

## Role of Ethics in Socio-Economic Development: A Buddhist Perspective

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Since the publication of E.F. Schumacher's *Small is Beautiful* in the latter part of the twentieth century the concept of 'Buddhist Economics' has gained significance.<sup>1</sup> Modern economics, that came to be established as a social science following the empirical methods characteristic of the natural and social sciences looked upon all ethical issues as lying outside the sphere of economics. The somewhat novel concept of 'Buddhist Economics' can be seen as an attempt to relate economics to ethical issues taking into account the traditional Buddhist teachings that clearly seek to establish the economic aspect of social life on a firm ethical foundation. Schumacher observed that Buddhism contains an economic philosophy which is traditionally expressed in its teachings in terms of its concept of 'Right Livelihood' (*sammā ājīva*).<sup>2</sup> One of the most disturbing trends in contemporary life is the separation of all scientific enterprise from human values. Many aspects of human well being have been adversely affected in the past few decades as a consequence of this separation. It is therefore imperative that ways and means, intellectual, philosophical and practical should be explored for a proper integration of science and human values. Buddhist thought is immensely resourceful in achieving this. Buddhism views socio-economic development as consisting of a dual process involving the development of the material conditions of living on the one hand, and the ethical quality of living on the other. Any concept of development which ignores one to the detriment of the other is considered in Buddhism as inadequate and lopsided. Buddhism also recognizes a certain order of priority with regard to this dual process of social development. According to this order of priority, the ethical quality of living should not be subservient to the pursuit of material values.

The utilization of modern science and technology has undoubtedly revolutionized the material conditions of modern living. The achievements of science and technology in the material sphere have led to an unwarranted trust in their omnipotence and resulted in the widespread belief that they are the only vehicles for the achievement of socio-economic progress. Common notions of social development have also been determined by this belief and this fact is reflected in the way nations are characterized today as developed. The sole criterion of socio-economic development appears to be the quantity of material goods produced and consumed. Little attention is paid to right and wrong means of production, the right and wrong limits to what is produced and consumed, and the just social distribution of the goods so produced. Ignoring the ethical dimension in socio-economic development appears to be speedily leading mankind towards self-defeating and self-destructive consequences. Therefore, reflecting carefully on some Buddhist insights on the role of ethical considerations that have wide ranging implications and relevance to modern socio-economic development could be considered as a matter of great urgency.

Modern science provides us with factual knowledge of the material world and modern technology that represents the practical application of such knowledge provides us with the skill in means for the effective manipulation of the material world to achieve desired goals. Modern science does not set limits to either the knowledge we seek about the material world, the nature of the desired goals or the motives that determine the

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<sup>1</sup> *Small is Beautiful* (Vintage Books, London 1993).

<sup>2</sup> *Ibid.* p. 38f.

application of technological skills that people have acquired. Such limits can be set only by a serious inquiry into questions of right and wrong, good and bad, just and unjust, ought and ought not. In other words, issues regarding such limits lie outside the sphere of science and technology and belong to what we may call the ethical foundations of human living. The empirical or scientific issues relating to socio-economic development undoubtedly cannot be confused with ethical issues. The empirical issues are to be settled by adopting one method of inquiry and the ethical issues are to be settled by adopting another method of inquiry. However, to say that in considering questions relating to satisfactory living and general human well being and happiness, ethical issues are irrelevant is a grievous mistake. Scientific issues are not ethical issues, but the latter kind of issues is not entirely unrelated to the former in the context of our considerations of human well being and happiness.

It is true that universal agreement on ethical issues is difficult to obtain. This is due to the reason that there could be fundamental disagreement regarding the major premises which represent ethical principles adopted by different traditions. Philosophers have been perennially engaged in the search for reasonable normative principles for making valid ethical judgments. Despite the fact that no conclusive agreement has been reached in this search, philosophical discussions have at least made it possible to rule out some positions as not plausible and others as more acceptable. In every sphere of human living, Buddhist teachings seem to give priority to the ethical perspective of living, and in numerous contexts in which ethical values have been introduced, certain basic principles have been stated which seem to accord with the common ethical sentiments of rational human beings. What human beings do, as well as the psychological roots of what they have the tendency to do have been characterized in the Buddhist teachings as being either *kusala* (ethically wholesome) or *akusala* (ethically unwholesome).<sup>3</sup> According to the Buddhist teachings this distinction is to be determined by the consideration of common human experience of the long term consequences of actions upon individual agents as well as the rest of the society.<sup>4</sup> Buddhism also appeals to what is commonly understood as the Golden Rule of morality which involves the regulation of our behavior in such a way that we do not do unto others what we do not want others to do unto ourselves.<sup>5</sup> In accordance with this theoretical basis Buddhist ethical analysis identifies three roots of evil or unwholesome conduct (*akusalamāla*) as greed, hatred and delusion. In the *Kālāma Sutta* it is pointed out that when human behavior is determined by excessive greed, hatred or confusion of mind, it does not conduce to well being but ill and harm.<sup>6</sup> It is in light of this theoretical foundation of Buddhist ethics, which arguably appears to agree with the moral sentiments of at least a substantial section of humanity that we could enter into a meaningful discussion of the Buddhist perspective on the role of ethics in socio economic development.

The concept of “economic man” that developed in the context of modern economics distinguishing him from the “moral man” created an unbridgeable gulf between economics and human values. Adam Smith, the “father of economics” denied that economic activities of the humans can ever be regulated or modified by any moral values. The regulation and ordering of these activities were thought to be taken care of by the market economy working through self-interested impulses.<sup>7</sup> Lord Keynes, another

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<sup>3</sup> Majjhimanikāya Vol. I, p. 46 f. (Pali Text Society, London)

<sup>4</sup> Ibid. p. 415 f.

<sup>5</sup> Saṅgīyuttanikāya Vol. V, p. 354 (PTS)

<sup>6</sup> Aṅguttaranikāya Vol. I, p. 189 (PTS)

<sup>7</sup> B. Hewavitharana *The Role of Morality in Economics* (SISHVa Publication No. 1, Department of Pali and Buddhist Studies, University of Peradeniya, Sri Lanka) p. 1-2.

advocate of the same doctrine insisted during the world wide economic depression in 1930 that ethical considerations are not merely irrelevant but also hindrances to economic growth.<sup>8</sup>

As noted above, Buddhism considers greed or craving (*lobha, tanhā*) as a root of immoral behavior (*akusalamāla*). In the teaching of the Buddha greed or craving is considered as the cause of unsatisfactory living (*dukkha*) and the ethical path recommended in Buddhism seeks to liberate humans from unsatisfactory living by eliminating greed or craving. Therefore Buddhism is sometimes considered as a hindrance to economic development because in the absence of greed, craving or desire for the acquisition of material wealth, the motivating impulses for economic activity are supposed to be hindered. An increasingly large number of countries in the world is seen to be embracing globalization and the free market economy which is propelled primarily by greed. Countries that have traditionally cherished Buddhist ethical values are no longer exceptions to this trend. From the Buddhist perspective societies that come under such influence are driven by the very forces that Buddhist teachings seek to eliminate, namely the forces of greed or craving. From the Buddhist perspective what drives people in that direction is delusion, another formidable root of immorality.

The Buddhist value system does not approve of the sacrifice of human values for the sake of economic gain. Material requisites in life are not considered as ends in themselves. Buddhism recognizes the need for adequate fulfillment of the material requisites of life in order that human beings could aim at achieving their higher potential as moral and spiritual beings. Economic development purely to meet the demands made by the proliferation of desires, and the unlimited production of goods to cater to unlimited desires exploiting the limited resources of nature goes counter to the Buddhist view that material goods are not ends in themselves. Social development cannot be measured entirely in terms of the quantity of material goods produced and consumed. Social development requires the presence, and the active participation in society of a community of morally and spiritually elevated beings, and the due recognition and support received by the society for the sustenance of such a community. This aspect of Buddhist social philosophy is clearly reflected in the Kasibhāradvāja Sutta of the Suttanipāta.<sup>9</sup> The Sutta mentions the Buddha's visit to the workplace of a Brahmin farmer named Kasibhāradvāja who was making preparations with his workmen at his farmland to sow the field for the next harvesting season. Kasibhāradvāja expresses annoyance at finding a recluse with a begging bowl at a time when he was preparing himself to engage in economically productive agricultural activity. He tells the Buddha to engage in farming as he himself does and live on what the Buddha could produce out of his own labour. In response to this the Buddha tells the Brahmin that he is himself engaged in a productive activity which is similar in many respects to what the latter was engaged in, but qualitatively much higher in the sense that the end product of it is overcoming death (*amatapphala*). In this context the Buddha compares the refined instruments of a psychological and moral nature such as confidence (*saddhā*), effort (*tapo*), and insight (*paññā*) with the instruments used in farming pointing out the superior value of the end product of such activity.

From the Buddhist perspective, a community entirely dedicated to the goal of ethical perfection, that has renounced all material possessions, and seeking the support of the lay community for their material sustenance is not to be seen as an economic burden on society. Such a community is recognized as a source of moral inspiration for the

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<sup>8</sup> *Small is Beautiful* p. 12.

<sup>9</sup> Suttanipāta p. 12 f. (PTS)

entire society, for they are considered to be the most suitable persons to provide moral direction to society. Real social development needs such moral direction. In the Buddhist canon there is mention of a Brahmin complaining to his daughter who was faithfully supporting the Buddhist community of monks engaged in the practice of the higher life, saying that she was supporting people who were economically unproductive, living lethargic lives and renouncing all commitment to industry and work.<sup>10</sup> The daughter's response aptly presents the Buddhist perspective on social and moral values. She points out that the recluses she supported were industrious and energetic people performing the noblest of work involving the liberation of their minds from greed and hatred. It is in terms of this perspective that in a Buddhist community laypersons consider the higher and more venerated community of the *sangha* as an incomparable field of merit. The material support provided by the layperson to the *sangha* is considered in the Buddhist tradition as a great act of merit. Such provision of the requisites of the *sangha* is meant to facilitate the latter's firm commitment to the attainment of the higher spiritual ends of life. In return such facilitation is expected to be reciprocated by the members of the *sangha* with appropriate moral guidance for the laypersons to lead a satisfactory and well balanced lay life. This relationship was considered from the time of the Buddha as one to be carefully encouraged and fostered for the greater well being of the society. The Sigālovāda Sutta which presents a Buddhist model for socio-economic development grounded on ethics considers the spiritual community (*samaḍabrāhamaḍā*) as playing an important role in the scheme of social relationships conducive to social well-being. This traditional relationship between the lay and spiritual community appears to be rapidly disappearing as a consequence of the modern social trends characterized by the single-minded pursuit of material wealth.

Buddhist teachings neither disapprove of material riches nor consider poverty as a value. Buddhism associates poverty with suffering, and hence poverty in society ought to be overcome.<sup>11</sup> However, human concern with acquisition of material wealth alone is considered as an attitude which expresses blindness with respect to one aspect of human living. If people neither engage in the pursuit of material wealth nor in the pursuit of moral development they are comparable to people who are totally blind. If they engage only in the pursuit of material wealth ignoring moral development they are comparable to persons lacking vision in one eye.<sup>12</sup> The same Buddhist standpoint is expressed when human happiness or well being is conceived both in economic and moral terms. It is pointed out that compared with the happiness or well being a person achieves as a consequence of moral development achievements in the purely economic pursuits of life are far inferior to the former in value.<sup>13</sup>

However, examined from the Buddhist perspective, the pursuit of some aspects of economic activity in the new economic order appears to make it difficult to sustain the Buddhist ethics of 'right livelihood' in respect of man's economic life. Buddhist teachings instruct people to conform to the ethical principles of compassion, sympathy, honesty, and justice in the regulation of one's economic life. Socio-economic development achieved without conforming to such virtues is considered in the Buddhist teachings as immoral and unworthy. There are certain social values such as values pertaining to family life that seem to be threatened by the sole concern of people with monetary gain. Even in countries like Sri Lanka, where traditional life values were derived mainly from Buddhist teachings, lured by material riches young mothers leave

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<sup>10</sup> Rohinī Therīgāthā

<sup>11</sup> Aṅguttaranikāya Vol. III, p. 351.

<sup>12</sup> Ibid. Vol. I, p. 128-129.

<sup>13</sup> Ibid. Vol. II, p. 69

their families in search of more lucrative employment in far distant countries. As a consequence, the children in the formative years of their life neither get the deserved love and care, nor the moral direction that the parents are expected to give them, leading to a serious breakdown of moral values in the family. Husbands and wives separated for long periods lose their marital bonds, and end up in the breakdown of the family further endangering the well being of their offspring.

Many developing countries are seen to adopt certain economic measures at national level without concern for the long term effects they might have on people's moral and spiritual lives. These go counter to the Buddhist teaching regarding a morally righteous foundation for the economic life. It is possible to mention as glaring examples in this connection some of the moral evils that infiltrate traditional societies with the indiscriminate promotion of tourism. Unless adequate precautions are taken in the promotion of tourism it becomes one of the most potent sources of the entry of numerous vices into a country. Recent experience of developing nations has shown that drug trafficking, sex trade, illegal trafficking in children, the growth of pornography are evils associated with indiscriminate promotion of tourism. Such economic activity goes against the Buddhist concept of right livelihood which involves the rejection of economically productive activity that evidently has harmful moral consequences. Buddhist teachings specify trading in weapons, living beings, flesh, intoxicants, and poisons as examples of trades that have such adverse moral consequences. These are only a few examples that reflect the conditions of the time of the Buddha. We can, in the modern social context consider many other forms of livelihood which are economically productive but morally reprehensible.

Although Buddhism is sometimes mistakenly characterized as a life-denying and asocial religion, there is ample evidence to show that the philosophy of life represented in the Buddhist teachings recognize within its concept of social progress and well being the importance of economic stability achieved on the foundations of ethical living. Social well being is not conceived narrowly as consisting of the mere amassing of a large quantity of material goods. There is much emphasis in Buddhism regarding the right means by which material prosperity should be achieved. Buddhist ethics demand that earning of economic wealth should be by righteous means, avoiding exploitation (*dhammikehi dhammaladdhehi bāhābalaparicitehi*). Buddhism also draws attention to the importance of sharing of the wealth earned in a just, ethical and fair manner. Special attention is drawn to the responsibility of the state in providing equal opportunity for people to achieve economic stability and in making arrangements for the fair distribution of wealth in such a way that a wide gap between the rich and poor is prevented from emerging. It is pointed out that society is likely to move gradually towards total destruction resulting in the loss of all ethical values if circumstances are created for the increase of poverty and destitution in society.

The over-exploitation of the natural resources without concern for the resulting deterioration of the natural environment and depletion of non-renewable resources which is becoming a global characteristic of the modern economic order cannot by any means be viewed with favor in terms of the Buddhist teachings. Buddhism draws attention to the fact that nature reacts adversely to the greedy exploitation of natural resources. Fall in ethical standards is considered in Buddhism to have harmful effects upon the natural order affecting even the movement of the sun, moon and the planets, regularities in weather and climate and patterns of rainfall.<sup>14</sup> A Buddhist virtue pertaining to the economic life of a person is a sense of balance with regard to one's patterns of

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<sup>14</sup> Ibid. p. 75; Dīghanikāya Vol. III, p.80 (PTS).

consumption. The trend of globalization and free-market economy has the tendency to proliferate the wants, attracting people to the acquisition of an abundance of fancy and luxury goods. The media play an active role through a propagandist machinery to inculcate excessively materialist values among the young. It becomes difficult, especially for persons of the young and adolescent age group to resist the temptation to acquire for themselves as many fancy goods as possible imagining that what could make them happy are those possessions. Such a frenzy of greed ultimately results in frustration and disappointment when they find that they do not have the financial means to achieve what they crave for. The external conditions produced by the so-called developed economic order do not permit people to practice what Buddhism values as a balanced life-style (*samajīvikatā*) which involves the extremes of self-denial as well as sense indulgence.<sup>15</sup> Schumacher observed many decades ago that:

“An attitude to life which seeks fulfillment in the single-minded pursuit of wealth – in short, materialism – does not fit into this world, because it contains within itself no limiting principle, while the environment in which it is placed is strictly limited. Already, the environment is trying to tell us that certain stresses are becoming excessive.”<sup>16</sup>

There is no doubt that what Schumacher observed then has become much more obviously true today. Buddhist teachings recognize the psychological fact that there is no ultimate point of satisfaction in the gratification of sense desires (*kāme hi lokamhi na h’atthi titti*).<sup>17</sup> It is for this reason that it is maintained that the greatest wealth is contentment (*santu□□hi parama□ dhana□*)<sup>18</sup>. Unlike in a materialist value system Buddhism introduces a concept of noble wealth (*ariyadhana*). Noble wealth consists entirely of ethical virtues enumerated in the Buddhist tradition as (1) *Saddhā* (confidence in the good teachings), (2) *Sīla* (good conduct involving ethical restraints), (3) *Hiri* (a sense of ethical shame to indulge in morally reprehensible behaviour), (4) *Ottappa* (a sense of moral dread to do what is wrong), (5) *Suta* (learning conducive to moral well being), (6) *Cāga* (generosity) and (7) *Paññā* (wisdom or insight). Economic development by trading off these ethical values for monetary gain is considered to be not worth attaining.

The ill effects of ignoring the need for ethical restraints in adopting effective measures in socio-economic development are becoming increasingly evident in the contemporary world. Economic development which is desired for the sake of happiness, social stability and security appears to be moving societies away from these very goals that are desired. The greatest threat to contemporary society appears to be from the ecological imbalance created by the pursuit of material wealth without ethical restraints. There may still be a chance to escape the impending disaster that humanity has to encounter if remedial action is taken speedily by right thinking men to regulate human efforts aimed at economic development taking into account the indispensable need for ethical restraints. Buddhist teachings are immensely resourceful in this enterprise.

<sup>15</sup> *Book of the Gradual Sayings* translated by R.M. Hare (PTS), Vol. IV, p. 187.

<sup>16</sup> *Small is Beautiful* p. 17.

<sup>17</sup> *Theragāthā* 778.

<sup>18</sup> *Dhammapada* 204.