness do not want anything for themselves anymore; and thus one can fully work for others for the benefit of society. Whatever the individual does is driven from *chanda* to do good things with selflessness, as well as pure and perfect compassion. Consequently, the society has received benefit fully from this type of a highly developed person.

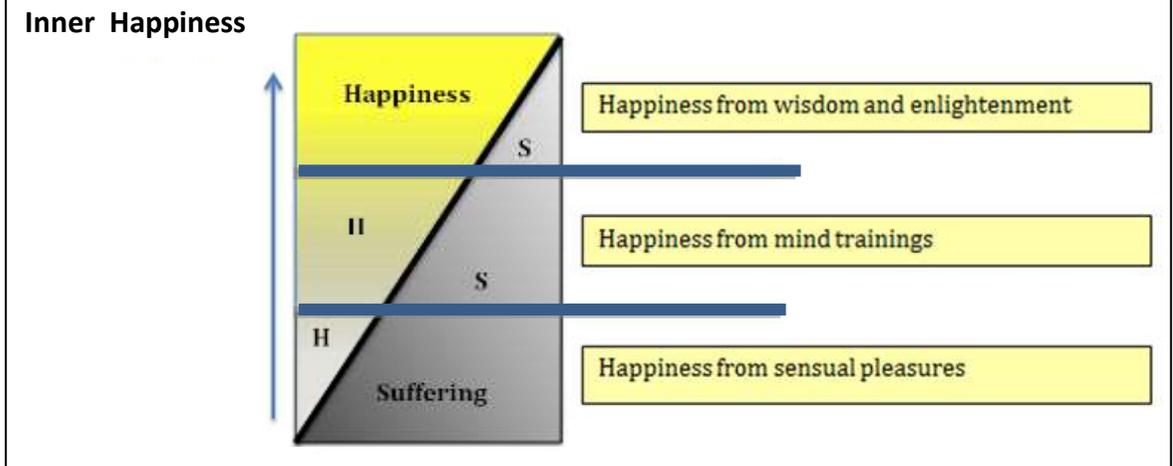
Although that person can have happiness with sensual pleasures (level 1) and with mind-based (level 2), there would be no danger as these are supervised by wisdom and can be utilized positively for the benefit of

others and the society. Even with the search for happiness at the level of sensual pleasures in material things, it will be positive, as it is not aimed for oneself but more useful for others. This behavior can bring in more peace and happiness to society.

For ordinary people, progress in happiness development beyond the first level of material dependent is encouraged. People should be able to be happy from mind development and wisdom-based happiness, although they may not be able to fully reach the highest level of ultimate happiness as the “Ariya”. Ordinary people can experience some “inner happiness” even though they cannot eliminate suffering totally or achieve happiness fully. Attaining a level beyond the material level to achieve mind and wisdom-bases of happiness is considered as inner happiness (generated from inside oneself).

Figure 5 seeks to illustrate the happiness concept in Buddhism. It shows simply how happiness in higher levels has increased by automatic decrease in suffering. Suffering and happiness are counter effects in the mind. When there is no suffering, happiness can be occupied in one’s mind. Higher inner happiness associates with higher level of happiness.

Figure 5. Degree of happiness and suffering at different happiness levels.



The bottom level is happiness from sensual pleasures, which involves a lot of suffering, so it cannot generate much true happiness. The middle level represents the mind-based level that involves more happiness generated by oneself. Suffering drops with the degree of increased inner happiness. Inner happiness increases continuously when moving towards a higher level of happiness. That is why people should aim for higher levels of happiness. When inner happiness increases to the highest level, there would be no room left for suffering.

Another classification

In addition to the above three classifications into physical-based, mind-based, and wisdom-based happiness, there is another classification into three categories, as noted in *Buddha-Dhamma: Extended Edition* (2012: 1099), as follows:

- 1) Happiness from acquisition (driven by *taṇhā*)
- 2) Happiness from inner-generation (driven by *chanda*)
- 3) Happiness that exists all the time inside every human being (driven by *paññā*)

1) **The first type of happiness is sensual pleasures from material acquisition**, which is the lowest level of happiness and unsustainable because this type of happiness depends on external factors for which human beings have to search. This type of happiness, driven by *taṇhā* or craving to meet unlimited desire for oneself, can cause troubles to the individual and society because it involves greed, anger, and illusion. To avoid conflicts with others in the society, this happiness has to be controlled by *sīla* or morality.

2) **The second one connected to mind development is a type of happiness that can be generated inside one's own mind**, driven by good desire; for example, the desire to be useful to others (not for selfishness), the love to learn and develop oneself, to be happy to work for its own results (not for rewards), etc. It is a higher happiness level than the first type because it is driven by a higher and good desire which is more developed or trained to be so, not driven by *kilesa* (defilements) and not for personal benefit only. This type of desire is called *chanda* (good will, aspiration). People can have *chanda* to be good, to be knowledgeable, to be creative, to be useful, to give or share what they have with others, to help people out of suffering, to do good things, etc. When people have *chanda* to do good things and to be useful to others, it would benefit societal development and happiness. This type of happiness can be generated inside oneself, and there is no need to search for external sensual pleasures.

3) **The third type is happiness that everyone can have all the time, if our minds are detached from all defilements**. Completely purified minds are filled with happiness, which anyone can experience. This can happen when one insightfully understand all facts in life, and is completely free from suffering. People who enjoy this type of happiness have a great deal of *chanda* to be good and useful for others. They are totally devoted to

work and help all human beings and the world as they need nothing for themselves.

The difference of the first two desires (in 1 and 2) is that: the first one (*taṇhā*) leads to negative consequences for the society and development, but the second one (*chanda*) results in positive impacts. *Dhamma* teachings encourage people to work with good desire or *chada* instead of wrong desire driven by defilement or *taṇhā*. People who have practiced *dhamma* progressively can increase happiness from *chada*. With pure *chanda*, people would not suffer from any kind of work. That is why human beings have to be trained for a higher level of happiness¹⁶.

Until the *Dhamma* practitioner continuously progresses to reach the ultimate level of happiness (*nibbāṇa*) with full insight and free from any attachment, that person will have inner happiness all the time. Nothing can make them suffer as they fully understand all natural laws. This is the highest level of happiness that, in fact, exists inside all human beings; everyone can enjoy it, but cannot do so due to ignorance. However, through practicing *Dhamma*, insight (*vijjā*) will replace ignorance (*avijjā*) and that person would be rewarded by happiness that exists inside everyone, which can be enjoyed all the time; therefore, no need to search for happiness from outside. With selflessness, they also have full *chanda* or good desire to work for the benefit of others and the society. Happiness from the second to the third levels is considered as inner happiness, for which Buddhist teachings encourage everyone to be trained and developed as much as possible in the process of higher human development.

¹⁶ Summarized ideas in the above paragraphs from Payutto's *Buddha-Dhamma: Extended Edition* (2012), in Chapter 6: How is good life? and the article "Happiness in comprehension", p. 1069-1136.

3.2. Western Happiness and Economics, in Comparison to those in Buddhism

Before comparing the difference between Buddhist happiness and the Western concept of happiness, this section provides some background on developments in the West related to economics and their implications regarding happiness.

Happiness has long been recognized as a life goal of human beings, and this ancient western concept also covers the spiritual element and the feeling of contentment for happiness. Western philosophers like Socrates, Plato and Aristotle considered happiness as a path for wisdom and morality to attain a good life through living and actions. Thus, traditional Western and Eastern philosophies seem to have similar ideas on happiness and the goal of life; i.e., happiness at a high level of wisdom / morality and a good life.

Aristotle's eudaimonia - translated as happiness - is the ultimate aim of human thought and action. In addition, happiness includes self-sufficiency and virtues. To develop ethics necessary for happiness, there are steps for righteous actions, often done under the influence of teachers to allow development of the right habits, which in turn allow the development of good character. Thus, this path to happiness requires coaching.

Western philosophy since Aristotelianism has focused on virtue ethics as one strategy to raise happiness in society and share some fundamental precepts as those of the Buddhism; both emphasized that more material possessions do not lead to happier lives (Sachs, 2013). Both ancient Western and Buddhist philosophies regarded hedonism and greed as threats to social stability, and both believed that tensions between the individual and the community could be moderated through an ethic of virtue, in which individuals live their lives in accordance with the dictates of human nature and social realities. In addition, both believed that the "right path" (for

Buddhism) and “virtue” (for Aristotelianism) require training, education, practice, and cultivation of the mind. (Sachs, 2013: 84). This is a direction for the right kind of life.

However, the path or approaches to achieve a good life as reflected in the two philosophies may not be exactly the same. For example, Buddhism believes in self-practicing (through practicing mindfulness / meditation) to reach the highest goal of wisdom / insights until self-enlightenment, which goes beyond the moral-goal level. To move along this right path, ethics or virtues will emerge automatically on the way but not as the ultimate goal. This is beyond the idea of returning to “virtue ethics” as a strategy to promote happiness in the society as noted by Sachs (2013). Buddhist philosophy focuses on wisdom through understanding the ultimate truths of nature independently as the most important goal and process in achieving absolute happiness. This is the process towards self-realization through insights.

Although ancient Western and Eastern Buddhist concepts have some similarities regarding happiness and the concept of good life,, they are different in economics assumptions and ideas such as human goals and the role of wisdom. Buddhist Economics considers economics results as a means to improve real quality of life and human development, not as the end by itself (Payutto, 1992: 53); economic activities must support good and the noble life of individuals and societies. Buddha focused on human development (through wisdom cultivation) for liberalization from suffering, while Western philosophers like Plato and Aristotle had different assumptions about human beings and economics systems.

Another similarity between Aristotle’s and Buddhist concepts is the differentiation between natural needs (or real needs) and unnatural wants (which are unlimited and should not be met), as noted in Puntasen (2001).

Regrettably, Western economists after their time have neglected this crucial point that has definite impacts on human, global, and sustainable development.

Though Ancient Western philosophy has some similarity with Buddhist philosophy, modern Western theories are different. Over centuries, these ancient Western values realizing the importance of happiness and good life have been replaced by modern economics' influences on material consumption. In fact, eighteen-century economists used to consider people's happiness in the concept of utility with its implications for policies for societal welfare. Beginning from Jeremy Bentham's Utilitarianism principle, utility includes the happiness of people – as noted in Bentham (1789):

... utility is meant that property in any object, whereby it tends to produce benefit, advantage, pleasure, good, or happiness” and also “[prevents] the happening of mischief, pain, evil, or unhappiness to the party who’s interest is considered.”] and (society should aim to maximize the total utility of individuals, aiming for “the greatest happiness for the greatest number of people”).

This is the Greatest Happiness Principle that clearly considers happiness and pleasures in individual utility and suggests the society to maximize total social utility using “the greatest happiness for the greatest number of people” principle. Therefore, government should act or choose to implement policy that can generate the total sum of maximum net happiness of people in the society. This principle considers fairness by using equal weigh for every person. Happiness comes from four sources: physical, political, moral, and spiritual. Although this concept defines happiness from various sources including abstract ones, this principle does not classify happiness into different ranks or levels. As net happiness was defined as a sum of net pleasures and pain, higher values of happiness such as virtues and

wisdom seem to be neglected. Thus, this concept seems to relate to sensual pleasures - the lower rank of happiness in Buddhism.

This concept of happiness was later developed by philosopher and economist John Stuart Mill's *Utilitarianism* (Mill, 1863), which explains happiness in more detail including classification and quality. His concept of happiness differentiates levels of happiness by quality, which is different from Bentham's that gives equal weight for all forms of pleasures (resulting in a tendency to search for happiness from materials or simple pleasures). Mill considers happiness from moral and wisdom (higher form of pleasure) to be superior than happiness from the physical level (lower form of pleasure). People who have chances to experience both levels of happiness would prefer the higher one with higher quality. Those who prefer simple or lower pleasures may be because of the fact that they have never experienced higher pleasures. Thus, Mill's idea of happiness seems very similar to Buddhist concept of happiness. Mill did not agree with those who emphasized hedonism. Instead, he put more value on intellectual and moral aspects. In addition, Mill believed that people should have freedom to choose their own paths or actions and policy makers should consider people's subjective aspects / feelings.

However, happiness or subjective well-being was later excluded from the utility concept of neoclassical economists. As mentioned in Sachs (2013: 89):

Later on, though, economists dropped almost entirely Bentham's faith in measuring happiness. In the jargon of economics, utility became an "ordinal" measure, in commensurate across individuals, rather than a "cardinal" measure that could be compared and added across individuals. Utility theory came to

be used as an explanation for consumer behavior rather than for individual or social well-being.

Thus, in mainstream economics since the mid-19th century onwards, individual utility is assumed to only be based on concrete choices of a bundle of market goods and services, without subjective aspects which are difficult to quantify and compare among individuals. Emphasizing mathematical methods, happiness - especially spiritual well-being - was not included in the theoretical utility function. As noted in Sachs (2013: 90), mainstream economics lost interest in the state of mind of individuals, virtue and happiness, as well as the question of “whether the increase in consumption truly raises individual well-being”. Utility is a function of the individual’s consumption of market commodities rather than of social relations, virtues, state of mind, wellbeing of others, and other non-market conditions. Therefore, the utility function explains consumer behavior rather than individual and social wellbeing. As noted in Layard, (2005:145), economists’ model of human nature is far too limited – it has to be combined with knowledge from the other social sciences.

Then, individual and national wellbeing were represented only by economic factors. The conceptual problem to explain human wellbeing in today’s economic theories and development paradigm may be due to the fact that conventional economics has dropped the concept of happiness or subjective wellbeing in the individual utility function (which had represented individual’s happiness only from choices of goods or economic factors), and also problematic assumptions on human behaviors such as humans are rational for self-interest and with unlimited wants for consumption. That conceptual change has promoted individual self-centered behavior and has guided development targets and policies for economic achievement while neglecting the human mind and spiritual development, allowing human

beings to achieve economic goals without responsibility for the environment and humanity. This conventional economic idea can serve rapid industrialization since the industrial revolution which aims to achieve economic prosperity. Economic indicators and GDP has been misused to represent national and individual well-being. Also, the utility concept, shown by consumption bundles of commodities and services, implies that the more consumption, the higher the utility (representing wellbeing / happiness). This is obviously a “wrong view” in Buddhism because human well-being does not considered only from economic factors but focus more on inner happiness.

However, present happiness economists¹⁷ have adopted and promoted Bentham’s utility concept of the greatest happiness as worthy of theoretical research and policy development. It seems that happiness economics can explain human behavior better than conventional economics. Happiness studies, discussions, and research considering subjective wellbeing of individuals have increased remarkably and happiness has become a popular subject among academics, development organizations and politicians during the past few decades. For example, research findings by R.A. Easterlin shows that the increase in national income overtime in the U.S.A. had not increased subjective wellbeing or happiness of people in the nation, the so-called “Easterlin paradox” (Easterlin, 1974). It is also noteworthy that this finding has drawn interest among economists to question “why” and conduct empirical studies with different case-studies and results to examine the relationship of income and happiness.

Currently, there have been various national and international surveys covering factors affecting happiness from physical and emotional points of

¹⁷For example, Kahneman and Kruger (2006) and Frey and Stucher (2002), Layard (2005), Veenthoven (2009)

view. Researches have utilized those data for analysis of their domains of happiness - namely, economics, health, employment, social / family relations, community, surroundings / environment, and mind / spiritual aspects.

Although current happiness surveys may cover spiritual wellbeing as one element in their happiness domains (composing of various psychological and economic factors), this spiritual well-being is not the special focus because all domains of happiness are in the same rank with equal weight. In contrast, Buddhism gives a higher rank for inner happiness. Thus, there are some differences in happiness concepts between modern Western and Buddhist approaches, although Buddhist and Mill's happiness concepts are similar.

While happiness economics today explains unsustainable happiness from theories of social comparison, adaptation and aspiration, theories and their explanations do not suggest how to exit from this problem. The Buddhist approach dealing with root causes of defilements clearly guides direction to higher / inner happiness so as to be free from suffering.

3.2.1 Social Comparison

Western happiness theories explain the effect on social comparisons that peoples' happiness are influenced by relative terms rather than absolute terms. Relative income, status, and position in comparison with peer groups are more influential to peoples' satisfaction than actual income or actual acquisition. For example, an individual's gain in income would bring in greater happiness if that income gain is greater than that of other people in their reference group.

Research results in many countries find effects of social comparison in life and job satisfaction. There are status races driven by the desire to

keep up with other people, thus inequality in socio-economic status has a negative effect on peoples' happiness in the society - due to social comparison. With social comparison in mind, people compete to surpass each other to get more money and increased consumption in consumer goods and services. This may result in a drop in social and family relationships as well as increased stress and tension, leading to a drop in happiness among individuals and the society. On the other hand, for people who feel satisfied with what they have or feel self-sufficiency, their happiness can be maintained or increase in comparison with those who do not feel satisfied with what they have. This behavior relates to the teaching for self-contentment in Buddhism¹⁸.

The effect of social comparison on happiness reflects mind-based influence on happiness. Perceptions in social comparison can affect peoples' happiness more than their actual status. For example, if they do not feel poorer than others among their peers, they will not perceive themselves as "poor" regardless of their income level and status. In other words, if they feel that they are poorer than their peers, they may feel unhappy with their relative perceived "poor" status, regardless of how much income they have. That is why the feeling of self-contentment: to be happy with what one has can increase happiness.

Happiness research also indicates that uneven development with widener gaps of income and social status does not support the development of societal happiness. Although a few who gain relatively higher income may be happier, the net overall estimated societal happiness would be less - owing to a large numbers of poorer persons who lose out. With the theory of diminishing marginal return of happiness in relation to income, giving a certain income share to the rich would produce less happiness (for the rich)

¹⁸ See similar explanation in Kittiprapas, et. al. (2009, p .48-49).

than giving the same amount to the poor. Therefore, income inequality in the society should be narrowed, and resource allocation to relief people's hardship and poverty should be encouraged (Kittiprapas, et. al, 2009). This implication together with the greatest happiness principle, counting the importance of every citizen's happiness equally, supports more equal income distribution and an overall more equal society. In other words, development for societal happiness is pro-poor and pro-equality development, and this implication is the same as the focus in Buddhist economics.

3.2.2 Adaptation and Aspiration

In addition to social comparison, there is also a negative effect from adaptation and aspiration. To gain a certain level of income or an amount of consumption can have only transitory effects in happiness. Many Western research reports show a short term gain in happiness in relation to an increase in income (Ibid, 2009), and the only way to achieve ever increasing happiness is to have continually rising income (Clark et. al, 2006). Similar to consumption, one's satisfaction with new material goods may be only temporary as happiness fades after a while when people become adapted to the change. For example, people may feel happy when they get a new model of car, telephone, clothes, etc., but after a while their happiness with those materials declines when they would need a new one or a new model again.

People used to be happy with a certain level of income, but now a previous salary or income level cannot make them happy anymore as they need a higher one for more material goods and a more comfortable life. They continue to want new products and have higher aspiration for goods, income, and status all the time. This is in line with Western economic theories that accept human beings' unlimited wants and the unsustainable nature of

happiness. This type of lifestyle would generate demand all the time or non-stop wanting.

Once you have a certain new experience, you need to keep on having more of it if you want to sustain your happiness... If adaptation is complete, only continual new stimuli can raise your well-being (Layard, 2005:48).

In Buddhist view, this behavior can easily cause suffering (i.e., from the inability to fulfill expectations, pressures and stress, conflicts with others, etc). In Buddhism, this desire is driven by *tanhā* (craving) and not considered as real happiness.

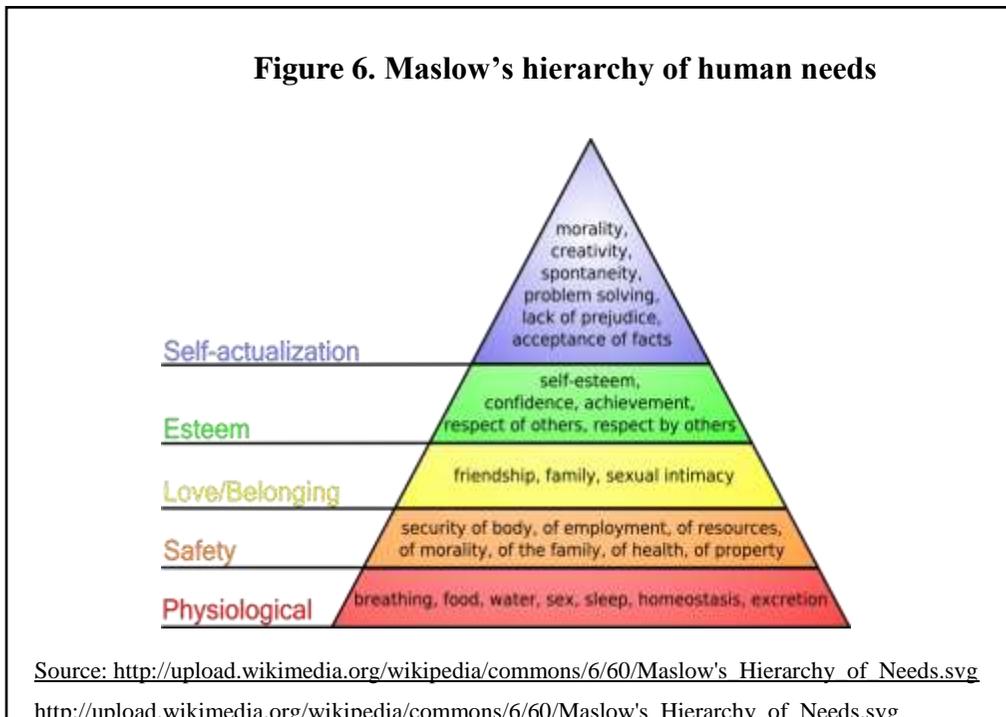
How can one's well-being or happiness be sustained with the constant escalation of wants? That would be impossible with that kind of human behavior. Only the sustainable happiness concept in Buddhism is the right path for human beings to get rid of these problems from comparison, acquisition, adaptation and aspiration.

That is why Buddhism teaches for moderation, with little relying on external materials and dependent on other people. The middle way to live life, the feeling of contentment and appreciation with what one has, the compassion towards others and nature, and inner happiness (from one's mind and wisdom) can solve these behavioral problems.

3.2.3 Theory of Human Needs

In addition, the Western theory of human needs by Maslow (1943), as shown in Figure 6, explains human actions by motivation to achieve various needs from fulfilling basic needs to more advanced needs. The pyramid of needs starts from the first / bottom level of basic physiological needs including the need for food, water, sleep and warmth. Once these lower-level needs have been met, people move on to the next level of needs,

which are for safety and security. As people progress up the pyramid, needs become increasingly psychological and social. Then, the spectrum of needs is for love, friendship, and intimacy; and further up the pyramid they need personal esteem and the feeling of accomplishment. Finally, self-actualization is at the top of the pyramid.



Through this process of human development, the low level starts with physical needs, then safe surroundings, social needs (e.g., social relations, being admired and respected) or psychological needs, and then to moral needs at the top level of the pyramid. Apart from the highest level, self-actualization - the only level at which human beings can create and meet the needs by themselves - the other levels of needs all depend on external factors such as acquisition, surroundings, social expectations, etc.

Compared to Buddhist happiness ranks, Maslow's hierarchy of needs for personal development has some similarity and difference. It is similar that it also realizes the importance of physically basic needs such as food and water as indicated in the bottom level, and the top of pyramid relating wisdom such as problem solving, lack of prejudice and acceptance of facts (reality).

However, there are some differences. Maslow's prioritizes the first level of needs as the most important to be fulfilled before being able to develop needs in higher ranks, which also depend on external factors (i.e, love, acceptance, respect, and expectations from others) without which happiness can be unsustainable. On the other hand, Buddhism places a greater importance on higher level or inner happiness, which is internal or less dependent on external and other factors.

Also, these two approaches may be different in considering quality and quantity aspects. Buddhist happiness may give more weight to quality aspects such as quality of mind (purified, calm, and clear) to obtain wisdom, an internal process. With inner happiness in Buddhism, external needs beyond basic needs are not much necessary. Buddhism places importance to happiness from liberalization (from insights) that one can achieve independently, and not on external dependence. Only at the top of the pyramid of self-actualization in Maslow's hierarchy can humans be less dependent from others and achieve freedom in happiness.

3.3 The Comparison of Conceptual Differences

Happiness development in Buddhism is also considered as a process of human development. However, in the process, physical wellbeing from basic needs is required; i.e., to be free from hunger and poverty as a "necessary condition" for further human development. Therefore, the first

level of Buddhist happiness is consistent with the first level of needs in Maslow's hierarchy. Moreover, after the basic material needs are met, Buddhist approach suggests that human beings should be trained for moving up to higher levels of inner happiness. This is another step in an effort to improve human development, which has not been considered in contemporary concept of human development¹⁹.

In Buddhism, happiness has to be defined in different levels and happiness at higher levels is encouraged much more (in other words, the importance of the higher levels of happiness is more than that of the lower ones). This may be similar to the traditional concept by John Stuart Mill that defines and gives more value to higher forms of happiness (from moral and wisdom considerations) than the lower ones (from physical pleasures), though there may be some differentiation between the two concepts. However, the current Western happiness concept has not developed from Mill's concept and mostly refers to pleasures that are considered as the lowest type of happiness in Buddhism.

The difference in the concept of happiness in Buddhism and that of Western theories can also be reflected in Figure 5, discussed earlier.. Buddhist happiness aims for complete freedom from suffering at the highest level, while happiness in Western theories still attaches to the first or the lowest level involving a lot of suffering. Happiness in Buddhism has been enhanced when it moves up to the higher level of inner happiness with less and less suffering.

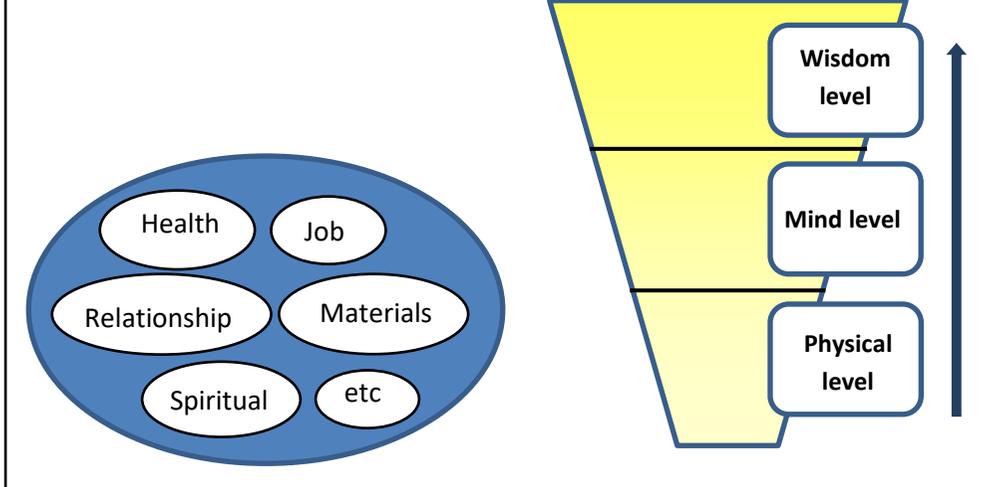
Western happiness studies such as those of positive psychology also consider inner happiness from the mind level such as positive emotion, but are unlikely to cover the wisdom level of understanding natural truths as

¹⁹ For example, general human development or human development concept of UNDP have not considered the process of human development in this dynamic process which include mind-based aspects and inner happiness.

focused in Buddhism. Positive psychologists believe in positive thinking and the state of mind that influences an individual's happiness, which also requires training. Neuroscientific research also shows that happiness is an achievable skill, which can be enhanced through meditation practice and training; and meditation simultaneously transforms the mind in order to change the brain. In recent years, advances in neuroscience evidently support increased happiness through meditation; and practicing meditation has also become increasingly popular in the Western world.

In sum, present happiness economists somehow have adopted tools to research and measure happiness by applying the happiness concept of Jeremy Bentham - the greatest happiness of the greatest numbers of people - and mostly refer to happiness as sensual pleasures. Psychologists and economists have measured happiness or subjective wellbeing with questions regarding life satisfaction. Their happiness domains may include some happiness factors at both physical and mind level, but they are given equal value (or the same weight) for the total sum of happiness or life satisfaction score. In other words, happiness is seen as a combination of various influences from the same level / dimension. In contrast, happiness in Buddhism is ranked in different levels. Figure 7 outlines the difference.

Figure 7: Comparison of various happiness domains in the same ranking in Western concept and different steps and kinds of happiness in Buddhism



Current happiness studies mostly carried out through Western concept explains happiness as influenced by various domains; such as, from materials, health, family & social relationship, jobs, environment or surroundings, mind and spirituality, education, securities, etc., and in the same level of equal importance. The Buddhist concept of happiness distinguishes between the higher and lower forms of happiness and encourages people to move from the lower to the higher levels (which is more important). As reflected in Figure 5, the higher ranks of happiness are more sustainable and involve less suffering. Consequently, as Figure 7 illustrates, the top (wisdom) level reflects the largest amount of happiness, whereas the lowest (physical) level shows the least happiness. This illustration depicts a guideline for movement towards the highest level of happiness in Buddhism.

However, this encouragement in Buddhism does not mean to force everyone to accept and practice accordingly; it accepts that different

individuals have different levels of mind development. Nonetheless, ones should try their best to develop themselves.

3.4 How These Conceptual Differences in Happiness and Economics Lead to Different Development Implications

As explained earlier, there are different levels of happiness in Buddhism, of which the higher levels are far beyond material goods or feelings of satisfaction that mentioned in Western happiness theories, which mostly relate to sensual pleasures that can also bring conflicts and tensions among people. **Happiness in Buddhism is more dynamic as it can move up from low to higher levels such as from physical to mind and wisdom levels.** Being less concerned for oneself and less dependent on materials, higher or inner happiness can lead to more societal happiness with peace and sustainable development. **The key implication is that people can be happy with less consumption and acquisition, thus no need to accelerate consumption as per the consumption led-growth model, which is counter to the sustainable development path.**

This process of limited demand by consumers (with higher level of happiness) is missing in the concept of modern economics, which believe that higher consumption implies higher wellbeing. In particular, the widely used global definition of sustainable development considers meeting the needs of present and future generations only (without due consideration to unlimited desires of human beings).

Happiness in Buddhism does not necessarily come from meeting individuals' needs, but it can come from higher development of the human mind and wisdom (or inner happiness). However, happiness at the physical or acquisition level is acceptable, if it is supervised by a good mind and wisdom - to be used for advancing human development. For example,

when one sees that an acquisition does not contribute to real happiness and can cause suffering - one would understand that material goods are not the real essence of life. People who fully understand what really matters in a good life and true happiness would not attach to any cause of suffering and can achieve complete liberalization. Also, with a good mind full of loving kindness and compassion, one would be happy by helping others or sharing benefits instead of taking advantages from others. Happiness from sensual pleasures can be used for further human development, loving kindness and compassion to all living things and nature. Hence, the world would have fewer conflicts and there would be no need to struggle or destroy others and nature for only reason of self-interest. This kind of happiness development would lead to a sustainable path of development, and therefore, this type of inner-human focus of happiness development is essential for effective sustainable development.

Current Western happiness notions usually refer to happiness in sensual pleasures²⁰, which still involves various forms of suffering and short-lived happiness. In contrast, Buddhist happiness focuses more on inner happiness, which is more important and a more sustainable pattern as it is usually accompanied by less suffering. With inner happiness, people can be happy from a calm mind, natural appreciation, positive thinking, being generous, helping others, showing compassion and loving kindness, not attachment to oneself, working with good aspiration (*chanda*) and be useful, etc. Instead of being happy from personal acquisitions, individuals and the

²⁰ The concept of happiness since Bentham's the greatest happiness principle is that happiness is pleasure and the absence of pain (predominance of pleasure over pain); however, Mills later refined the concept to include intellectual happiness such as from knowledge and wisdom. However, current happiness economics has adopted utility from Bentham's concept.

society as a whole can be happy from giving and less acquisition as well as higher mind development.

Although Western theories refer to mind characteristics in positive psychology, some aspects of mind development; i.e., for attaining ultimate truths, may not be well focused as in Buddhism. Mind development is a process in *dhamma* practice which people can be rigorously trained in many ways, e.g., by meditation, or observing the mind (*citta*) with mindfulness. Suffering at the mind level can be released when people have reached a higher quality of mind development and can observe the mind with its changing nature, then realizing the impermanent and getting rid of attachments.

So far, Western economics and research on happiness seems to consider happiness from the same level and dimension; they explain the unsustainable patterns in happiness with theories of aspiration, adaptation, and social comparison, but provide no guidance on how to solve or be free from the causes that can generate suffering. While Buddhism explains these phenomena in terms of levels of human development experienced by ordinary people who still experience suffering caused by *tanhā* (craving) and *kilesa* (defilement) within the human mind. Buddhism offers clear guidance on how to get rid of or to be free from these problems with insight, which can be obtained by moving up ladders of happiness development (in other words, advancing in *dhamma* practice). **Buddhist philosophy explains the levels of happiness as a process of human development, and provides a way out from these problems by acknowledging the fact that our mind has been controlled by craving and defilements and by trying to free our mind from such control.** Only sustainable happiness from emancipation in Buddhism can actually help liberate a person from all unnecessary desires.

Annex 1 explains how individuals can practically develop their inner happiness in Buddhism. However, for the society as a whole, this needs to have an appropriate supporting system for individuals to lead their lives along the right path. Therefore, this paper proposes a Buddhist approach to economics and sustainable development in the following chapters.

Chapter IV

Buddhist Approach for Societal Happiness and Sustainable Development

This Chapter proposes a Buddhist approach for societal happiness and sustainable development consisting of *dhamma*²¹ principles (i.e, *dhamma* for each level of happiness and social happiness), socioeconomics system and environment that support individuals in the society to live along the right path of sustainable happiness and development. It aims to discuss details of *dhamma* for Buddhist happiness as well as Buddhist economics (in relation to concept of work, consumption, production, trade, as well as the concerns for poverty, inequality, and the distribution of resources, and nature).

4.1 Dhamma to Increase Happiness in Social Systems

As discussed in previous sections, there are steps of happiness and levels of human development. To manage a society with increasing societal happiness requires an understanding of each level of happiness, as well as associated *dhamma* that can bring about such happiness, and also how to move up ladders of happiness development, as well as *dhamma* for social development.

²¹ As noted in footnote 13, Dhamma is the natural truth of what the Buddha taught; the duties to be performed in accordance with the laws of nature; and the results of fulfilling such duties; thus, Dhamma includes Buddha's teachings, the practicing of his teachings, and the attainment of enlightenment - from <http://buddhism.about.com/od/basicbuddhistteachings/a/What-Is-Dharma-In-Buddhism.htm>. In a Dictionary of Buddhism by P.A. Payutto (2008), Dhamma is translated in English as things, states, and phenomena

4.1.1 Dhamma for Each Level of Individual Happiness

Ordinary people of low rank or physical level of happiness have to behave in a way not to cause a burden / suffering to themselves and others. Unless people are supervised by *dhamma*, this type of happiness can cause a lot of problems to individuals and the society. That is why the current Western concept of happiness and development (which does not include *dhamma* elements) cannot solve existing development problems and cannot lead to a sustainable path of development. This is because most people have never stopped wanting material goods and keep searching for external sensual pleasures. This behavior inevitably causes social conflicts.

Thus, *dhamma* can no longer be ignored anymore in the concept of development. *Dhamma* is the key to promotion of peace and happiness. The following section explains the role of *dhamma* that supports societal happiness at each level of happiness.

4.1.1.1 Dhamma for the Physical Level of Happiness

For ordinary people, moral precepts are necessary to deal with the low level of happiness which can create social conflicts. Moral precepts can be used for controlling negative incidences from the pursuit of happiness at the physical level. In Buddhism, people have to be socialized by societal rules as *sila* in order to have morality and a peaceful society - not only to prevent problems, but also to bring about better human behavior.

There are many levels of *sīla* suitable for life and social conditions (Payutto, 2011:20). The basic one for everybody is **the Five Precepts**, providing the foundation for societal relationships for good cooperation and not taking advantage of others, in order to maintain peace and happiness for the society. The essential features of the Five Precepts are as follows:

1. Refrain from killing living creatures.
2. Refrain from taking properties that are not given.
3. Refrain from sexual misconduct that will hurt other related persons.
4. Refrain from using malicious and deceitful speech.
5. Refrain from intoxicating drinks and drugs that lead to carelessness and unawareness.

In addition, the following three other precepts have been identified (for **the Eight Precepts**) for people practicing Buddhism more strictly:

6. Control of unnecessary consumption by limiting the eating time
7. No comfortable sleep
8. No fragrance and make up.

These three additional rules aim for moderate consumption, avoiding unnecessary wants, and to be simple and promote tranquility. However, it is up to each individual as to which level of precepts (the Five or all eight) they like to commit to. For ordinary people, to live one's life according to Five Precepts is good enough.

As mentioned, the precepts are used for guidance in societies and communities to support their practices and goals. There can be different precepts used in different groups or by individuals. With the same foundation, some may extend key features in a precept for more detailed teachings. For example, the **Five Mindfulness Training** elements of Plum Village (led by Thich Nhat Hanh) are extended to cover right views for happiness for individuals and for the world. In addition to the basic five precepts, each element of mindfulness training covers broader practice and individual attitude - which is not only to do no harm as controlled by *sīla*, but also to do good towards others and nature - as stated in the following five

mindfulness trainings²² or principles, respectively (in relation to the five precepts stated above):

(1) Protect life and be aware of suffering from violence. This is to love the lives of all living and non-living things. As living things can be composed from parts of non-living things, we have to take care of non-living things in nature. Human beings have to be kind to all living and non-living things in the ecological system.

(2) True Happiness. This is beyond the second precept's teaching to not only not take things from others as well as to avoid exploitation and self-interest, but also to give to others. One has to understand that suffering of others closely relates to suffering of our own; and thus people should not exploit others for their own benefit. In addition, one has to realize that searching for sensual pleasures can bring suffering. Therefore, happiness depends on mental attitude. This is to realize that one has more than enough conditions to be happy and can be happy with every present moment. This rule is to commit to practicing right livelihood to reduce suffering of living beings on earth; and also to contribute to reversing the process of global warming.

(3) True love. This is to protect members of families and societies not to be mistreated in sexual relations - and no violence on that matter - and to protect children from sexual abuse, and to prevent couples and families from being broken apart by sexual misconduct. Instead, there should be cultivation of loving kindness, compassion, joy and inclusiveness for true love and for greater happiness of oneself and others.

(4) Loving speech and deep listening. This is to have right and kind speeches as well as compassion in listening to others. People have to be

²² From the *Art of Power* by Thich Nhat Hanh and the manual of Five Mindfulness Trainings, revised by Plum Village Saṅgha in 2007.

aware that happiness and suffering can be created by speech; unmindful speech and the inability to listen effectively to others can cause suffering.

(5) Mindful consumption. This is not to consume useless food and drinks that can be harmful to human beings, but rather to consume for nourishment and healing. One has to carefully consider what should be consumed and not over-consumed, as well as to practice mindful eating, drinking, and consuming for good physical and mental health, and not to gamble, use alcohol / drugs and any goods that contain toxins.

Thus, these Five Mindfulness Training principles help bring in happiness to people and the society with care for nature and other living things. As human beings and nature are related, there is no need to destroy each other and nature. We have to use natural resources with great care. In fact, these Five Mindfulness Training principles clearly guide toward true happiness and sustainable development; they are not only used for the physical level of happiness but also for higher levels.

After all, these precepts guiding for right relationship with surrounding lives and the environment help all living things in the society to live in peace with love, compassion, and mindfulness, leading to societal happiness.

4.1.1.2 Dhamma for Mind Level of Happiness

Society would have fewer problems if people can move from physical-dependence to the mind level of happiness, which can be generated from inner conscious, but not from material acquisition for themselves. For example, one can be happy from goodness, kindness towards others, or helping others to be happy. Even with limited material possessions, people can increase their happiness through mind-based appreciation of happiness.

Dhamma teaches people to have *dāna* (generosity). People can be happy from giving or helping others to be happy. This level of happiness is beyond that from acquisition, which tends to serve one's self-interest. People can achieve mind-based happiness from being useful to society or helping others to be happy. Therefore, instead of taking advantage of the situation of others or accumulating material goods for themselves, they are happy to share them with others or to allocate to the needy in society. Societal happiness as a whole would be increased because the givers as well as the receivers would be both happier. Therefore, inner happiness starting from mind-based happiness can have contagious effects benefiting others in the society.

The higher level of mind development connecting to the wisdom level of happiness requires a certain quality of mind as mentioned in section 3.1.2, which can also be achieved by practicing the correct *samādhi* (right concentration) and *sati* (mindfulness) in order to lead the way for increased wisdom.

4.1.1.3. Dhamma for the Wisdom Level of Happiness

Happiness from the wisdom level can be generated through *bhāvanā* (i.e., by continued mindfulness or meditation practices progressively, as explained in Annex 1 through Four Foundations of Mindfulness) in order to understand natural truths, leading to be free from any causes of suffering. *Dhamma* at this level requires practicing continuously with determination. When one can achieve this highest level of happiness, the society would fully benefit from such persons who only want to give everything to others, especially their enhanced wisdom.

In short, to move up the ladders of happiness or *sukha*, people need to practice *dhamma*. For the low level of happiness among ordinary people,

they should be supervised by *sīla* (morality) and supported by *dāna* (generosity), among other *dhamma* doctrines, so as to move into mind level. To attain higher levels of happiness from mind development to the wisdom level, *samādhi* (concentration) and *sati* (mindfulness) are essential. For the ultimate level of happiness, *paññā* (insight) is required.

These are the Buddhist guidelines towards higher ladders of happiness and development for individuals. The higher mind development that a human being can achieve, the less need to exploit or do harm to others and nature. Therefore, human beings can cooperate, support each other and increase synergy for the whole society. This is the most efficient economics using the least natural resources and can even increase resources (Puntasen, 2001:333), at the same time people are full with wisdom with true happiness.

4.1.2 Dhamma for Social Happiness

In a society, even all individuals are controlled by *sīla* or five precepts, social conflicts or problems may still arise due to lack of right views (knowing natural truths). **Thus, for social development as a whole, right views (*sammādiṭṭhi*)²³ is very important and considered as the starting point in the Noble Eightfold Path.** Right view leads to right thought / intention, right action, right effort, right speech, right livelihood, right concentration and right mindfulness.

On the other hand, if we have a wrong view or attach to a certain type of view without an open mind, there would be a major obstacle to get to know the truth, which can lead to wrong intentions, wrong actions, wrong speech, wrong livelihood, wrong efforts, wrong concentration and wrong mindfulness. If we can eliminate wrong views, we can be free from defilements such as anger, greed, illusion, etc. As a result, right view is the

²³ Payutto (2012: p. 688) refers to Buddha's speeches that stress the importance of Right Views as the origin in the Noble Eightfold Path.

origin to determination of good life due to good perception in life and then good actions that are very important for societal development²⁴.

People should have right views towards life and nature; for example, viewing life through natural truths with laws of impermanent, suffering, and selflessness, as well as understand natural dependency and real values of life. Right view is to see the truth as it is, which requires *yonisomanasikāra* (critical and analytical thinking) to understand conditionality and causal relations, leading to insight or wisdom. Thus, human beings have to practice or learn to acquire right views to understand the truths of life and to value wisdom instead of craving. When individuals make decisions with wisdom and freedom, they would not cause problems to themselves and others. Thus, right view will lead to “right” life goal. As mentioned in Payutto (2013), three key **right views in Buddhism** are:

(1) **Human beings are part of interconnected natural system of causes and effects.** Therefore, they need to harmonize for the benefits of wellbeing for all.

(2) **All beings (human and animals) are friends under the same natural laws.** All lives want to be happy and escape from suffering. Therefore, human beings should have loving-kindness and compassion for all without being divided as separate groups or hate and do harmful to other lives, but instead living in cooperation and harmony.

(3) **Happiness with liberation from inside brings in the best and perfect life.** This is because inner happiness or inner freedom can bring in physical and social freedom. In addition to happiness free from deprivation of basic needs, human beings need a higher level of happiness generated from mind and wisdom development. Whenever individuals achieve inner happiness with freedom, they would benefit others and nature.

²⁴ As pointed out in Payutto (2012)

These are three main right views for life. The last one is the most important, and is the core of this paper. When one pursues inner happiness, one will have no conflict with other lives, or with nature, thus leading to social benefits for all.

In contrast, **wrong views** towards life and nature have caused problems to others and unsustainable development. Wrong views, for example, are:

(1) **Viewing human beings as separated from nature.** This view leads to controlling and managing nature by human desires, which have adverse impacts on nature.

(2) **Viewing human beings as disaggregated by groups or are superior to all other beings instead of having the common nature of suffering.** This view can lead to hate and harm to other lives.

(3) **Viewing material things as bringing more happiness.** This view leads to tense competition and acquiring material goods, without realizing how each human being can attain true inner happiness.

Given these wrong views toward life and nature, human beings have destroyed nature and others, and use technology in wrong ways. Wrong views can lead to wrong living and wrong life goals. The right view will help us to realize the interdependence of all things and natural truths. If people are able to appreciate nature, their behavior towards nature would be different.

In addition, there are many sets of *dhamma* teachings, which can be applied for good life. Basically, a key principle is *sikkhattaya* or threefold trainings (composed of *sīla*, *samādhi* and *paññā*, which support each other from different angles). For people to be happy together, they need to have *sīla* (morality); the basic one is the Five Precepts. *Sīla* is the basic rule controlling human behavior not to do any harm to others and animals. The

second element is *samādhi* (concentration) or mind development and support for the birth of *paññā* (insight) which is the third element to enable the happiest individuals to be completely free from suffering. As noted in Puntasen (2001: 344), *sīla* and *samādhi* are necessary conditions, but *paññā* is the sufficient condition to be free from suffering. In sum, *sikkhattaya* (*sīla, samādhi, and paññā*) provide guides for peaceful living together, less conflict and harm by individuals, and finally happy society.

However, the role of each element in *sikkhattaya* in developing higher levels of individual insight / happiness is not in linear form, as they all affect each other from the three angles that may shape into a virtuous cycle as shown in Puntasen, (2001: 455). At a low level of wisdom, people can accept morality and have some level of concentration / meditation that further supports and brings in higher levels of wisdom and then morality and more concentration, leading to more wisdom development. It is a continuously dynamic process.

There are more *dhamma* principles for human relations and social behavior in a social system namely, *cattāro brahmavihārā* - four sublime states of mind, and *catusaṅgahavatthu* - four bases of social solidarity. *Brahmavihāras*, consists of *mettā* (loving kindness), *karuṇā* (compassion), *muditā* (sympathetic joy), and *upekkhā* (neutrality). With these characteristics, human beings would be kind to others and would cause fewer problems and conflicts in society, resulting in increasing societal happiness. These are guidance for human relations with others. *Ṣaṅgahavatthus*, bases on sympathy. The principles include: giving / being generous, kind / loving speeches, rendering services / useful conduct, and equal treatment or proper behavior in all circumstances.

These *dhamma* principles can shape humans in good behavior and generate inner happiness for individuals as well as benefiting others. People can live with love, compassion, sympathy, helping each other; and the society would be peaceful. Happy people can spread their happiness to others; thus, happiness is contagious in society. If individuals' inner happiness increases, societal happiness will also increase. Therefore, inner happiness from the mind and wisdom has the nature of non-excludable and non-rival, that are not be diminished by sharing.

4.2 Buddhist Happiness and Economics Concept for Sustainability

This section proposes a concept of Buddhism for sustainable development by integrating components of Buddhist happiness and Buddhist economics (with the considerations to human, social and the natural resources). It highlights key essential features of Buddhist happiness and economics concept for development and the differences from the conventional development model.

4.2.1 The Buddhist Happiness Concept for Development

The happiness concept for development proposed in this section follows the Buddhist happiness concept discussed in chapter II, categorized into three main levels of physical, mind and wisdom levels.

As ordinary people normally understand or experience happiness at a physical level, a clear distinction is needed between real needs and unlimited wants in this type of happiness. Thus, for further analysis, happiness at this physical level is disaggregated into two types: (a) that is necessary and (b) that is not necessary, as follows:

(a) Happiness that is necessary for basic physical well-being for human beings to develop their potential. For this type, material consumption is limited at an appropriate level and would not cause problems with others or with nature. This type of happiness is acceptable in Buddhist happiness.

(b) Happiness beyond basic physical wellbeing and involves luxurious goods and living. For this type, people may like to consume many unnecessary things for an overly comfortable life or for social status. People may continue to have unlimited wants and over accumulate material goods. This type of happiness is not encouraged in Buddhism, which emphasizes the real value of consumption. To search for this type of happiness can lead people to trouble and suffering when they are not able to get what they want, not to mention conflicts with others. That is why this type of happiness is not real and unsustainable.

Only happiness in type (a) is acceptable. People need basic things provided from material goods for living, namely, housing, clothes, food, drugs, etc., but no need for luxuries for physical wellbeing. However, for basic needs, the basic physical well-being concept may vary depending on the period or stage of development and culture. In the modern world, in addition to basic needs for survival, it may be necessary to have some facilities for education and for advancing human development such as communication and learning equipment as well as supporting factors for practicing *dhamma*. In broad terms, basic needs for quality living today may require sufficient nutritious food, safety, shelter with a good / clean environment (with water and sanitation as well as basic utilities), access to medical care and drugs, physical protection, plus a foundation for wellbeing, i.e., accessibility to education / knowledge and communications, access to opportunities/ social inclusion, etc. Moreover, some support facilities for

human development should be used for the objective of education or other utilization for human wellbeing rather than for luxury.

The second type (b) is not essential for life, but can have high market value due to demands from people (e.g. for jewelry, luxuries, and highly fashionable or brand-name products); their market values can be higher than their real values for usefulness.

Buddhist teachings focus on realizing real values of consumption for its real purpose of human wellbeing, rather than fake values or market values for luxury or other non-essential material goods.

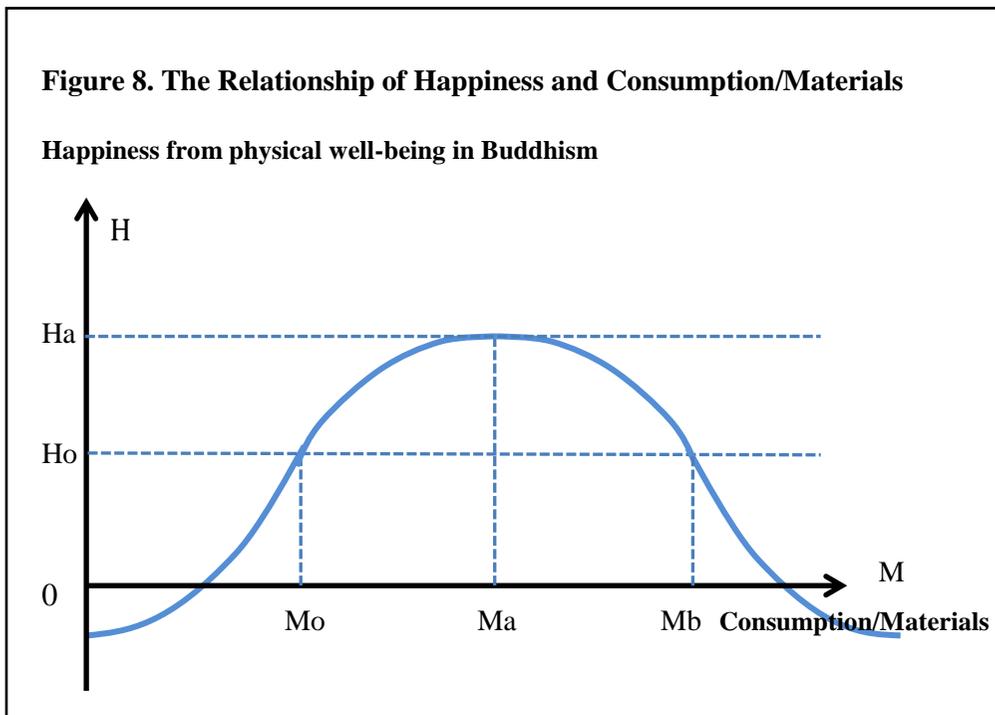
With the middle way of life and moderation, people can consume materials in an appropriate level and know their limits. People should have wisdom to know what level of consumption is appropriate to their situations (i.e, income, work, family) and not cause trouble to them by searching and wanting too much. As a result, an appropriate or right amount of consumption would not cause suffering for themselves and others.

Buddhist economics with the middle way of life concept may be termed as “middle-way economics”, as indicated in Payutto (1992, 39). Its equilibrium is the point that human satisfaction meets true well-being (real need), bringing in the “right amount”. **This is the point at which people can be satisfied with meeting the right demand for life or “optimal for life”, which is moderation. This is also the concept for right living.**

This right understanding of physical wellbeing would make a significant contribution to development. For example, one should know that having too many unneeded material goods or consumption does not necessarily bring in increased happiness, and it may turn out to bring in suffering. For example, having too much material accumulation could be a burden on one’s managing or spending too much time with it (and perhaps

conflicts with others, etc.) resulting in suffering - e.g., stress - or eating too much, which could cause health problems, etc.

The Buddhist concept of happiness in relation to consumption and material accumulation may look like a bell curve shape as depicted in Figure 8, which shows the relationship of happiness at the physical level in comparison with levels of consumption / materialism of an individual.



As human beings need a certain level of material things to survive (e.g., food, clothing, shelter, adequate health), happiness - H - would start from 0 with an approximate portion of consumption or materials - M. At a low level of consumption with inadequate basic needs, higher consumption or materials can increase happiness at the physical level, having a positive relationship until it reaches the peak at Ma. H accelerates from the very low level of M (i.e., less than Mo), but increasingly slows when gaining more M

(i.e., more than M_o), characterized by the law of increasing return and then decreasing return of materials / consumption to happiness at different levels of materials / consumption,. The curve of the relationship between happiness and consumption / materials, after a certain level, is reflected by the diminishing marginal return of consumption / materials in relation to happiness.

The relationship continues to be positive until reaching the optimum level (M_a). After that point, the relationship of happiness and physical consumption / materials turns negative as too much consumption or materials accumulation may bring suffering (i.e., from being unhealthy, asset management burden, pressure, trouble, stress and tension, conflicts, insecurities, dangerous conditions, etc.).

This relationship between happiness and materials may be drawn as a bell shape, implying that excessive consumption / accumulation / resource exploitation tends to reduce happiness. The more materials and resource use after that peak point (representing the right amount) is useless, implying a waste of resources (as that does not lead to an increase in happiness).

People can have the same level of happiness with fewer utilized resources (i.e., at H_o using M_o or M_b - that brings in the same level of net happiness); therefore, people may use unnecessary resources (i.e., the extra M_o M_b is unnecessary as it brings the same happiness level as H_o). Moreover, the increase in excessive consumption turns to increased suffering (as points beyond M_a are where happiness continues to decline). Material acquisition greater than at that point is a waste of consumption and accumulation.

This Buddhist concept of limits to only real needs is a critical difference from happiness in Western theories, which generally postulate that people will search for more and more consumption, and with illusion and

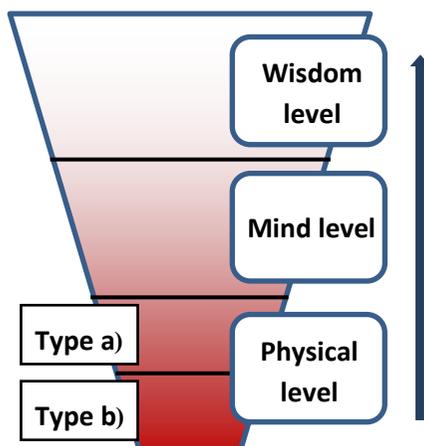
greed. Western theories do not generally separate physical happiness into type (a) and type (b). Most human wants are unnecessary or too luxurious, but people still want more and more (under the assumption of conventional economics that human beings have “unlimited wants”) for sensual pleasures. There is no doubt that massive natural resources have been utilized for “unnecessary wants”.

When conventional economics considering happiness from materials and wealth by mixing both types of demand, people may search for type (b) happiness and find that it is only temporary (and may involve troubles and suffering in order to obtain it); and thus feel that they still need more consumption to maintain their happiness. Such behavior is not encouraged in Buddhism, which promotes only the happiness type (a), which is needed for basic physical wellbeing and human development. People who practice *dhamma* may be able to change their happiness from materials from type (b) to type (a). This direction would support a sustainable development path.

More importantly, Buddhism encourages people to enjoy a higher level of happiness, which can be generated inside or inner happiness from mind and wisdom based. Therefore, **in addition to training people to change their happiness behavior from physical type (b) to type (a), people should be able to move up the ladder of happiness development into level 2- mind -, and level 3 -wisdom.**

Thus, theoretically, the path of developing inner happiness is to move from happiness type (b), unnecessary wants, to type (a), real or basic needs, of the physical level; and then up to the mind and wisdom levels as shown in Figure 9. This Figure distinguishes 2 types of physical well-being from Figure 7 into type: a) – the necessity (real needs) - and b) the unnecessary, at the bottom.

Figure 9 Inner Happiness Path with Divided Happiness at Physical Level into “the Necessity” and “the Unnecessity”



Inner happiness or happiness at mind and wisdom levels may be neglected or off-focus from general theories and policy programs influenced by conventional development concepts, however it is the focus of happiness in Buddhism. While happiness is normally considered from having things to meet one’s wants in the conventional development approach, happiness in Buddhism can be obtained from not having (things). This is happiness at a higher level, which is far beyond the level of satisfaction that exists in Western happiness researches.

The dynamism of happiness from low to high levels also reflects the dynamism of personal development that is scarcely dealt with in the Western human development concept. **Different levels of happiness in Buddhism reflect the difference in levels of human development.** As human beings are different in terms of wisdom and mind development, they

can enjoy the level of happiness at the level of their development. Many ordinary people may enjoy the lowest level of happiness - of sensual pleasures - and may never experience higher levels of happiness, or higher levels of truth.

In order to enjoy their own inner happiness, human beings need to be trained and practice. P.A. Payutto (2011) indicates that the development of happiness is the development of *dhamma*, human beings, and the world. When individuals are trained to achieve inner happiness, the benefits will be with both themselves and the society. The development will be geared for all humankind, not for only some individuals. The world would be more peaceful. Thus, human beings need to learn how to develop themselves for gaining inner happiness.

If the Buddhist concept of happiness is applied to development, then overall world development would be improved. For example, with fewer wants for ourselves, and less dependency on materials, inner happiness can lead to improved overall societal happiness and sustainable development (as also mentioned in Payutto, 1995; Kittiprapas, 2010a, 2010b, 2012). People can be happier with less use of the planet's resources.

The following sections deal with the socioeconomic system supporting *dhamma* practice and inner happiness. Payutto (1992) indicates that economics is a means to enhance human development, which goes along with the path of developing inner happiness. Buddhist economics, which is a means to advance human development and inner happiness, follows the Noble Eightfold Path²⁵. Although this paper promotes right views as the starting point and central to right living, other noble paths are also

²⁵ Noble Eightfold Path consists of right view, right thought / intention, right action, right effort, right speech, right livelihood, right concentration and right mindfulness.

considered important. The following sections highlight key features of economic concerns in Buddhist economics.

4.2.2 The Buddhist Concept of Work

Buddhist economics concerns people more than goods and creativity more than consumption. **It is a human-centered view, not a product-centered view.** There are different concepts and implications for work, life, and social development between Buddhist economics and modern economics. For example, in Buddhist economics, work is a part of life that people can be happy about by working with *chanda* (love or interest to work) as well as make a happily working environment. In modern economics, work is a necessary activity; most people have to make some sacrifices in life in order to earn a living, though this necessity is often accompanied by some suffering (i.e., from lack of compassion, unexpected events, stress, pressure, conflicts, competition, and trading-off family life and leisure time as well as health).

In Buddhism, working can bring in happiness from work satisfaction, self-development, and usefulness to others / society. The more people have inner happiness, the more they work for the benefit of others and the society, not just for themselves. This concept is in contrast to Western economics that, in the main, incorporates the belief that work is a dissatisfaction (but necessary to acquire income) and for any individual is in part a trade-off with leisure, and that workers are still sometimes mainly viewed as “labor” rather than as “human beings”.

With different views and goals, Buddhist economics focuses on workers, rather than products made by workers. Work is an important part of life for everyone to nourish and develop human value in conditions with human dignity and freedom. Work is also a process of human

development. Buddhism encourages people to work to develop themselves and the society. As Buddhadasa Bhikkhu stressed²⁶, working is practicing *dhamma*; thus, work is also a human's duty. Workers can apply many *dhamma* principles while working.

There are *dhamma* teachings to apply in life and work contexts. For example, a key *dhamma* principle for work success is the four principles of success (*cattāroiddhipāda*); (1) *chanda* - inspiration to work, (2) *viriyā* - right effort for the work, (3) *citta* – commitment, and dedication to the work, and (4) *vimansā* - investigation and evaluation of the work throughout the whole process in order to improve its end results. Whatever one does with these four principles, that duty would be successful and make that one happy. For happy working Buddhism teaches people to work with *chanda* (good desires and selfless) rather than *taṇhā* (desires for selfishness or to meet their wants). Applying *dhamma* in daily life and the work would bring forth good results with true happiness. Therefore, in Buddhism, working is also a process of practicing *dhamma* as it is a process of developing human skill and selflessness, and compassion for other people.

In Buddhism, work is not a pressure or has to be done solely in exchange for money, but people can be willing and enjoy working all the time. It is a human duty that can bring in satisfaction and true happiness. People can also choose to do creative work, regardless of return, that can bring in pleasure and satisfaction.

In essence, further implications are that it should not be necessary to strictly work by regular office hours; and people should be able to work anytime and anywhere since they are happy to work as a part of life. In addition, work should not be just an “outside” and paid job, but it can be an “in-house” and unpaid or at home-based work. There are many valuable in-

²⁶ In his Dhamma book, *Work is Dhamma Practice*.

house work opportunities such as taking care of children including to help advance their development potential. Other possibilities include volunteering to undertake useful activities for non-profit and civil society groups. Such work is unpaid and not included in the measurement of Gross Domestic Product (GDP), which is heavily influenced by mainstream economics.

Buddhist economics also supports full employment with different motivation and rewards from that in conventional economics. People have motivation to work by *chanda* and being happy as a reward. As indicated in Payutto (1992), the immediate reward from work is our knowledge / skill development and satisfaction, which help improving our quality of life. People can be happy by working under the condition of *chanda*. This type of work is encouraged. But if one expects high pay or promotion as a condition from work when the outcome does not meet such expectation, one would suffer from the work. This type of expectation is not encouraged in Buddhism as it is not a real reward to improve the real quality of life and it can cause suffering. In Buddhism, real reward from work (with *chanda*) results from work itself, which can bring satisfaction to the worker and others who can benefit from it. Thus, Buddhism promotes real work (with good desire to improve quality of life) to do good things for others. Real work is not the same as being employed in labor markets, as referred in modern economics, and not a trade-off happiness for earning. **The Buddhist concept of work is broader than that defined in conventional labor markets.** Besides unpaid assistance to help meet social service needs, it also includes creative and artistic tasks as well as contributions to spiritual wellbeing and good human relationships for people in society.

Thus, the real value of work also relates to inner happiness and moderate lifestyle. The following section will also support the assumption that with efficient consumption for the goal of usefulness and less use of

resources for production, human beings should be able to be released from unnecessary work and do more useful things which are of real value from work, rather than destructive tasks that may happen in modern activities. Thus, real work that is useful for all can increase in the Buddhist development concept.

4.2.3 Consumption, Production, and the Trade System

Buddhist economics has a special concern that the development of human beings should focus on wisdom and mind development, and not solely on economic activities and products. As noted in Schumacher (1975: 59),

Buddhist economics must be different from the economics of modern materialism, since the Buddhist sees the essence of civilization not in multiplication of wants but in the purifications of human character.

With the nature of simplicity and non-violence of Buddhist economics, patterns of consumption and production as well as trade can be modest. There are reasons for this, as in the following explanations.

Consumption

As moderation is a key Buddha teaching, Buddhist economics suggests moderation in consumption. It must be efficient consumption under the principle of the middle-path (*majjhimāpatipadā*). The “right amount” also means not harming others (referring to all eco-systems). However, to know the right amount or appropriate level of consumption requires wisdom.

A high degree of human satisfaction can be met by a low rate of consumption and modest use of resources. This is obviously in contrast to Western economic utility theory implying that the more consumption, the higher utility (representing wellbeing / happiness), which is a “wrong view”

in Buddhism. **In the Buddhist concept, there is no need to constantly escalate wants for happiness.**

Also, consumption needs to be mindful, as emphasized in the Five Mindfulness Trainings by Plum Village Saṅgha (see section 4.1.1.1), not to be involved with toxins that can create problems and be harmful to our lives. Therefore, consumption that leads to suffering or overuse of resources is not efficient consumption for the middle way of life, which is to consume for real need.

In Buddhism, consumption is meant to relieve us from suffering - i.e., from starving and to provide sufficient nourishment to be able to continue our lives - as well as provide basic needs for higher mind and wisdom development. **Consumption in Buddhism focuses on usefulness or real value** (rather than market value). There are three levels of usefulness from consumption:

- 1) **immediate usefulness** (i.e., for meeting physical needs),
- 2) **intermediate usefulness** (i.e., enhancing quality of life and the mind for higher personal development, and to be useful for others), and
- 3) **ultimate usefulness** (i.e., for the wisdom level of personal development to be free from suffering).

Thus, these are real values from consumption.

In Buddhist economics, wellness or peace and tranquility are not at all based on more consumption but on more training of the mind. As noted in Puntasen (2014),

“consumption does not help to enjoy life. In fact, consumption is also a production process to sustain a healthy life, consisting of healthy body and a healthy mind. A healthy mind must only come from rigorous training of the mind, the same way as physical exercise

is appropriate for a healthy body. Such training actually requires appropriate consumption which implies less rather than more consumption. As for an appropriate consumption by itself, the goal is to consider useful aspects of things to be consumed and they should be consumed moderately. This is optimal for a healthy life”.

Thus, in Buddhist economics, consumption is to optimize consumption efficiency (not maximize utility as in mainstream economics). Utility theory in Buddhist economics should mean utilization for the greatest usefulness (Puntasen, 2001: 479). In other words, consumption in Buddhist economics also means having a production process to sustain healthy life - namely, aiming for healthy body and healthy mind in support of overall mind development.

As mentioned earlier, people should consume based on “real needs” or real values rather than consume with unlimited wants or over-luxury. The Buddhist approach would not escalate wants or induce demand all the time as does the development guided by the conventional economic growth approach that requires increased consumption to stimulate economic growth or GDP.

Production

Production in Buddhist economics requires wisdom as the main input or the most important factor of production. As pointed out in Puntasen (2001: 436), the production theory of Buddhist economics focuses on wisdom as a mode of production, and this system may be called “wisdomism” instead of ‘capitalism’ as in Western theories. This is to maintain the highest goal of maximizing happiness (in Buddhism) by minimizing harmfulness to ourselves and others (as Buddhism also focuses on the non-exploitation to other living beings and nature). Only with wisdom (*paññā*) in both consumption and production can this goal be achieved.

This important function for *paññā* (wisdom) that links consumption and production for real happiness is missing from mainstream economics (Puntasen (2001). ***Paññā can divert the production process away from destruction of resources and the environment.*** If *paññā* is in full control of the utilization of energy and other natural resources, it will result in more use of renewable resources and energy and as little use as possible of non-renewable ones. The negative impact on natural resources and the environment will also be minimized. Thus, production in Buddhist economics takes great care about ecological balance, also concern for reducing waste and the use of renewable natural resources. As noted in Puntasen (2014):

“the ultimate goal of production in Buddhist economics is not to minimize the cost of production only, although it is also the necessary condition, but the sufficient condition is to reduce waste and to use a minimum of renewable natural resources and energy as much as possible and to use non-renewable resources and energy only when it is absolutely necessary”.

One weakness of modern economics is that it does not differentiate the real costs between non-renewable and renewable natural resources. With concern only about market price / cost, people tend to overuse non-renewable materials and care less for future generations. This behavior has threatened resource sustainability. In Buddhist economics, people have to use this resource with carefulness and mindfulness. The production mode has to support the wellbeing of all: human beings, society, and nature.

As noted in Puntasen (2001: 440), *paññā* or wisdom is a critical factor of economic production that can lead to a sustainable pattern of growth and consumption. This is different from modern economics,

which undervalues and over exploits natural resources. Non-renewable resources have to be used with respect, care, and only if really necessary, given our responsibility to take care of and preserve natural resources for future generations (Chiengkul, 2013; Puntasen, 2001).

Production at a level higher than satisfying healthy human life can result in an over-utilization of resources. Eventually, it could also result in threatening the existence of human life, because the ecological system can be badly damaged beyond the point where human life can actually be supported effectively. Buddhist economics takes ecological balance into consideration (Puntasen, 2014).

Thus, **production in Buddhist economics aims for maximizing happiness (in Buddhism meaning) by minimizing harmfulness to all living beings and nature**, instead of maximizing profits with minimal costs of production as in Western economics theory. In Buddhist economics, although private profit is not the ultimate aim of the production unit or business, there have been many successful cases of applications of the Buddhist economics approach to practical business management. This brings in numerous positive effects including adequate financial returns and sustainable business. Such businesses can create happy workplaces by promoting good relations between employers and employees, caring for others and with provision of social services²⁷. Other potential benefits include improved trust and social responsibilities among all parties, as well as production efficiency and sustainability.

Trade

As Buddhism focuses on harmlessness or non-exploitation (to humans, other beings and nature), trade activities in Buddhist economics

²⁷ For examples, see Prayukvong, 2010.

should encourage more human concerns and be less harmful to society and the environment. Therefore, **the trading transaction process should also be concerned with human, social and environmental costs.**

As noted in Schumacher (1975: 62), trading transactions should be done in a short distance or close communities, if possible:

production from local resources for local needs is the most rational way of economic life, while dependence in imports from afar and the consequent need to produce for export to unknown and distant people is highly uneconomic and justify only exceptional case and on a small scale .

This above idea may be against that of modern international trade theory that promote long-distance trade. However, when considering non-economic factors such as costs of energy, effect on the environment and human risks, as well as transportation and transaction costs for long-distant process management, etc., gains from long distance trade may decline. Trade between local communities uses less energy in transportation and preservation of products (i.e., food and fresh products), whereas long distance trade transactions involve higher costs. There are a number of costs (i.e., social and environmental, and human risks), which are not explicitly taken into accounted in modern trade theory that mainly considers gains from international trade in monetary terms.

However, whether short- or long-distance trade is more appropriate should be considered case by case, or by industry, or in light of changes in innovative information technology (IT) over time. For example, a local trade system seems to be at a disadvantage with the low variation of products that a local community may be able to produce; it may lack some specialized products and not have certain necessary resources. This may allow for some exceptions for local trade, if the local community needs some products

that it cannot produce locally or if higher costs would be involved than in a longer-distance trading arrangement. Moreover, with information technology advancement and e-commerce in this modern world, long-distance trade nowadays may involve less energy and transaction costs than previously. Though certain trade patterns may have some different advantages and disadvantages depending on certain periods of development, the consideration should be based on the principle of human, social and environmental costs with non-exploitation or eliminating harm to others and nature..

For example, regarding social concerns, assistance and support should be provided to citizens vulnerable and adversely impacted by changes in the modern industrial marketplace. The market system should not encourage larger and more powerful companies from outside to take over, totally control local resources for production, or destroy local trade and production systems. In consequence, consumers would not have alternatives to work for or purchase locally based production. For example, food industry, induced by market mechanism, is now concentrated in big businesses and local production becomes disadvantage or gradually destroyed. In addition, the influx of modern foreign trade in food and many retail goods may have adverse effects on local food production and retail trade in the country with more human relations in local systems.

In fact, there are some advantages of local production and trading arrangements, which are often ignored in the context of primary emphasis on monetary considerations. Local community production and a local retail trade system promotes the responsibility of producers to sell quality goods to consumers as both parties know each other personally, allowing for responsibility or concern for any harmfulness that may arise (e.g., from toxics or dishonesty). In a society, that knows who is who in the whole

system, social interaction and response can easily affect people in the society. People are afraid of taking inappropriate action due to social response and possible actions more than enforcement of laws and regulations, which can be easily avoided if people lack morality and responsibility. Local producers tend to be more responsible and responsive to the quality of life of their neighbors and community members, which increases social responsibility in local production. In addition, as local people feel attached to local resources, they tend to preserve their environment and natural resources. Thus, shorter distance trade involves less social, environmental and human costs.

By contrast, in modern economic times that promote a larger world trade system, producers and traders aim at maximizing profits with less emphasis on human relations in the whole process of long-distance trades from producers to consumers (e.g., across cities or countries). Producers who do not know consumers may not sufficiently care who would consume their inferior goods or unhealthy food and otherwise have less sympathy to distant consumers, leading to less social responsibility and accountability. Although the modern system has laws and regulations for quality insurance (e.g., for food safety), some producers can still find channels to avoid or manipulate the implementation of regulations if law enforcement is very ineffective. Therefore, the modern trading system of production and consumption involves high costs for enforcement of laws and regulations - using more energy and natural resources as well as the high human cost and potential harm – even though it generates monetary gains from trade as noted in modern trade theories.

In conclusion, the above explanations have shown that the Buddhist economic system with simplicity and low social / transaction costs has human beings as the central concern in all economic activities (i.e., work,

consumption, production, and trade). The Buddhist middle way of life also eases and reduces pressure and conflict in life. People can live happily in moderation with less consumption than in modern economies that assume people who consume more are happier. Production and work must be in the direction of enhancing human wellbeing, not the products themselves. Buddhist economics place higher value on human relations than on goods and consumption. In addition, Buddhist concepts of not killing and not taking intoxicants, reverence for life and for mindful consumption also place emphasis on moral and quality as well as efficiency of consumption for improving quality of life.

4.2.4 Poverty and the Distribution of Resources

Buddhist economics promotes poverty eradication and reduction of inequality in order to advance human development for a higher life goal. It realizes the importance of fulfilling the basic needs of all human beings to develop their full potential for higher human development (including understanding *dhamma* and higher happiness). By recognizing that all living animals experience suffering, Buddhism emphasizes compassion to other lives, and promotes the sharing or distribution of resources to help those in need to be free from suffering physically and mentally.

Buddhism considers that poverty is a suffering, clearly stated by the Buddha. As noted in Payutto (1992: 4), the Buddha once said:

when people are overwhelmed, and in pain through suffering, they are incapable of understanding dhamma” and stressed that “hunger is the most severe of all illnesses and that conditioned phenomena provide the basis for the most ingrained suffering

There is an example in Buddhist scriptures that Buddha provided food for a hunger to eat before teaching him *dhamma* (Ibid, p.2-3). Thus, Buddhism considers economics to be of great significance.

Therefore, Buddhism realizes the importance of basic physical needs to relieve physical suffering. Poverty reflects the inadequacy to meet one's basic needs, thus eradication of poverty is a priority before human beings can advance with further development. In addition, Buddhism promotes equality with the understanding that humans are born equal and are able to develop towards higher happiness. All beings are under the same natural law; they all have suffering and all want to be happy.

Thus, **with the aim of helping all to escape from suffering, the principle of optimal distribution of resources in Buddhist economics depends on the real needs for living, rather than mainly of solely on productivity as in conventional economics** (as also pointed out in Puntasen, 2001: 483). Buddhist economics is concerned with the distribution of resources from the point of view of all humanity rather than on a purely economics point of view. In addition, Buddhism does not promote self-interest, so development should lead to less selfishness and less greed. The rich or businesses with high productivity that receive high returns from development should be willing to help those who face suffering without fulfillment of basic needs by sharing their resources with the needy. However, this cannot happen without the promotion of mind-level happiness with compassion and loving-kindness to others. In Buddhist communities such as certain temples or meditation centers, the available food is for anyone.

In addition, government mechanisms can facilitate this sharing process. For example, government can support this process of distribution of resources with a direct mechanism; for example, providing incentives for

sharing or taxing some extra gain after a certain level of income and directing it for the needy in local areas (or in specific places for certain target groups, etc.). This would also promote better human relationships between givers and receivers as both can know who are the providers and receivers; and the providers can receive assurance that their resources can actually reach the needy. This process would promote more compassion than the general tax system (including either a progressive income tax or property tax that the payers do not know where and how to be used), and assure all available resources are efficiently used by the government to those needy. Local government such as municipalities could apply this system as well.

Sustainable development relates to equitable distribution of goods and resources. If more goods / services and resources can be allocated to the poor to obtain basic needs, the poor would have no need to invade new land or resources. On the other hand, if resources are unequally distributed and those who lack basic needs received unfair distribution, this would increase the tendency for environmental deterioration and a worse environmental situation as well as conflicts in the society.

The highly uneven income distribution also reflects the significant exploitation of resources consumed by the super high income. The world is unlikely to be in the sustainable development path with only 20 per cent of the world's population consumes over 70 per cent of its material resources, and owns over 80 per cent of its wealth. With such high income inequality, material consumption and resource utilization are drastically in high as the extreme high income class tends to consume high cost goods for their overly-comfortable and luxurious life style.

Therefore, an equitable society without poverty in basic needs is consistent with sustainable development. The Buddhist development approach supports the fair allocation of resources because it focuses on

moderation, selflessness, generosity / sharing, and compassion. With the understanding that all individuals are born with suffering, their real needs need to be met equally to relieve their physical suffering. Therefore, the application of Buddhist concepts would be a solution to poverty reduction and social inequality as well as promoting sustainable development.

4.2.5 Relationship with Nature

Buddhism emphasizes the importance of natural resources, which are essential for human well-being. Moreover, Buddhism focuses on the interdependence of all things and the relationship of human and nature, as well as advocates harmonious and peaceful co-existence between human beings and the natural world, leading to less self-centeredness and greater concern for others and nature.

As mentioned in Payutto (2013), **effective sustainable development needs right views towards life and nature for mutual support of living things and earth.** With the understanding that human beings are part of interconnected natural system of causes and effects and all beings (human and animals) are friends under the same natural laws, human beings should be kind towards all beings and nature. With inner happiness, human beings can live happily with modest use of resources and harmony to nature.

Thus, the Buddhist concept of development not only recognizes the importance of natural resources but the whole natural system at large. It is essential that human beings have to avoid violence towards nature and not dominate nature for convenience.

Happiness development concepts proposed in the New Development Paradigm (NDP) also express the relationship with nature. As noted in the NDP report (2013: 37)

Happiness is described as arising from a sense of connectedness with nature, communities, and the world, and as stemming from services to others. And the condition of happiness is well-being of humans and other species.

Thus, development pathway based on Buddhism requires a true understanding of the interdependence of nature and all beings as well as causes and effects of all things.

With inner happiness in Buddhism, human behavior would be kind towards other humans and other beings and nature with the understanding that human beings are a part of the overall interconnected nature at large. This view and relationship lay a foundation for economics, human and social development as well as our relationship with nature, and can form a new framework of development for sustainability.

Buddhist economics in this paper suggests that all economic activities, producers and consumers have to deal with nature with great care, responsibility and accountability. As Buddhism focuses on happiness in mind and wisdom with modest consumption and modest production, sustainable development with peace and tranquility under the condition of ecological balance is possible in Buddhist economics.

Thus, in addition to “right livelihood” as focused in the Buddhist economics in Schumacher (1975), Buddhist economics concept in this paper promotes “right views” towards life and economic activities (i.e., work, employment, consumption, production, trade, distribution of resources, and relationship with other beings and nature). This system would also result in fairer resource allocations and poverty eradication. Therefore, the Buddhist development concept, discussed in this paper, is pro-poor and pro-equity as well as promoting inclusive development (concerning the disadvantages,

community participation, local economic system, and small-scale business)
in order to relieve sufferings for all.

Chapter V

A New Concept of “Buddhist Sustainable Development”

As discussed in previous chapters, a new concept for the ‘right’ path of development is needed and Buddhist approach can offer a solution. It is time to change the development mindset and rethink the sustainable development framework with the right path and right views, which could shape a direction for effective sustainable development. Putting inner happiness as the key for sustainable development could be a critical change.

The existing framework currently applied by the global community defines sustainable development as *"Development that meets the needs of the present without compromising the ability of future generations to meet their own needs"*²⁸. However, this interpretation is unclear in some aspects such as concepts of inter-generational wellbeing; a framework of interdependent factors holistically, and in particular, the mechanism or pathway to reach the sustainable development goal, etc.

This sustainable development framework can be interpreted as to request the present generation to compromise present needs for future needs so that future generations would not compromise their own needs. The issue is whether this request can be realistic if people of this generation still have so much greed and attach to low level of happiness for them. This concept misses the path of “how to” and seems to “trade-off” with their happiness (from fulfilling unlimited wants) in that people in the present generation have to compromise their needs (which they may not be happy to do owing to their attachment to a low level of happiness). If people are not happy to

²⁸ From *Our Common Future* (1987).

make the compromise sacrifice, can this goal become possible or sustainable?²⁹ This concept does not focus on the root cause of human greed / defilements and the way out of it through inner happiness.

That is why this paper focuses and analyzes the happiness issue, using the Buddhist approach that deals with problems from the root cause. This new sustainable development framework proposed in this paper promotes the limitation to real needs with real consumption for true quality of life, while not trading it off with true human wellbeing and happiness. It is not necessary to compromise people's present happiness for future happiness, as they can be happy at present with modest needs and higher forms of happiness.

5.1 The Conceptual Framework

This new concept of “Buddhist Sustainable Development” (BSD) requires “right view” on fundamental truth with an understanding of inner happiness. That would lead to inner freedom, which is the foundation for physical and social freedom without being harmful to others or to nature. **This BSD concept originates from the inner mind of human beings with positive impacts to the larger natural, social and economic systems. Thus, it is essential that this sustainable development path is driven by inner happiness of individuals.**

Therefore, this proposed framework focuses on independent happiness along the path to purify minds towards the highest life goal of liberalization, and with an individual's appropriate needs as well as appropriate systems allowing for the middle way of life and middle-way economy. **The relationship of human, social, economic, and environmental factors in this BSD framework can use less quantity and**

²⁹ P.A. Payutto also stresses these points in *Sustainable Development* (1995).

increase quality of natural resources. This is a pathway towards real sustainable development.

BSD encourages people to realize real value of products / materials to be consumed only for improving quality of life, not to meet defilements that never end. As discussed in 5.2.1, this paper conceptually classifies human desires at the physical level into two types: (1) that really needed for human well-being³⁰, and (2) unlimited wants not necessary for real quality of life. When we feel internal conflicts in choosing between the two desires, we should go for the first type for improving quality of life.

Human beings cannot live without the first type of physical basic needs for survival, but can live happily without the second type of materials which are essentially luxuries. With inner happiness in mind, the second type of wants is not necessary or over-accumulation. Limited desire for only real needs for (or close to) a standard quality of life would reduce the overwhelming consumption in luxury items and be mindful to consume only what is really good for life (or real quality of life). Human beings would have fewer wants for physical / materialistic things and less consumption, leading to less production and less use of natural resources. Thus, the BSD concept can maximize human wellbeing with minimizing consumption or less use of scarce resources.

As Buddhism encourages people to be happy and satisfy only real needs for true human wellbeing, there is no need for over-spending or unsustainable exploitation of resources, which do not increase real quality of life. Real consumption (for real needs) is meant to increase real quality of life, which is rational for consumption in Buddhist economics. People should not consume anything not intended for increasing real quality of life.

³⁰ Some may use the term 'quality of life', as used in Buddhist Economics by Payutto (1992).

Appropriate consumption in Buddhism must be efficient because it has purposes in following the life goal ladder: 1) immediate usefulness for basic physical and social needs; 2) intermediate usefulness for the mind, morality and quality of life; and 3) the ultimate usefulness for inner freedom (free from any attachment).

5.2. Rationale for Changes

Promotion of this concept that includes a limit to real value consumption can restrict unnecessary material uses and the over-exploitative behavior of human beings who have unlimited wants. At the same time, it promotes that people can be happy (and even increasingly happy) by living in moderation. People can have high levels of happiness with moderate consumption and resource use. This is different from modern Western theories that permit unsustainable nature of happiness and non-stop consumption. Without a well-trained mind, this desire for more and more consumption will never end, and too many physical and other resources have to be used to maintain this low level of happiness. Therefore, this type of behavior would definitely be in conflict with limited natural resources available in the earth. The world would not be in a sustainable path with the escalation of consumptions and over materialism in the consumption-led growth economy. This is the key problem threatening sustainable development, and the problem is escalated by the increased population and urbanization as well as industrialization that increase in more materialistic societies.

As explained in Western economic theory, people pursue self-interests and are in competition with each other. With unlimited wants, they struggle to get more and more materialistic consumption for their own happiness. People have attachment to unreal consumption and unreal happiness in materialistic societies, in which people would have stress,

struggle with competition, and may be unkind to others because they have to take advantages for themselves. If everybody in the society wants more and more consumption and accumulation, this behavior can cause conflict to others who also want it and those who really need it. How can this earth with limited resources constantly serve unlimited wants of human beings?

Problems can arise at the country level and internationally. Developed countries with more materialistic orientation have utilized resources more than their resource availability, and have to exploit (and sometimes invade) or bring adverse impacts to the environment of less developed countries. For example, the U.S.A. alone has about 5 per cent of world population but consumes about 40 per cent of the world resources and 30 per cent of world energy.³¹ The U.S. accounts for about 30 per cent of total global warming (higher than the total sum of Asia, Australia, Middle East, Africa and South America together)³². Imagine when many large countries - i.e., China, Brazil, India, etc. - become more urbanized and developed how much more resources would be necessary to serve those increased consumption as they may like to pursue growth like other developed countries. As concerned, *“If all of the developing countries now emerge from poverty and develop a middle class and sound economics, like we hope they do, then by 2050 we will need three or four earths to support them all”*³³.

Therefore, given that resources on the planet are limited, a socioeconomic system that stimulates people to consume more and more with unlimited wants would not work. That is why the present development paradigm under the consumption-led growth model cannot effectively solve

³¹ As point out in Payutto (1995:94)

³² As indicated in Gore (2007)

³³ Quoted from Development Asia, Nov. 2013, p.13. cited from Kitty van der Heijden, the Netherlands representative on the UN Open Working Group.

the world problem of unsustainable development; and happiness at physical level that has been used by general studies is not the solution.

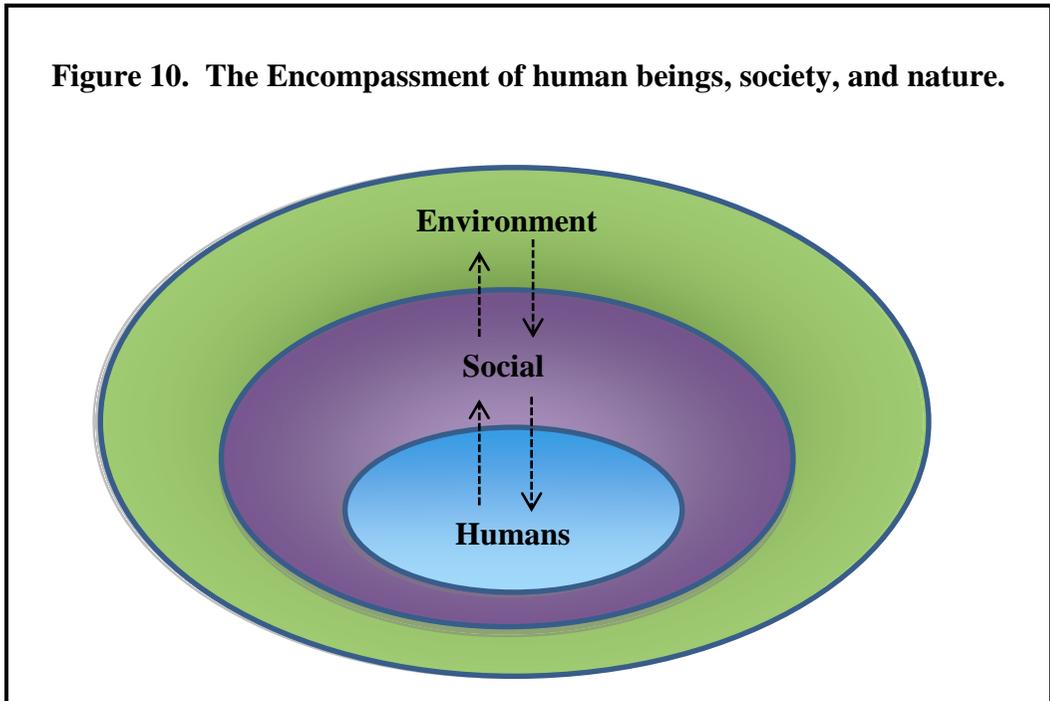
Buddhist development concept, in contrast to the Western consumption-led growth concept, focuses on simplicity and not exploitation as well as providing means for a high level of human satisfaction by appropriate consumption using the minimum natural resources in production as possible. Natural, social, and human resources and capacities have to be maintained, not diminished or depreciate in value and quality, in order to serve future generations. As human wellbeing also depends on nature, use of fewer natural resources or improvements to the quality of nature can also increase human wellbeing. On the other hand, to overuse or be harmful to nature is to do harm to the society as a whole. People can increase wellbeing by not consuming some things in order not to adversely affect the benefits of nature, which in turn benefits human well-being. **Therefore, the BSD concept values maintenance of the environment and its quality, instead of consumption beyond real needs.**

5.3. Key Features of Buddhist Sustainable Development

BSD, promoting inner happiness (with fewer wants), leads to efficient consumption for real needs, less use of resources and only for purposes of usefulness for all in society, also for socially and environmentally responsible production, useful work that also benefits others, and increased allocation of resources to the disadvantaged. People should equally receive fulfillment of basic needs (or have no poverty) to be able to advance their human development to higher levels.

Overall, this BSD concept suggests a socioeconomic system to realize the interconnected of human beings, nature (including other beings

and non-beings), and the society as a whole. As demonstrated in Figure 10, human beings is the central concern, but in a larger system in social and nature connectedness.



These three aspects of humans, social and environment have to harmonize and support each other. Any action or activity of any human should not be harmful to others in the social and eco-system. For example, technology has to support the harmonization of these three aspects, not conflict or cause harm in any aspect. Moreover, technology has to be used in such a way that promotes real wellbeing and sustainable development. With love, care and gratitude to nature, human beings would face less conflict with others, and economic wellbeing would no longer be a trade-off with natural well-being. Energy and resource saving can be utilized for social development. Therefore, the wellbeing of individuals, society and nature have to progress in the same direction, as they all support each other.

Moreover, for human wellbeing, BSD focuses on inner mind development of human beings that can harmonize interconnected aspects.

For the right way of living, BSD suggests following the Noble Eightfold Path, the middle way of life. This paper places emphasis on “right views” which is the beginning of the right path for overall living. One has to view all human beings (and other beings) as friends who also have similar sufferings under the same natural law. Human beings should be viewed as a part of the larger natural system with the ultimate goal for human life being for sustainable happiness rather than temporary happiness. If human beings can have inner happiness, they have no need to exploit others and nature. They can live with unlimited loving kindness and harmony with others and nature. When human beings have inner freedom, they would have external freedom and compassion towards other lives and nature - leading to living in harmony, happiness, and balance. This can lead to true sustainable development.

In other words, if human beings have wrong views towards the lives of other beings and towards nature and exploit others, the society would have conflicts; those who are exploited would also exploit nature. That is not a sustainable path of development. It is a trade-off with the wellbeing of others, and /or with nature. Therefore, right views toward life goals (with inner freedom / happiness) are a firm foundation for right behavior to deal with others and nature, and that leads to a sustainable path of development.

Clearly, this path needs a limit for unnecessary accumulation and resource utilization. This requires simplicity in life. It is a better way of resource allocation to make others, including future generations, happier. Simple living by enjoying inner happiness leads to moderate consumption. Given inner happiness, consumption can be achieved in the most efficient way with least utilized resources, implying higher chance for

sustainability. With less self-centeredness and less accumulation, people would have more time to do useful things leading to real quality of personal growth, cooperation with people, helping each other, and having a good relationship with others. People in society should equally receive benefits from this kind of development.

In line with Buddhist economics, BSD tends to support the distribution of resources, economic activities, and power to local communities / areas. The economic system would allow for many small systems and economic agents in less distant interactions in which people have more and better human relations, more equal distribution of goods and resources, greater caring towards others and nature, more social responsibilities, appropriate technology for local and environment-friendly production, and thus promoting local ownership and energy saving. Therefore, under the BSD concept, the decentralization of economic power as well as political and government power to local communities can support the wellbeing of people. **Overall, the behavior of people in the BSD concept should be driven by wisdom in lifestyle, rather than selfishness and unlimited wants, so that people can achieve high levels of happiness.**

5.4 Changes needed in development thinking

The inner-human focus is missing in the mainstream sustainable development concept, which has not solved current global problems effectively. In this regard, BSD can make a difference. The concept links the two subjects of sustainable development and happiness together. **A pathway to mindfulness and wisdom for inner happiness is a key change to drive the new direction of development.** Human beings can have higher mind development, leading to better human behavior. Human societies have to move towards greater caring and sustainability by a deep understanding

relationship of all beings under the law of nature as well as appreciate nature that enriches human wellbeing. In Buddhist perspective, human relationships should be under the culture of loving kindness and cooperation, instead of competition and exploitation. Societies would have more equality and justice, be more respectful, peaceful, free from poverty, and better human behavior and relationships (control by *sīla* and other *dhamma* doctrines).

After all, inner happiness is the starting point of all changes. As mentioned in Payutto (2013),

“All such changes must begin in the mind. They can only be achieved by the mind that enjoys inner peace, freedom, and happiness. If we are to establish peace on this planet, we must develop inner peace by freeing ourselves from craving, lust for power and all contentious views”.

Thus, successful sustainable development needs to deal with human mind and behavior to strengthen the social and economic conditions necessary for life. In fact, the highlight of BSD’s focus on “needs” rather than “unnecessary wants” is consistent with the focus of sustainable development concept of the Brundtland report. **However, in light of human greed and unlimited wants, BSD places greater focus on human behavior and “how to” improve it through the promotion of inner happiness.**

5.5 Support needed at policy and operational levels

A comprehensive support system, larger than individual level, is also needed to achieve expected results. Although proposals for policy implementation, operational guidelines, further research and case studies are

beyond the scope of this study, the paper offers a few suggestions for supporting measures and initiatives that arise from the preceding analysis.

In addition to individuals, advancement of the concept of Buddhist sustainable development (BSD) requires assistance, support and cooperation from the government, business, and education sectors, etc., including civil society.

For example, to promote inner happiness, government should not rely only on consumption stimulus policies (based on the consumption-led growth model), but should support economic policies designed for a sustainable pathway with moderate consumption and production patterns.

Ideally, government should be able to ensure necessary welfare support and enable the citizenry to feel secure in economic and social living. For example, government could ensure decent employment (even in the informal sector), especially for the poor, apart from an appropriate welfare system. The philosophy of Sufficiency Economy (discussed in chapter 2.2.3.1) can be applied in agriculture³⁴, for example, to help poor farmers to be self-employed on their farms with at least a minimal sufficient basic living, and reduced risks. This would be a good model for happy outcomes in their work and lives, at least in terms of their standard of living and general happiness.

As briefly discussed in 4.2.4, incentives or direct tax mechanisms such as direct transfer payments that assist and promote more compassion could be used for facilitating a formal sharing system and efficiently direct more resource allocation to services for targeted disadvantaged groups. After all, good governance is required for efficient implementation mechanisms at all policy levels.

³⁴ There are various successful cases in Thailand in the application of Sufficiency Economy Philosophy in various sectors, including business sector.

In addition, government should encourage a “sharing economy” in the business and commercial private sector, and through civil society endeavors to promote more compassion among people. Experiences of other jurisdictions can be reviewed, including with a view to help minimize resources needed in the national economy

The business sector also plays a crucial role to carry forward the movement towards the direction of BSD. Changes are needed from a “business as usual” approach to business with compassion (for all partners including workers, the disadvantaged in societies, and nature). Good business practice with ethics can help create happy workplaces and happy societies. Information sharing and exchanges in good models of business-applied Buddhist approach, including the sufficiency economy concept, should be encouraged.

Education is another important sector in hastening BSD. Education nowadays focuses more on general knowledge and specific skills acquisition than on life skills promoting cooperation and happiness among individuals and in the society as a whole. Traditional wisdom has been neglected in many modern sciences and subjects as taught in schools and universities. In addition, to promote wider and deeper understanding of the universal concept of natural truths, it would be valuable to encourage learning exchanges of Buddhist happiness and Buddhist economics to broader groups.

Progress in these challenges, among others, and in related public policy measures, can contribute meaningfully to implementing BSD. However, there are many more aspects of work to be done at operational levels as well as empirical and theoretical research on this concept. These are also challenges and opportunities lie ahead for future works

Chapter VI

Concluding Remarks

There are many recommendations for sustainable development as this issue has been a subject of discussion in development for a long time. While the mainstream sustainable development framework is likely to focus on environment and resource management - the supply side of sustainable development - this paper focuses on consumption management – the demand side - which is more difficult to control. While other approaches focus on physical resources, this paper discusses the subjective aspects of development inside the human mind. **By focusing on human behavior, the paper suggests a holistic approach for human mind development as a foundation for sustainable happiness for all; and has proposed a new sustainable development concept, called Buddhist Sustainable Development (BSD).** This approach stresses human development together with right views towards happiness, life and nature. Human beings can live happily with moderate consumption, in cooperation and harmony with society and nature, as well as sharing for equitable resource distribution. This provides holistic development for human wellbeing physically, mentally, and spiritually.

As explained in earlier Chapters, BSD with a human development focus can increase subjective wellbeing of individuals, and through its contagious effects, leading to societal happiness and sustainability. **Therefore, human development with emphasis on inner happiness is an additional key element to existing economic, social, and environment elements of the mainstream sustainable development framework.**

The existing concept of sustainable development on compromising present needs for future generations may be difficult to achieve as long as

individuals remain normally concern for their own happiness (at a low level). Unless people are taught and developed and become able to enjoy their inner happiness, they would not sufficiently care for others or future generations. That is why Buddhist sustainable development through inner happiness stresses the path for a higher level of happiness, which can result in a change in human behavior and consequently would lead to effective sustainable development.

BSD is derived from the Buddhist concept of human-mind development, with emphasis on the assumption that human beings - with (assuming) moderate needs and less attachment to unnecessary desires / materials - have the capacity to strive for greater happiness with less exploitation, leading to a sustainable path of development as well as living in harmony and peace. Thus, as discussed in this paper, a short definition for BSD³⁵ is:

Buddhist Sustainable Development driven by human-mind development with inner happiness, resulting in moderate consumption and less exploitation of natural resources as well as increased compassion towards humans, other beings and nature.

The Buddhist sustainable development approach with the above definition may not relate directly to resources available for future generations, however this path of human behavior would ultimately result in sustainability through harmonious living of all beings on earth (in any generation) over time.

³⁵ The author would welcome feedback and suggestions on this propose definition of BSD. Contact email: skittiprapas@gmail.com

ANNEX 1.

How to Develop Inner Happiness in Buddhism

This annex aims to provide a brief guidance on how to develop inner happiness from Buddhist practical methods. As mentioned, human development to gain inner happiness is the process of practicing and realizing *dhamma*³⁶. If anyone can apply *dhamma* for daily life and work, that person would live his or her life in a right path and would be happier. *Dhamma* practice can be applied at all time and places, so it is not necessary for a person to be isolated or go to a monastery for practicing. It can be done in daily life: in every moment, thought, speech, action and behavior.

According to Buddha's *dhamma*, the key living principle for human beings to be happy and not suffering is the right living guidance or Noble Eightfold Path (*maggā* 8), which are:

right view,
right intention,
right speech,
right livelihood,
right action,
right effort,
right mindfulness, and

right concentration. Thus, the Noble Eightfold Path is the combination of *paññā* (*insights*), *sīla* (*morality*) and *samādhi* (*concentration*) levels,

³⁶ In a Dictionary of Buddhism by P.A. Payutto (2008), *Dhamma* is translated in English as things, states, and phenomena, and *Dhamma* for purposes is virtues for those (p.64-65). Or, *Dhamma* is the laws of nature; the truth of what the Buddha taught – from <http://buddhism.about.com/od/basicbuddhistteachings/a/What-Is-Dharma-In-Buddhism.htm>

covering all core principles in Buddhist teachings. Therefore, it is the Noble Path for achieving the highest goal of happiness or enlightenment.

In addition, there are some basic principles to develop inner happiness. For example, training in goodness³⁷ – which are (1) *dāna* (generosity) in order to reduce the tendency for greed, (2) *sīla* (morality) to reduce the tendency for anger and hatred, and (3) *bhāvanā* (development) in order to reduce the tendency for ignorance. These evils of greed, anger and hatred, and ignorance are the sources of defilement; ignorance is the worst one. Without any defilement, people and societies will achieve higher levels of happiness.

Training in goodness related to these three elements is important for inner happiness. *Dana* can make people happy from being generous, giving, devotion to others, instead of taking from others. *Sīla* can enable people to have morality, good behavior, kindness and compassion to each other. In addition, the most important one – *bhāvanā* – is to practice in a development path to cultivate wisdom for each individual. There are two types of *bhāvanā* practices: *samādha* (concentration) and *vipassanā* (insight / contemplation), which have some distinctions in practical details³⁸.

Real *dhamma* of any principle can be done at any time in activities / occasions in our daily living. However, a high level of *dhamma* such as *bhāvanā* needs individual direct experience for self-realization. That is why realizing Dhamma is not only to read / understand or learn from others or think about it, but importantly to also realize it by self-practice.

There can be different ways of practicing for different individuals to achieve the highest happiness level or the extinction of all defilements (*nibbāna*). Individuals can practice different techniques to reach the same

³⁷ As explained in P.A. Payutto, *A brief Introduction to the Buddha- Dhamma*, 2011, p. 19

³⁸ Detailed points of distinction can be found from P.A. Payutto, *Vision of the Dhamma: A Collection of Buddhist Writings in English*. P. 106-108.

goal, depending on how it works for each person. For example, the directly practical path for achieving inner happiness until reaching the highest level that Buddha suggested is the **Four Foundations of Mindfulness** (*cattāro satipaṭṭhāna*). In fact, right mindfulness is one component of the Noble Eightfold Path. It is the path for enlightenment – which can be developed through the four foundations of mindfulness based on 1) body, 2) feelings, 3) mind, and 4) laws of nature (i.e., realizing the three characteristics of truth³⁹, the natural interdependence⁴⁰, or *dhamma* insights). Individuals can be mindful to any of these four foundations as brief examples in the following:

(1) ***Kāyānupassanā*, or contemplation of the body, is mindfulness regarding the body.** Practitioner has to realize the body, i.e., from any body movement or touch, as only a body which do not belong to us or them or any oneself. This is to see body as only a combination of elements (not as self-belongings) and continued observe the body mindfully until one can see the three characteristics of truth- which is the impermanent, suffering, and selflessness (or non-existence).

(2) ***Vedanānupassanā*, or contemplation of feelings, is mindfulness regarding feelings.** This is to observe feelings, which - at any time - can be pleasure or pain, satisfying or dissatisfying, happy or suffering, angry or calm, etc., without trying to control the feeling or intervene in it. A practitioner of mindfulness only sees the feeling as an outsider, who is not part of it (can realize that pain arises but not as his or her own pain). One has to continue to observe it until one can see the changing nature of it - namely the beginning, the existence, and the disappearance of that feeling- and this nature can happen all the time. Finally, one can see that the feeling

³⁹ Facts characterized by three angles: 1) suffering, 2) impermanence, and 3) selflessness (non-existence).

⁴⁰ For example, the interrelationship of causes and effects, the relationship of all beings and non-beings in the nature.

is impermanent (i.e., can appear and disappear), no existing or selflessness. Thus, one understands the three characteristics of truth.

(3) *Cittānupassanā*, or contemplation of mind, is mindfulness regarding mental conditions. This is to naturally observe one's mental condition, whether it is good or bad, and how it is without trying to intervene or control it. The practitioner has to see the nature of the mental condition - such as thoughts which can arise at any time owing to its nature of changing or it can come and go. This is to see what happens in the mind as observed from outside; i.e., to see how thinking or imagination comes and goes, but the observer must not go with it (like a person standing beside a street watching cars come and pass by but without getting into one of the moving cars). In other words, this is to only be aware of the state of mind of the person being observed without wanting it to be different or changing it. For example, the practitioner only realizes what kind of thought arises in the observed person's mind - i.e., whether it is good or bad - as that thought which is not in the practitioner's control. One can see any defilement arise without trying to get rid of it, but to continue to observe it until one can see the three characteristics of truth from it. The practitioner is only an observer to see that whatever occurs in the mind can come and go by itself. After all, that mind observer can realize that nothing is permanent. Finally, that person would also realize all the natural laws of the three characteristics and understands that the mind (with the nature of suffering) does not belong to ourselves (or selflessness) and that mental conditions cannot exist permanently.

(4) *Dhammānupassanā*, or contemplation of mind objects, is mindfulness regarding *dhamma* principles. This is to really know what it is in *dhamma principle*; namely, to realize that it is the process in the Four Noble Truths or in *idappaccayatā* (causality or natural interdependence),

etc., to know how it can happen and end, and to understand all facts or the nature of *dhamma*.

The core principle of these four foundations of mindfulness is to know what happens as it is, or to observe what happen. A person only feels or observes any defilement (illusion, anger, or craving) neutrally, without any intervention on it, but it would finally disappear with the nature of impermanent. Continued practice will increase inner happiness until the one achieves the highest level of happiness completely free from all suffering.

With mindfulness being engaged to one of the four foundations - body, feelings, mind conditions, or *dhamma* - from what happens, the practitioner would have a calm, clear, and purified mind as well as insights from understanding natural laws of life and nature. That person would gain knowledge from awareness. This is how one can achieve a happier life.

However, the practice on mindfulness focusing on one of these four foundations does not mean that the practitioner have to be based on only one foundation, completely separated from each other. A person can switch the observation from one foundation to the other; i.e., from mind, then body, feelings or natural laws, depending on what happens to be observed or what arises to be mindful at that moment.

Continued mindfulness practice leads to full awakening and happiness as our mind has no chance to attach to any defilement that normally interferes with the work of body and mind. Finally, one can see the nature of impermanence, resulting from inability to withstand pressure from within or outside. As everything is changing, there is nothing to hold on as one's self or selflessness. Then, wisdom arises and one can achieve the highest level of inner happiness. This is the mental condition of greatest happiness with full awakening. There would be no room for suffering from *kilesa* (defilements) as the mind is occupied by right mindfulness.

As emphasized by P.A. Payutto, to progress in inner happiness is also progress in human development to have a good life with insight and elimination of suffering. Even one who has not reached the highest level of happiness can be happy along the path as long as one is moving in the right direction. As Thich Nhat Hanh ⁴¹ indicated, one can enjoy every present moment with mindfulness; and happiness is “here and now” for everyone. Every moment of mindful awakening can bring forth happiness, without worrying about achieving the highest goal. One should enjoy the present moment of mindfulness and happiness but should not pressure oneself for a challenging hard-to-reach goal. However, if one keeps on developing mindfulness in the right direction, one would finally achieve the ultimate goal naturally.

Progress in *dhamma* practice comprises the direct experience of each individual. The progress at high level requires rigorous training of the mind. Thus, it mainly relies on individual effort and determination to move up to higher levels of insight and happiness.

⁴¹ From Thich Nhat Hanh (2010a), and Plum Village teachings.

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