ABSTRACT

Although people nowadays are wealthier and live more comfortably than fifty years ago, they do not feel happier. This claim is supported by many recent economic studies on happiness that show that technological and scientific progress does not lead to happiness. This is because many think that they can only live peacefully and happily if they fulfill their desires. But happiness, particularly in ASEAN countries, does not correlate with economic affluence, race, nationality, or even political ideology. This article attempts to build a right-understanding concerning peace and happiness among the diversity of religions and cultures in the ASEAN and world communities, through the perspective of Buddhist economics.

Introduction

Technological breakthroughs have provided us with the resources to live longer, healthier, more comfortable, lives. They have accelerated economic and social developments in many parts of the world. But this
increase in wealth and development has not brought about the happiness discussed by philosophers such as Aristotle, Epicurus, or Bentham and many famous neo-classical economists. We now know that economic development does not necessarily make people happier.

The expansion of economic growth, combined with technological advancements, and expanding consumer demand, has led to the expansion of desire. Increased business competition has undermined social values and has led to a situation where humanity cannot benefit from its increasing affluence. The aim of utilitarian approach outlined in Bentham’s “Principle of Utility” and J.S. Mill’s *summum bonum* or the “highest good,” in his renowned essay, *Utilitarianism*, has shown itself as an illusion. Such ideas merely promote people’s self-interests over the greatest happiness of the community and the country.

Actually, economists dream of ‘perfect completion’ of the market where human ‘self-interest’ acts as an ‘invisible hand’ that manages the greatest benefit for the greatest number of people (buyers and sellers). Whatever happiness and well-being the economists, politicians, and policy makers can promise to their people are therefore, dependent upon the creation of wealth measured by high GDP, high growth, and high income. But such developments of affluence over the level of subsistence has been shown to actually create poverty, inflation, corruption, financial crimes, unemployment, insecurity, stress, depression, mental illness, violence, and massive environmental destruction. These negative effects of economic development cause the effect known as the “paradox of happiness”.

The ‘paradox of happiness’ which is sometimes called the ‘paradox of progress’ has not only decreased the quality of people’s lives, but has also harmed their health. Our economic development promotes inequality and severe exploitation. Although much has been invested to develop weapons and missiles to ensure peace and security, they have only promoted war. About 795 million people around the globe, according to a UNICEF report, are suffering from hunger. Around 166 million are starving. And, approximately 805 millions are undernourished — especially 780 millions are chronically undernourished and in the developing world.
In this same report, it is pointed out that the world can actually produce more than enough food to feed everyone. But if this is the case, why does poverty and hunger still remain. What is the driving force behind a serious problem like terrorism and arms proliferation? It is unlimited desire fulfillment. This causes nation states to strive to surpass their rivals in military power, for the sake of possessing other’s resources. But does greater opulence make people happy? The main objective of this article is, therefore, how Buddhist economics can respond by addressing the connection of desire to economics.

ASEAN: Religious Diversity and Political Economy

The development of information technology and telecommunications infrastructure combined with travel, and trade, has led to the increased interaction of cultures and religions. Among the people of the globe, roughly 5.8 billion or 84% are religiously affiliated. The population of those having no religion (1.1 billion or 16%) is large as well. It makes the third largest group worldwide, behind Christians (2.2 billion or 32% of the world’s population) and Muslims (1.6 billion or 23%), but in front of 1 billion Hindus (15%), 500 million Buddhists (7%), and 14 million Jews (0.2%). This demographic survey further shows that the rest, estimated 476 million (7%), practices such other religions as Taoism, Shintoism, Sikhism, Jainism, and so forth.

Buddhism, although small (7.1%), ranks the fifth largest religious group worldwide and the vast majority of the world’s Buddhists are concentrated in ASEAN region. Buddhism has also grown in importance in the West, mainly, in both literature and in physics. Western writers who have been influenced by Buddhism include, Schopenhauer, Gjellerup, Rilke, Hesse, Einstein, and Bohr. Subsequently, Buddhism has known to the West for its wisdom and the “middle way” of teaching and practice.

Endorsed as the state religion in the reign of Emperor Aśoka of India (268-232 BC) and introduced to the ASEAN mainland, known as Suvannabhumi, the teaching of Buddha has been popular among the ASEAN
and the Asia-Pacific region. Because of its emphasis on compassion and its belief in interconnection as the truth of all things, Buddhism has been widely adopted and practiced.

Developed from the preceding organization formed in 1961 (BE 2504) called the Association of Southeast Asia (ASA), a group composed of the Philippines, Malaysia, and Thailand, the Association of Southeast Asian Nations or ASEAN itself was set up on 8 August 1967 (BE 2510) under the “ASEAN Declaration” which was more commonly known as the “Bangkok Declaration” signed by the foreign ministers of five countries: Indonesia, Malaysia, the Philippines, Singapore, and Thailand. ASEAN nowadays is a joint effort of ten member countries aiming to promote the welfare of their peoples, unite the diversity of all nations in Southeast Asia, and promote collaboration and mutual assistance in economic, social, cultural, technical, as well as scientific and administrative fields.

However, ASEAN started its regional development from the social and cultural basis, not the economic and social development one. This is because the ASEAN members are distinguished from each other by diverse social and cultural identities where religion is significant. Yet Buddhism seems to be accepted by people of various backgrounds in the region due to its emphasis on equality, non-violence, benevolence, and the way to build up peace and happiness through compassion, social harmony, and friendliness.

The ASEAN countries since their independence, although religiously and culturally diverse, have been peaceful. According to Venerable Chao Chu, reflected on his travels through the region during the past forty years:

I have encountered people who have practiced different religions and spoke different languages within the same family. I have talked to people from increasingly differing backgrounds whether they are locals or travelers as I am, so it is interesting to discuss with them the direction that ASEAN is taking in becoming an active contributor to our global economy.6
Moreover, these differences extend to differences in strategy regarding political economy. ASEAN is situated at the crossroads of several global economic flows. It is a home to numerous globally competitive companies and was listed, for instance, as the headquarters of 74 companies in the 2013 Forbes Global. Besides, it is a macroeconomic platform for growth since the ASEAN’s GDP is high and its consuming households are expected to double by 2025. On top of this, the region is the export-industry bases around such plentiful natural resources as mineral fuels, iron, non-ferrous, tin, palm oil, chemicals, and so on.\(^7\)

Although beneficial and helpful, the diversity and complexity in religion and culture and in political economy can generate large pressure too. The most significant pressure today seems to be the growing power of ‘political economy’ as it affects the public’s consumption, production, and consumer behavior, and ‘religion’ as it affects the citizen’s character, beliefs, and action. Although economic prosperity can bring more goods and comforts, it also dehumanizes and destroys the natural environment, resources, and people’s trust. In the past, conflicting political-economic ideology and its influence could dramatically cause the world to be ready for ‘wars’.

Although religion can unite different nations to peacefully co-exist, it can also divide countries and the world into various opposing sects, classes, and races. This occurs for various reasons: for autonomy, for natural resources or land, for protecting the sovereignty of nations, and for preserving their religious and cultural identity. To create peace, a revolution in the minds of people and academia must be conducted. Hence, I turn now to the human nature.

Desire, Self-interest, and the Pursuit of Happiness

Desires connected to self-interest – commonly known as ‘selfishness’ – and the pursuit of happiness are a part of human nature, and sometimes they are the motivations which create “economic greatness.” But also these ambitions have destroyed economic stability and caused increased unemployment, more competition, less cooperation, and insecurity in
the workplace. We need to consider public morality, and the pursuit of happiness and peace from a moral groundwork. Economics should be the first subject in the academia to be reformed. Many of the world’s problems result from mainstream economic understandings of economic inequality, corruption, poverty, hunger, starvation, divisibility, immorality, violence, climate change, environmental degradation, and ecological catastrophe.

Economic greatness, which encompasses the human desire as its main driving forces, is the result of those mistakes and mal-adjustment of the social and economic conditions. Desire or ‘demand’ in economics which is characterized ‘unlimited’ causes ‘attachment’ or ‘clinging’ (upādāna) for ‘self-interest’ and the ‘material happiness pursuit’ in our deep-rooted consciousness. Moreover, desire or what many prefer to call ‘greed’ (lobha) usually works in association with ‘conceit’ (māna) and wrong views (diṭṭhi). The trio – greed or craving, conceit, and wrong views – are human psychological states that can foster violence. Therefore, the principle of mainstream economics can be re-examined in light of the philosophy of ‘Buddhist Middle Way’ or ‘Buddhist Economics’.

Edgeworth, who developed the utility theory in 1881, stresses in his *Mathematical Psychics* writes: “the first principle of Economics is that every agent is actuated only by self-interest.” This implies the conception of men in economic model that they have inclination to be ‘self-interest seekers’ or ‘egoists’. This principle led to the acceptability of selfishness, individualism, and the pursuit of happiness (which began to mean ‘money’) as the basic behavioral assumption of the economic man or *homo economicus*. This behavioral assumption, moreover, is assumed to be ‘rational’ by the modern economic theory since Adam Smith (1723–1790 CE), the first economist to discuss ‘self-interest’ in the context of operation of the ‘invisible hand’ or the ‘supply and demand.’ To Smith, humanity would act owing to his ‘self-interests,’ and the self-interest itself would bring benefits to both individuals and societies.

Moreover, Smith’s idea of ‘self-interest seeking’ or ‘egoism’ harmonized with Bentham’s utilitarianism (1789), the doctrine of an individual’s freedom to seek his or her own greatest utility (material
happiness); and also with the Thomas Jefferson’s aspirations at the institutional level. Jefferson admired Epicurus, the earlier utilitarian whose idea was developed later to a large degree in the 18th century by Bentham as ‘the Principle of Utility’. Jefferson’s slogan, “the pursuit of happiness,” in the 1776 American Declaration of Independence not only stands for the basic goal of the American society, but also reflects Smith’s egoism and of Bentham’s Principle of Utility, depending on its practical bearing upon the human interests or material happiness.

Furthermore, Edgeworth’s indifference curve, a prime idea of later construction of the Utility Theory based on Bentham’s principle of utility has become a foundation of many approaches where the demand function of an individual is derived, and through which an individual’s preference is revealed. Egoism and individual preference are what today’s economists discussed as ‘individualism’ and ‘individual choice.’ One’s choices are deemed ‘rational’ if all his or her choices are an act of choosing the most preferred alternative — specially, the option motivated by maximization of the producer’s profit or of the consumer’s utility, which will bring a person theoretically the highest utility or pleasure.

Hence, the trio — that is, self-interest, desire, and pursuit of happiness — is the human nature which is conditioned by craving (ṭañhā) in the Dependent Origination or paṭiccasamuppāda to be never-ending. However, the trio in economic sense is the strategic factors to produce economic greatness and prosperity. According to the Dependent Origination, the pursuit of happiness is indeed impossible to reach its culmination, the highest bliss, because desire is boundless; while happy feelings are ephemeral (anicca), making happiness scarce. This suggests that the economic principles of consumer demand (desire) and competition as the foundation of economic greatness should then be questioned.

We should also question the idea that demand, competition, and the pursuit of happiness are keys to workers’ productivity, and without them, the whole economy would fall into depression. The truth is that the trio cannot put an end to human suffering — because human happiness is not conditioned by stimulating taṇhā or desire and its pursuit — but
suffering, resulting from stimulating and bringing in inequality, poverty, hunger, sorrow, and wars. This truth has not yet been emphasized in people’s consciousness.

This is why the world, and ASEAN in particular, must create a change in attitude in both individuals and academia based upon the Buddhist economic standpoint. In other words, a revolution in an inner kernel of human mind can lead the right-understanding of desires (or the mind), happiness and peace; whereas the modern economic theory and policy not concerned with spiritual transformation cannot. Although rich with natural resources, the ASEAN is pursuing prosperity at a high price, in other words, at the high expense of the air, water, soil, oil, gas, coal, other scarce resources. It pays with destruction to its environment, its climate, and human mental and physical health.

In addition, high finance also becomes unstable, as seen in the 1997 financial crisis. Although finance and prosperity (globalization) have transformed the economies and allows money to move across the national frontiers with the greatest convenience, it is accompanied by corruption and financial scandal. These crises have upset almost all nations. The resulting damage represents a fundamental moral failure because desire, when expanded to an entire society creates more destruction than benefits. It not only intensifies biases, pride (the desire to dominate others), and mental conflict, but also creates conflicts among social classes and economic injustice. Desire then truly undermines the basis of economic prosperity and national power. The solution is, therefore, not to be found in the economic and political systems, or the scientific breakthroughs, but in changing human ‘consciousness.’

Buddhist Economics: A View on Happiness and Peace Building

The German-born British economist Schumacher (1911-1977) was attracted by Buddhist wisdom and meditation during his time in Burma (Myanmar). Buddhist economics was first suggested in his 1973 *Small Is Beautiful*.13 This small and renowned book—a bridge between the Buddhist values and the economic realm—places emphasis on human
beings rather than consumption and economic growth or GDP. Drawing on the ‘right-livelihood’ (samā-ājīva) of the Buddha’s Noble Eightfold Path, also known as ‘the Middle Way,’ Buddhist economics not only serves to augment the human faculty of good work and behaviour, but also purifies the human character. To Schumacher, promoting an ever-increasing consumption does not necessarily make people happier. To be happier and to win peace, however, the Western economics must be ‘people-mattered’ economics, and humans must be made ‘humane’.

Today, ASEAN has concentrated on raising economic development. But it emphasizes very little on ‘sustainable human development’ or the ‘people-mattered development.’ The pursuit of high finance, buildings, roads, deep seaports, telecom infrastructures are welcomed as examples of prosperity, although they often leave behind economic ruin. But to change this requires a revolution in individual minds.

Also, the form of desire that economists speak of as ‘demand’ is also connected to ‘reason’ because desire is derived from the ‘economic reasoning process’ or the ‘rational choice’ in Western economic theory. Desire is the state of aspiration or wanting which is directed towards wealth, benefits, and consumption of food, products and services. Strong desire can lead a person or a society to seek one’s own benefits or self-interests or advantages over others. The Buddha, the Enlightened One, who lived 26 centuries ago in ancient India, has placed human ‘desire’ or ‘craving’ as the second Noble Truth of life, or the cause of suffering (dukkha samudhayo), that men should abandon (dukkhasamudayam ariyasaccam pahātabban ti).14

In the First Sermon after enlightenment, the Buddha distinguished three kinds of desire: 1) sensual desire (kāma-taṇhā) — a craving and seeking pleasure in things: in shapes and colors, sounds, scents, tastes, or tactile objects; 2) desire for existence (bhava-taṇhā) — the desire to be this or that based on what one wants; and 3) desire for non-existence (vibhava-taṇhā) — the desiring not to be this or that.15 These are individual problems which these days have turned into what we call ‘institutionalized greed,’ that is, they have become structured into our economy, the stock
market, financial markets, gold markets, and so on. In other words, human desire can turn itself into a driving force of the economy, of consumer’s rational choice and behavior, and of institutional decision-making.

But a world society structured by ‘greed’ (lobha) or ‘desire’ (tanhā) cannot be peaceful. Our economy has been based on individual ‘desire’ and ‘attachment’ (upādāna) and this is what leads to ‘institutionalized greed’. This kind of greed is preoccupied with conspicuous consumption and individualism. The majority of people of capitalism think a lot about competition, and little about sharing.

In Buddhism, desire or craving is connected to ‘happy feelings’ (sukha-vedanā) or material happiness (kāmasukha). These happy feelings lead to ‘seeking’ (pariyesanā); and finally result in unsatisfactoriness (dukkha). People who are preoccupied with the pursuit of happiness, money, do not as yet see the impermanent and momentary nature of happiness. They do not understand that it is empty, and always leads to dukkha— dissatisfaction or unhappiness.

In other words, the principle of Dependent Origination shows us that the minds of ordinary persons are conditioned. Actually, a mind that is controlled by desire is not guided by ‘rational choice’. Choice as it is understood in economic theory is just a mechanism for maximizing utility or an inclination to choose an object that gives the highest utility (satisfaction). Thus, an economic choice that is controlled by desire cannot be rational, according to the Buddhist viewpoint. Also, the Buddhist idea of Dependent Origination implies that happy or pleasant feelings are impermanent as they are momentary. In other words, demand (desire), when it arises and is not controlled, cannot be really fulfilled. This, would accord with Amartya Sen’s example of the ‘rational fool’ a person fails to develop his own ability to be happy, but can be happy only when his desires are fulfilled.

But it is impossible for people to become ‘rational and wise,’ within the present economic model. In other words, the simple virtue or ‘doing good’ is not enough to free the minds from those three forms of desire. It requires a deeper sense of moral practice to lead to happiness and to
contribute to a peaceful world. The Buddhist principle can respond to this. It encourages people, at a deeper level, to develop a ‘mindfulness’ to become aware of sense experience. Here, the mind achieves an ability of “seeing things (such as happiness, appearances, tastes, smells and so on) as they really are” is arriving at the ‘right-understanding’ or sammā-diṭṭhi. This is the truth that life, happiness, and all experiences are fleeting (aniccaṁ), the truth of dissatisfaction (dukkhamī), and the truth of the not-self (anattā). In this state, the mind is pure, peaceful, and able to eradicate the three forms of craving. When these are removed, the individual becomes ‘rational and wise’. And he or she is content to live a simple, peaceful life.

But, a revolution in the individual’s spiritual practice alone is not enough. To lead the world towards achieving genuine peace and happiness needs a revolution in the entire educational system, particularly, in economics. For instance, the utility theory should be reconsidered. Such economic assumptions as self-interest, individualism, and utility or profit maximization should be reformed. And, the culture of incessantly pursuing individual enjoyment should be changed, whereas the public morality and self-sacrifice for the greater good should be maintained.

Lastly, we must learn together to forgive the past and jointly make commitment to non-violence — the middle way to happiness and peace building. As a result, we go beyond the conflict that creates the crisis via promoting and making friendships, sacrifices, understanding the universal interdependence, pursuing mutual-benefits, and caring for others. When people learn how to coordinate their interests and how to generate an inner peace, they gain knowledge of how to live peacefully with the diversity of ASEAN and world communities.

**Conclusion**

ASEAN and our world today involves many diverse religious faiths. Thus, the religious diversity and economics of human needs is a dimension to which ASEAN and the world must heed before seeking economic wealth and financial prosperity. If greed has been
institutionalized, it is impossible to solve these structural problems through existing economic theories. To promote peace and happiness is to revolutionize economic theory within academia and the mind of ordinary people. The utilitarianism and the pursuit of happiness must be grounded in moral judgments, not mere desire-fulfillment. Government policy and orientation should be rooted in moral values. Education as it exists in the world today is not enough to promote wisdom, or samma-ditthi. Proper education should also include the practice of samādhi-bhāvanā to develop ‘mindfulness’ in order to control desire and selfishness. Then, a wholesome state of mind can be cultivated. Thus, merit increases. Individuals can further make their decisions through a true reasoning process and become “rational and wise”.

ENDNOTES


4 ibid.


8 For diṭṭhi or wrong view, it occurs in the consciousness rooted in ‘attachment’ and thus it gives rise to the conception of ‘me’ and ‘mine’ (ตัวกู-ของกู), a well-known
phrase coined by Venerable Buddhādāsa that is connected with one-self. For māna or conceit, although originates with the ‘I’ conception which is connected with one-self and occurs in the same eight-types of immoral consciousness as ‘wrong view,’ both ‘wrong view’ and ‘conceit’ do not arise concurrently in one particular consciousness. In other words, where there is ‘conceit’ occurring, there is no ‘wrong view’ happening in there, and vice versa. Thus, conceit may arise in those four types of immoral consciousness dissociated with ‘wrong view’. — Maha Thera Nārada, *A Manual of Abhidhamma*, 4th revised ed., (Kuala Lumpur, Malaysia: The Buddhist Missionary Society, 1979), p. 124.


Edgeworth (1845-1926 C.E.) was a brilliant Irish economist who invented the ‘indifference curve,’ and the ‘Edgeworth box’ (1881), a tool of analysis aided to satisfy economic efficiency in the general equilibrium theory. He also visualized a “hedonimeter,” an un-invented psychological device to constantly one day measuring the height of human’s utility, or happiness or pleasure in his (and our) day. Cited in Techapalokul (2013), pp. 52, 57.


12 *ibid.*, pp. 70-71.


S V 424.

15 *ibid.*, p. 358.

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