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Panel: Buddhist Economics and Cultural Tourism

Buddhist Economics: 'Economics as if People Mattered'

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Abstract

Over the course of the past six decades, 'Buddhist economics' became a catchy phrase widely found in Buddhist literature. Specially, a number of Buddhist scholars working mainly within Theravada Buddhism have labored to construct it as a challenge and alternative to the Western economy which aim to maximize the satisfaction of human desire. Against all odds, this paper deals with the term 'Buddhist economics' as an oxymoron. The idea of Buddhist economics appears nowhere in standard economic textbooks and could not find such course offering in any economics departments in universities. Because standard economics in general worked to describe, analyze and understand about production, distribution and consumption of goods and services. In other word, economics is all about fulfilling human desire and craving. This is totally opposite of Buddhism which aims for reducing to eliminate human desire and craving. Accordingly, 'Buddhist economics' is an oxymoron as it would be totally wrong to present Buddhism as an economics science or system. As it is clear from the writing of Schumacher, the inventor of the term itself that what he really meant is to explore on 'Right Livelihood' or *samma-ajiva*, a part of Eightfold Path which is based on a way of making a living that does no harm to others, interdependence and connectedness, and inner contentment. Buddhism has no direct instructions to deal with economics but as a way of noble living rather than hard core economic science. It is more on economics of happiness rather than general economics. Moreover, wealth and economics in Buddhist terms may refer to noble or virtuous aspect rather than general understanding.

The paper, therefore, looks at how Buddhist economics has influenced the global agenda of sustainable development. According to the recent World Happiness Report 2017 published in collaboration of the United Nations clearly shows that the 80% of the variance of happiness across the world occurs within countries. In richer countries, the within-country differences are not mainly explained by income inequality, but by differences in mental health, physical health and personal relationships: the biggest single source of misery is mental illness. Income differences matter more in poorer countries, but even their mental illness is a major source of misery. This really hits hard on the core of GDP which is the global standard for measuring economic growth. This states that economics is not the core factor of human happiness and well-being as some used to believe in the recent past. This brings back people to look up with fresh eyes on Buddhist economics which has been emphasizing on economics of happiness from the time of the Buddha rather than general economic growth.

Within the capitalist economy, tourism industry is an influential development of modern societies. Acknowledging the negative impact of tourism in the matter of sustainable development the world has recently came up with the view that more cultural and ecological values on tourism is needed. But the question arises the whole operation of cultural tourism is

a means to reduce culture as a part of commercialization economy or truly promoting cultural values in tourism industry. This issue of cultural tourism from a Buddhist perspective is briefly discussed on the second part of the paper.

Introduction

In March 2016, I was invited to a workshop on social and human capital as a think tank for the President of the United Nations Economic and Social Council (ECOSOC) at the premise of the UN headquarters, New York, USA. The workshop was attended by some 20 selected scholars including the President of ECOSOC. The scholars were from different backgrounds such as finance, social capital, governance, moral capital, human capital and so on.

At the beginning of the workshop, the president of ECOSOC requested to narrow down our discussion into Goal 1 and Goal 10 of the Sustainable Development Goals (SDGs), adopted by the United Nations on September 25, 2015, calls on member states to “end poverty in all its forms everywhere” and “reduce inequality within and among countries.” He said, currently 1% of the world’s population owns 50% of the world’s wealth, up from 40% just ten years ago. This obviously creates poverty and inequality. The money earned by 99% always go to the 1% rich people of the world.

The discussion was thought provoking and interesting, especially when people are talking on the same topic about elimination of poverty from very different backgrounds and scholarships. The workshop elaborated about important roles of all different kinds of capitals under current economy such as natural capital, social capital, human capital, finance capital, physical capital, intellectual capital and manufactural capital etc.

Being only Buddhist scholar and monk in the workshop, I was totally lost in their debate. Listening to those world’s top economists, finance experts, policy makers I felt that I was in the wrong crowd and wrong place. I didn’t understand what they were talking about. I guess, subject of world economy was beyond my intellectual capacity. However, when I was asked to give my view on the subject, I ended up being against the main theme of the workshop itself.

I expressed myself at the discussion that ‘I felt I don’t belong to this economic group and scholars. The workshop is all about eliminating poverty from this planet which sounds perfectly well but as a Buddhist monk I take a ‘vow of poverty’ and accordingly I live in poverty intentionally.’ If the UN’s SDGs achieve its goals it means people like me will not have anywhere to go. Therefore, eradicating poverty sounds awkward for people who pledged to live by a vow of poverty. I therefore, suggested that in seeking implementation of the SDGs, poverty must not be defined as a status implying humiliation or degradation. The human person lives spiritually as well as materially so that a poverty of money and possessions carries no implications for the quality of a person’s soul and redemptive possibilities.

Poverty properly understood is a lack of capacity to realize potential. It is a lack of capitals. It may also most importantly refer to a poverty of mind and spirit that inhibits growth in the capacity to use capitals. All poverty is a lack of generativity of a life well-lived for ourselves and of better lives for those to come in the future.

Similarly, commenting on human capital, I argued that we must avoid casual usage of the term ‘human capital’ as a mindset which de-humanizes or objectifies human persons. I suggested a holistic development of human with the term ‘human development’ rather than human resource development (HRD) or human capital. The crux of the problem is the way 1% of the wealthier uses 99% of human as their resource. In other words, 99% of world population is treated inhumanly.

There is an especially pernicious form of mental poverty which lies sunk in the dysfunction of a selfishness where a balance is lost between the perceived self and the community which supports the self, the dysfunction of an un-awakened mind that lacks a capacity for compassion and neighborly engagement.

Values (richness in mind and spirit), transparency, and responsiveness to vulnerability build trust, which leads to equitable trade and exchange, which in turn bring about inclusive economic growth. Values are intangible assets therefore, government, businesses, and faith communities should engender the creation of such intangible assets too as to spur that chain of causal relationships.

In terms of moral capital again it may have confused with a nasty religious commercialization which is taking place everywhere. Therefore, we have to refresh our thought about economics not only as a management of wealth as generally understood.

Thailand, the fifth rising Asian tiger 20 years ago, offers itself as a model for the SDGs. In its response to the 1997 financial crisis, Thailand concluded that it was too reliant on and exposed to global market forces. Therefore, the Thais turned to Sufficiency Economics Principles (SEP) which was introduced to the country by the late H.M. King Bhumibol Adulyadej. The SEP is an application of 3S principle in human life. They are Sanity, Spirituality, and Sustainability. In other word, the very heart of Buddhist teachings morality (*sila*), meditation (*samadhi*), and mental development (*pañña*). In doing so, Thailand now enjoys a very high happiness index rating. The question arises here the uses of the term 'economics' whether it is used in a Western sense or otherwise.

Buddhist Economics

Under the topic of Buddhist economics, the first question that arises is whether such a thing as Buddhist economics actually exists, or whether it is even a possibility. At present the economics that we are acquainted with is a Western one. When talking of economics or anything related to economics, we use a Western vocabulary and we think within the conceptual framework of Western economic theory. It is difficult to avoid these constraints when coming to talk about a Buddhist economics. Finally, we ended up using 'Buddhist economics' with the language and concepts of Western economics.

It is very important to keep in our mind that there is no such thing as a 'Buddhist economics' under corpus of Buddhist texts. Even if is not a true Buddhist economics that is put forth here, it may provide some Buddhist perspective on things that may be usefully employed in economics.

Why I argue against this popular uses? Unexpected to general uses, the etymological meaning of economy (in 1530s) is 'household management.' Accordingly, an economist (in 1580s) means a 'household manager' and economize (in 1640s) means 'to govern a household.' Of course, the term is derived from Latin and Greek backgrounds indicating the act of household management. This is totally different from modern uses of economy which means 'an entire network of producers, distributors, and consumers of goods and services in a local, regional, or national community.'

Based on the etymological meaning of economics we could say that there are many teachings in Buddhism related to household managements. One of the teachings which directly address is the teaching on Right Livelihood. This is more about noble living rather than current uses of economy itself. Moreover, Buddhism teaches us to reduce desire and craving whereas modern economy asks you to increase those desires. Therefore, Buddhist economics becomes an

oxymoron when it is applied in the modern sense. Because Buddhist economics is less concerned with the management system of production, distribution, and consumption in nations but more with Right Livelihood.

‘Sufficiency Economics’

Therefore, to get the right view on Buddhist economics we really need to bring back ourselves to the original meaning of economy not modern uses. A good example of misuse of the term economics also exists in Thai language. In Thai language economics is called ‘*setthakit*.’ If you asked any Thai what do you mean by ‘*setthakit*’ they will immediately answer that it means economics. For example, when the late His Majesty King Bhumibol Adulyadej of Thailand introduced the concept of ‘Sufficiency Economy’ or ‘*Setthakit Porphiang*’ to Thai people in 1997. Everyone understood the term ‘economics’ in modern uses i.e. using economic growth as a main focus to ensure the growth of the nation and wealth creation. Essentially economics became the study of how to obtain personal gain and national wealth creation. With this in mind, if we scrutinize the term ‘Sufficiency Economics’ it is again an oxymoron. There could not be any economics system which says to stop or say enough to growth of personal and national wealth creation.

In fact, the late Majesty King’s idea was developed on a Buddhist ground as His Majesty himself has been always explained. The source of the idea of ‘Sufficiency Economy’ is the Buddha’s word: ‘*Santutthi param dhanam*’ which means ‘*contentment is an ultra-wealth.*’ The Buddha’s uses of term ‘*dhanam*’ or wealth here is not modern uses of wealth as we understand but it is the noble wealth or mental quality instead. This is again not a surprise use in Buddhist terminology if we know how the term wealth in English came about. It is said that wealth was formed as an analogy with health. While health indicates physical well-being and happiness wealth indicates mental well-being and happiness. For example, commonwealth had the general sense of the well-being of the community before it developed into a special but related sense of a kind of social order. Therefore, the late His Majesty King used term *setthakit* or economics in its original meaning i.e. noble activities. *Settha* or *Srestha* in Pali and Sanskrit means noble, supreme, or ultra. *Kit* in Thai language is derived from Pali word ‘*kicca*’ which means activities or something to do. Accordingly, the coinage of the term *setthakit* in fact means ‘noble activities’ in its literally means. Unlike modern understanding as economics. It is said that earlier to the coinage of the term ‘*setthakit*’ in Thai, they used the term ‘*bhogakit*’ which directly means ‘consuming activities.’

If we look at the late His Majesty King’s idea on ‘Sufficiency Economics’ from etymological background, then we find that the late His Majesty King’s idea is fully grounded on Buddhism and it is totally sound. Sufficiency Economics directly means ‘*contentment is a noble activity*’ which is again a direct translation of the Buddha’s word ‘*santutthi param dhanam.*’

This clearly shows that in Buddhist uses economics goes well with its original derivation in English i.e. management of household activities or even wider management of a life. Therefore, when we use the term ‘Buddhist economics’ we have to keep in mind Buddhist values within i.e. a quality or value or virtue of the noble livelihood not money making business!

The late His Majesty King Bhumibol Adulyadej’s Sufficiency Economics Principle (SEP), therefore, is a tool of how to become happy and how can we change our world to be a sustainable one. The simple formula of SEP is to act according to 3S:

1. **Sanity:** Normally, basis of humanness is an aspiration for self-happiness in subject to communal happiness. In another word, we were normally born happy but in due course we lost that quality. Therefore, we should introspect the factors which destroyed the

factor of happiness and restore the sanity back. We can reactivate our sanity by changing our perspective to our life in a more balanced manner. In a Buddhist term this is the '*Sila*' which literally means 'normality' or 'moderation.'

2. **Spirituality:** We are living in a fragile world of impermanence. Therefore, to be able to live happily in this rapidly changing world we need to develop quality of resiliency. In another word, develop the very virtue of mindfulness. We can find scientific benefits of mindfulness in every field of life. Mindfulness or mindful awareness is able to make us resilient in every aspect of our life and able to minimize all unhappiness factors. Resiliency is a direct outcome of development of spirituality or mindful awareness. In a Buddhist term this is '*Samadhi*' which literally means focused mind. When your mind is focused the quality of mindfulness is developed then we could be resilient to anything which comes in our life.
3. **Sustainability:** Every phenomenon in this world has its own reason. Develop the very wisdom that we can see through those cause and effect. Accordingly, we are able to identify the cause of happiness and develop those causes to boost up happiness in our life. In fact, the term *sustain* from its etymology simply means 'upholding from the ground.' Therefore, the whole wisdom of sustainability is to make progress in balance that it does not produce any negative side effects to the cause of happiness as a byproduct. Let alone social, economic and environment. In Buddhist term, this is '*Pañña*' i.e. wisdom or reasonableness. *Pañña* literally means to have a multi-dimensional knowledge of something. Putting it differently, it is a mindsight or balanced view of understanding of everything.

In summary, the Sufficiency Economics, the legacy of the late His Majesty King of Thailand is a simple mantra of Buddhist economics to create a global happiness and a simple key to achieve SDGs put forward by the UN.

Sustainable Development

Again I would like to draw your attention with the wide uses of the term 'sustainable development' under a shadow of modern economics. In fact, the term 'sustainable development' if I have to put in a Buddhist perspective and coined such a term in Pali I would say it is the term '*dhamma cakka*' itself. If we take these two Pali words from etymological background, we see that '*dhamma*' means 'upholding' and '*cakka*' means 'move forward while still grounding.' Therefore, '*dhamma cakka*' when we put it in different term it is 'sustainable development' which is in fact is the direct translation. Again, this is against general perception. Sustainable does not mean something that last forever as many people generally misunderstood but it means something which is upheld in itself with a balance.

Drawing from this wisdom, we can proudly say that the Lord Buddha was the first human being on earth who talked about 'sustainable development' even in his first sermon after his Enlightenment. Put it differently, it would not be wrong to say that the heart of Buddhist teachings is 'sustainable development.' Moreover, the Lord Buddha went one step ahead of modern uses of the idea sustainable development. We all knew that there is another term behind *dhamma cakka* i.e. *pavattana*. What is *pavattana*? Literally, it means to put it in action or to behave. Therefore, we could see that Western uses of the 'sustainable development' stays as a theory whereas in Buddhism the Lord Buddha says that the theory of sustainable development need to be put in action. This is another refreshing translation of '*dhamma cakka pavattana sutta*,' 'the discourse on how to practice sustainable development in life.'

When we study the discourse from this modern perspective then it becomes very clear that Lord Buddha's 'Middle Path' is indeed a way to achieve sustainability both in material and mental economics. It is a direct means to create ultra-wealth and commonwealth making this world sustainable and economics of happiness.

'Cultural Tourism'

Cultural tourism is one of modern tourism industry's most dynamically developing branch in today's global tourism market. There is a long debate going on about it both in negative and positive senses. However, the definition itself is a controversy.

According to the Dictionary of Travel, Tourism and Hospitality Terms which was published in 1996, "*Cultural tourism: General term referring to leisure travel motivated by one or more aspects of the culture of a particular area.*" ('Dictionary of Travel, Tourism and Hospitality Terms', 1996).

One of the most diverse and specific definitions from the 1990s is provided by ICOMOS (International Scientific Committee on Cultural Tourism): "*Cultural tourism can be defined as that activity which enables people to experience the different ways of life of other people, thereby gaining at first hand an understanding of their customs, traditions, the physical environment, the intellectual ideas and those places of architectural, historic, archaeological or other cultural significance which remain from earlier times. Cultural tourism differs from recreational tourism in that it seeks to gain an understanding or appreciation of the nature of the place being visited.*" (ICOMOS Charter for Cultural Tourism, Draft April 1997).

The definition has been improving through the years to leave behind any negative sense with it. This brings back to Buddhist uses of 'cultural tourism.' How are we going to contemplate modern practice of Buddhist pilgrimage among world Buddhists under the concept of cultural tourism? What is the role of commercialization of culture within cultural tourism? How Buddhists can add positive value on cultural tourism?

I leave with these questions for further discussion among us.

Thank you.