

Buddhist economics – an enlightened approach to the dismal science

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BOOK REVIEW

Buddhist economics – an enlightened approach to the dismal science,

by Clair Brown, New York, London, Oxford, New Delhi, and Sydney, Bloomsbury Press, 2017, 202 pages 25.00 USD (hardback), ISBN 978-1-63286-366-9, ISBN 978-1-63286-367-6 (e-book)

Clair Brown is a well-known economics professor at UC Berkeley. Her new book provides a fresh, new insight into the field of Buddhist economics. What is the real novelty of Clair Brown's book is that it connects Buddhist economic thought with the latest results of Western economics and presents a coherent and robust vision of a Buddhist economy. The book is endorsed by eminent scholars including Nobel Prize-winning economists Amartya Sen and George Akerlof.

Buddhist Economics as a field of study begins with British economist E.F. Schumacher's famous essay "Buddhist Economics," published in his best-selling book *Small Is Beautiful* (Schumacher 1973). He argued that the Buddhist requirement of "Right Livelihood" means there is a Buddhist economics with the goal of purification of character and liberation. He bases Buddhist economics on the central values of simplicity and non-violence which can be realized by consumption and production that maximize well-being with minimum use of resources.

Another seminal contribution to Buddhist economics was made by the Thai Buddhist monk Ven. P. A. Payutto (1994) in his book "A Middle Way for the Market Place." He stresses that production, consumption, and other economic activities are means to achieving well-being of the individual, the society, and the environment. Right consumption is the use of goods and services to achieve true well-being. Wrong consumption is the use of goods and services to satisfy the desire for pleasing sensations or ego-gratification.

More recent contributions to Buddhist economics include works by Zsolnai and Ims (2006), Dalai Lama and van den Muyzenberg (2009), Zsolnai (2011), Tideman (2016), and Magnuson (2016). These works systemically address the problems of business, environmental protection, social well-being, and economic performance from a Buddhist point of view in the contemporary economic context.

Clair Brown is very much concerned about climate change and global inequality and firmly believes that Buddhist economics can supply a remedy for the most pressing problems of humanity. She suggests that it is in our power to go beyond consumption, to connect to others with compassion, and to exist in harmony with Nature.

Brown criticizes free market economics where person's well-being is identified with utility ("satisfaction") measured by income, and a country's well-being is measured by its market output or total income (2). She suggests an alternative framework where people are seen as interdependent with one another and with Nature and the goal of economic functioning is to minimizing suffering for people and the planet. In such a framework every human being is assumed to have a right to a comfortable life which includes basic nutrition, health care, education, and the assurance of safety and human rights. A country's progress is measured not by its GDP growth but by aggregation of the well-being of all residents and the health of the ecosystem (2).

Brown emphasizes that the transfers of income from the rich to the poor improve economic outcomes because the well-being of people is interconnected. She agrees with philosopher Peter Singer (2015) that buying luxuries cannot be justified if the money could

be used to save a person's life (4). So Buddhist economics advocated by Brown is diametrically opposed to the free market model (6).

The ontological presupposition of Buddhism that central to Brown's thinking is *interdependence*. She stresses that interdependence in Buddhist economics is expressed in three ways. "The first involves using resources to enhance the quality of life for ourselves and for others. The second integrates caring for Nature and our environment into all activities. And the third involves reducing suffering and practicing compassion, both locally and globally" (8). In her book, Brown focuses on the individual level, i.e., how *people* can create meaningful and happy life for themselves, and on the societal level, i.e., how *governments* can develop and support policies that benefit everyone in a sustainable way.

Brown uses three components of the Buddha's Noble Eightfold Paths, namely right action, right livelihood, and right effort. These work together where "right action" means to do everything with mindfulness and compassion, without harming ourselves or others; this goes with right livelihood, earning a living without harming others while nurturing our good qualities; and these are part of right effort, which develops our wholesome qualities such as generosity, loving kindness, and wisdom and stamps out our unwholesome some, and opposite, qualities (greed, anger, and ignorance)" (15). A major implication of this view is that – contrary to the mainstream economic belief – we should not aim to maximize our own income but *consume less* and do it in a mindful, non-attached way (16–17).

Based on the burgeoning happiness research, Brown emphasizes that quality of life indicators are not related to average national income and they worsen as income inequality rises across countries. "Happiness and quality of life are related to a country's level of income inequality, but not to its average income" (33). *Inequality* is harmful because the health and social problems of those at the bottom harms us (34). Brown agrees with economist Robert Frank (2010) that the so-called "positional arms race" is destructive both for the individuals and for society at large. "Buying status is wasteful and does nothing to improve total social welfare" (37).

Brown suggests that economic analysis should interconnect the well-being of people with the health of the ecosystems. Markets alone cannot control all aspects of how humans use their ecosystems (64). Buddhist economics require that our economic systems must be decarbonized and renewed with sustainable socioecological practices that go beyond overconsumption (80). Lifestyles in rich countries have an ecological footprint that will devastate the planet. The solution to this problem can be *shared prosperity* which means "using global resources to provide a comfortable and enjoyable life for people worldwide while living in harmony with our ecosystem" (84). Shared prosperity requires that people in rich countries develop simpler, sustainable lifestyles so that people in poor countries can live comfortably (85).

Measures of economic performance should go beyond the conventional GDP calculations – suggests Brown. We should measure the performance of our economic systems in a holistic way. In her book, she recalls broad measures of well-being such as Bhutan's Gross National Happiness Index, UN's Human Development Index, OECD Better Life Index, the Genuine Progress Indicator, and the Happy Planet Index. These are not perfect measures, but Brown rightly says that "even imperfect measures will do a better job than does the GDP" (113).

Brown developed a set of policies which can help to go forward to a Buddhist economy. These policies include taxes and transfers, supporting green production, and providing living wages. Actions that governments can take are (i) tax and regulate carbon and consumption; (ii) share prosperity at home, (iii) keep fossil fuel reserves in the ground, and (iv) share green technology to create prosperity around the world (p. 133).

All in all, in her book, Clair Brown developed an engaging vision and an ambitious action plan for achieving a Buddhist economy or at least get closer to it. However, it is

a shortcoming of the book that it does not discuss the *role of business* in the required social transformation.

Business today is probably the most powerful player in the economy and mainstream businesses, especially corporations represent and cultivate values (attachment, aggression, delusion, pride, and envy) which are the exact opposite what Buddhism promotes. There are notable exceptions, companies like Patagonia and Greyston Bakery which are inspired by Buddhist values, but today's mainstream businesses are the major destroyers of nature and creators of increasing social inequality and various other social "illths." Without the participation and engagement of business in sustainable shared prosperity there is little hope for making progress toward a Buddhist economy. This may require deep institutional changes and making a new social contract between business and society which redefine the roles and duties of business in the "Anthropocene."

Clair Brown's book is a major contribution to the field of Buddhist economics and fits in the new reality "Hothouse Earth" characterized by "much higher global average temperature than any interglacial in the past 1.2 million years" and "sea levels significantly higher than at any time in the Holocene" (Steffen et al. 2018, 8252). In such a world, mindful consumption and compassion with all sentient beings (human and non-human alike) is a prime duty of all of us.

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