

BUDDHIST ANALYSIS OF CAPITALISM

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First of all, it should be understood that this analysis is based on the premise that Buddhism is not economic system. Lord Buddha always employs the same method to every issues; politics, law, or economy. He admits the diversity of societies and their internal diversities naturally possess certain goodness consolidating and maintain such societies. Nonetheless those natural goodness may be immoral or in conflict with dharma in some degree. If adapted or adjusted to comply with dharma, such systems will be best and suitable for such societies. Lord Buddha thus teaches social or political leaders according to their needs such as teaching kings of big kingdoms to remain in *dhossapit rajadharma*¹ (ten essential dharma for king) and *chakkravattivat*, and teaching kings of federations of states *aparihaniyadharmā* and emphasizing on personal behaviour rather than caste or birth right. After all, regardless of matters and systems, it can only be considered by one sole principle, focusing on dharma or dharma governance.

Buddhist analysis of capitalist economics reveals many unacceptable features of capitalism to Buddhism, despite the current virtual harmonious coexistence of Buddhism and capitalism. Those conflicts include:

Significant Unacceptable Features of Capitalism to Buddhism

The conditions of acceptance are considered on the conflicts of capitalism and Buddhism. All do not necessarily appear in text of Tripitaka. Some are interpretation of principle written in Tripitaka as a key text of Buddhism, and few are based on scholars on Buddhism.

Significant principle and thoughts of capitalism which are unacceptable by Buddhism feature;

I. Individualism

Individualism begins in politics as philosophers, like John Locke, proposes individualism in order to liberate individual from government coercion, and make individuals achieved right and liberty at the highest degree. This means to be better than the natural stage which right and liberty are absolute but also practically are abuse absolutely. It is also better than absolutist government which government is so powerful that people are lack of liberty and very limit rights. Individualism helps people achieve liberty in the greater degree, in turn, happiness, and human dignity. In this kind of state, government cannot easily coerce its citizens and its citizen can have channels to resist state power. A state then prevents right and freedom of its citizens from abuse and violation, and enables its citizens to fully exercise their right and freedom. This protect is impartially enforced by law which presume equality and political opportunity, i.e. political equality, among citizens.

When employing individualism into economic terms, such equality should have taken place. However, political matters and beings are rather abstract and logically hypothesized such as right, freedom, justice, civil disobedience, and power. These matters are possible to be equal because they are unlimited as they are not zero-sum matters. One personal gain does not necessarily means another personal lost. When

¹ The reading of the Pāli terms used by the author of this paper follows the Thai way which stresses on the sound of the terms as acquainted by Thai people—*Editor*.

one gets justice, it does not mean another will lose justice. Individualism and equality can be in harmony.

Economy is concerned with property, currency, market, production, products, and resources, which all are limited, limited in quantity, so to speak. When one possesses, another then is unlikely to do so. When one gets more, another then gets less. Right and freedom over such matters are quite different from “electoral vote” or political opportunity which can be equal or administrated to be equal by state. In economic realm, if state grants economic freedom and unlimited right to property to its citizens, there will never be equality. If state enforces equality instead, there will be short of right and freedom.

Economic inequality based on the concept of scarcity allows people to exploit one another. The less power the state has; the more individuals can exploit one another or use state power as exploiting tools by influencing law on one’s favors.

Buddhism admits the inequality among human in term of physical, mental, intelligent factor, so the socialist solution by enforcing economic equality to society is not true solution. It should be collectivism, i.e. individuals are parts of society, and responsible for the whole society, in the same manner, organs to the whole body. When considering in each organ, everything seems individual and free, but when considering in the whole body, organs are integral parts of the whole body performing certain functions to maintain existence and balance of the well-being body.

The principle realizing collectivism in practical is donation, to share surplus to others, by personal means as well as official means such as taxation. The philosophy of giving is the philosophy of awareness and devotion to others, coexistence in harmony, share resources, and division of labour. This principle will concern on the impact to the whole. According to this principle one in turn should not be free in individual manner, but free in the limit as a part of and be accountable to the society. This concept leads to sharing, and protect economic exploitation on resource scarcity.

So Buddhism can accept individualism only on the concept of personal inequality based on personal uniqueness, opportunity differences caused by personal intellects, social or family background, and environment. But Buddhism cannot accept personal exploitation of public resources or free competition leading to certain personal advantages and disadvantages. Persons who get better chances by differences are obliged to share them back to general society. Beneficiaries must be responsible for damages to society and nature because it is shared duty for all to preserve public resources. Lockean concept of personal property stating proprietor has full right to property as s/he has used his/her intelligence to improve or adjust the natural resources which Locke considered unlimited at that time. That might be contextually comprehensive in the same manner with traditional Thai law which considered pioneer who slashed down the forest a benefactor to the nation because the new land meant more cultivation and more tax. This was without the concept of the deforestation, or the threat to forest existence as at that time, the number of population was minute. Now cutting down forest to open up new land is deforestation and against the current law. This is because the scarcity of forest as natural resource. Hypothetically, if Locke were to be at the present time, he would possibly not view personal property in this very individualist manner, and might have some focuses on distribution, rather than possession. He might also think of efficiency and utilization which is intrinsically the limitation of natural resource usage.

2. *The Complete Separation of Morality and Economy*

The complete separation of morality and economy may not be the idea of all capitalist thinks. Nonetheless, the current capitalist conditions which perform in the

pattern of partnership and free competition for top profit, war for profit, so to speak, make business persons lack of time, and eventually ignored to recognize morality. Thus they find reason to deny morality in order to discriminate it from economy.

Economic activities may not directly involve morality but their existences and operations in society inevitably cause winners, gainers, and losers, social impact. Some economic activities might be immoral but not illegal, might lead to someone's happiness, but make many more difficult to raise their children in good moral standard. The denial to consider economic activities in moral sense is rather avoiding questions than answering ones. Thus, the problem is not yet solved and we must consider this.

For example, hypothetically one country does not have law on environment, and one business person sets up a factory causing waste water and dust. She or he is aware of the damage and treatment method but does not want to invest too much because it will decrease the profit. Population around the premise do not file a complaint although want to do so. However, if they file a complaint, there is no law to enforce the situation. Such business person is well aware that the factory causes trouble to community but ignores. In this case, economic activity has negative impact to society with full intention. It is not illegal, but immoral. The immoral action does not depend on the cause, regardless it is business related or not. If it is wrongdoing, it is essentially immoral without justification by the matters of economy, politics, or any issues. Violator must be responsible for such very own action. End does not determine morality of action. For example, if moral responsibility leads to the decrease of profit, one still must commits to responsibility. The decrease of profit does not make business person out of moral responsibility. If one considers whether the economic activity causing immorality is immoral or does immoral operation exist, many examples can be seen such as the existence of economic activities related to morality. This means the two matters sometimes relate, and thus cannot be completely separated. As a human, one should not be morally ignorant.

Buddhism holds all economic activities as they are with full intention. With full attention, they are karma; action. Karma can be good or bad. Economic activities take place in society and have impacts to society. Any activities taking place in society and having impacts to society are obliged to be morally responsible. Why could economic activities be activity without moral responsibility? Being morally irresponsible or separated from morality is also desirable for many in other realms. Despite the deeper desire not to be responsible, everyone still must uphold the responsibility. People in economic realm do not have any good reason to separate completely morality and economy. Any claims cannot justify the argument not to be morally responsible to society.

Moral responsibility should not be only considered in negative action, i.e. committing wrongdoing, but also positive action. This is because in business operation, it requires people and society. Fairness in operation and fairness to society and people must be considered because the growing profit is essentially from resources and people of such society. Low average profit is a form of extortion, i.e. unfairness too.

3. Consumerism

Western capitalism believes that consumption means happiness and more consumption means the acceleration of production and more capital accumulation. It in turn leads to better technology development, and less waste, and finally sustainable development.

Buddhism, in contrary, does not consider the worldly sensory pleasure as a true and ultimate happiness, but well-being of physical and mental health. It does not depend on more consumption, or passionate consumption. According to *Akkanya Sutra* of

Tripitaka, Lord Buddha mentions that the resources in the world are limited, when one consumes only according to one's needs, there will be no trouble. But greed makes human accumulate, and more greedy persons make resource scarce. There will be some cheating for other's belongings leading to even more scarcity and depletion of natural resources. People then compete, exploit, and quarrel more for resources and profit.

Capitalist belief on consumption, even leading to better technology to produce with less energy and better efficiency of resources, still leads to more variety and quantity of products. Consequently it leads to more natural resource usage, more waste and garbage. The growing number of population, when roused to consume more, results in more damage to natural resources in multiplying rate. The decrease of natural resources in relation with the increase of population outruns any good clean and efficient technology and increase more waste causing by changing in technologies. Technology changes are as fast as new product lines occurring annually.

This type of consumption, apart from the fact that it destroys natural resources, is considered by Buddhism as the destruction of human mind by stimulating mind to pursue the infinite worldly passion. The type consumption damage health from what are consumed. Destruction may be caused by the state of overworking to maintain and increase economic and social status for consumption which is praised as a symbol of wealth. Over consumption may cause health damage, and also debt which negatively affects surrounding people. Mentally, it may cause anxiety to find items to enhance status, and more items for higher status. Once it is short of items, comes the suffering. This suffering is continuing, and then returns to damage physical health. Persons in over consuming society, instead of more happiness, are indeed stressful, regardless the rich and the poor. The rich competes to maintain their status, while the poor stressfully struggles for more expensive consumption. But the labour cost is relatively reduced in comparison of living cost. As long as one sees material happiness as an essence, this state is inevitable.

Buddhist teaching is opposite to capitalism because the dangers of over consumption are realized. The teaching is;

1. Quality consumption – the harmless consumption which does not mislead, such as consumption of sinful matters. One should not consume according to passion, i.e. unnecessary, consume more than one's needs which leads to more payment and less saving or investment. The excessive matters are unnecessarily kept until depletion without a real use.

2. Consumption for relief of suffering and for good health – it should neither be living for consumption, nor consumption to show status.

3. Consumption with consideration of worthiness - it should not be consumption from advertisement or fashion. It should be consumption by principle and reason, not by passion led by advertisement.

4. Consumption according to availability – it should be according to local availability of resources and production. It means self reliance, debt-free, and moderation.

5. Distribution to all strata of society – it should be abundant in one stratum but shortage in the rest. The existences of the extreme rich and the extreme poor in one society mean less happiness than a society with narrower margin. The existence of society with narrow difference essentially relies on consumption distribution administrated by government. This will lead to self-reliance in both production and consumption sides. Such system will disagree with the capitalistic principle of economic freedom in private sector. This will mean economy should be led by the determination of production by necessity instead of the production of the unnecessary items followed by the consumption stimulation.

Consumerism is the character required by capitalism in order to secure the production system which is totally against living in sufficiency establishing resource and production security. The utilization of science and technology in production should be used for all goodness of humankind, not for private profit, in non-destructive, efficient, and economy way. The rich can possibly consume more but only after saving and helping others. The rich must help the poor. The rich countries must help the poor ones. In this respect the surplus of product should be used to help the needy ones to create the balance of consumption.

4. *The Belief of Material Happiness as the Ultimate Happiness*

Consumerism is based on materialist belief that human body and being is consisted of matters and energy. When being dead, all is vanished. The actual happiness is thus sensory happiness of physique. Mental happiness is nothing but the result of physical happiness, i.e. the physical happiness leads to mental happiness. When physical happiness is absent, so is the mental happiness. Thus, material happiness is the only possible happiness of human through their own sense. Therefore, the more physical happiness means the more real happiness, and it must be happiness for this life. The production is inevitably ultimate way to satisfy overall human at the maximum level.

Lord Buddha accepts the existence of the material happiness, but only for its necessity to heal physical sufferings, not as the ultimate happiness for human kind. The true happiness is the serenity of mind, i.e. the peace, not the will to struggle. The person believing in physical happiness as the ultimate happiness might struggle for such happiness. Buddhist teaching does not obstruct but warn that it is not real happiness. When striving for such kind of happiness, there will be suffering to follow definitely and it is one's own personal choice. When seeking happiness in Buddhist way, one needs to reduce and refrain from physical happiness, and then pray and mediate to make one's mind peaceful. This is the real happiness one need not to purchase. Physical happiness disagree with the principle of meditation, it is called *Kamasukhallikanuyoga*, i.e. the focus on physical needs beyond physical necessity. Besides, personal happiness is not the best thing for human, and refraining from bad action and committing good deeds are more important than personal happiness.

There are differences in thoughts and perspectives on matters. Capitalism considers material happiness as the sole happiness. This thought is unacceptable by Buddhism. Most points rejected by Buddhism are on the arguments that this material happiness is not ultimate happiness.

5. *The Belief that Selfishness is Human Nature*

Buddhism does not object the gesture of capitalism that takes selfishness as human nature. This selfishness drives human to want profit and, in turn, produce. Eventually, if human are inconsiderately and single-mindedly selfish, human will ultimately seek profit. But Buddhism does not believe that human will have only one, biased natural trait. Human might not be the creature with justice and sacrifice in mind, not even other creature. We might possibly claim that the male creature hunts and feeds the female of the same kind only for mating purpose. And possibly female creature lets its pair feeds first because of fear. But female creature, feeding its offspring and feeds until they have enough, surely does not long for anything in return or is not feared by those offspring. What else could cause this but love? Though there could be difference of love of human and other creatures.

There are many philanthropists in the world, so as altruists. These kinds of people are not clueless about how to make profit. Profit could be the ultimate goal of commercial business, but not of human. And when making profit decreases degree of

humanity, unjustly exploits others, or comes by deception, there people choose to remain moral.

There are two natural characters of human; selfishness and mercy. Contradict as they seems, nonetheless human intelligence can decide when to be selfish as well as when to be merciful, at what degree. If human possess two contradicting natural characters without a tool to organise those traits in order, human might be all insane.

The myth of human's natural selfishness as the fundamental thought is only exerted to exploit the inferiors who cannot well compete and to legitimize and naturalize the unfair profit making. It is partial moral of the stronger to handle the weaker which is unacceptable for the weaker and unjust for the moral ones. The attempt to establish such exploiting culture does not exclusively and internal exist among people of the same state, but also exist between the bigger and the smaller states, the rich states with high technology and the poor states with low technology due to their the naïve or coerced conditions.

6. Free Competition

Free competition is often mistaken to be identical with fair competition and at times used interchangeably. This is based on the misconception that everyone is entitled to and willingly chooses to compete. In contrary, the free and liberate chance and willingness to compete do not exist in the real world of capitalistic society. Free competition can be fair only when all competitors have equal basic foundations which in fact do not have. These range from the big corporate enterprise with virtual infinite capital to small scale traders. The enterprises with more capital essentially have better chances. Those international enterprises with more capital are capable of destroying local enterprises in other countries. Free competition is thus nothing but exploiting ploys in competition. Adam Smith considers free competition a fair competition because at that time there was no such difference among competitors in the current degree.

Free competition is free only when all competitors are equal in capital, market intelligence and knowledge, technology, and labour which are elements of production but this condition is idealistic and far from the reality. Buddhism holds principle of Dharma governance, i.e. righteousness and justice more important than liberty. If such liberty can cause injustice and evil, fairness and justice are possible without exploitation.

Apart from fair competition, economic activity must be just and fair and cannot operate in immoral way either. Strong advertising scheme aiming the underage, undereducated, or poor persons is not morally different from those sinful businesses.

7. Principle of No State Intervention

This principle is based on the concept of individualism of John Locke which stemmed of the fear of totalitarianism, absolutism, and tyranny which is the fact in the western world in the age of absolute monarchy. But in fact this principle only benefits the middle class, especially business person taking profit from the lower class i.e. working class. This has indeed originated and invigorated communist movement and revolution.

When exerting individualism in economics, Adam Smith added the principle of "Invisible Hand" which believes that market mechanism will operate as if an invisible hand managing economic activity to the right and proper way. Thus, state should not intervene. Nonetheless, Adam Smith's principle suffers the same flaw of John Locke's of offering no safeguard of exploitation of one individual to another. When exploitation takes place, there is no power to administrate and bring justice because

state authority is limited. Adam Smith's principle of capitalism can be realized only through the perfect market conditions including;

1. Homogenous Product – i.e. the same types of product should be in the same quality.
2. The number of actors, buyers and sellers, should be sufficient, so that there will be no particular person that is so powerful or influential to determine the price.
3. No preference among actors, i.e. buyers will buy from any seller that sells, and sellers will sell to any buyer that buys.
4. Perfect information. All buyers, sellers, and producers have perfection information about situations and market including price, quality, raw materials and so on.
5. Perfect Mobility – Such product must be evenly distributed to all areas and strata of society. If there is to be any shortage of product, replacement can be delivered immediately and quickly.

But the perfect market is only ideal. Preventing state intervention means supporting for exploitation within state. If any state could not provide justice to its citizens, such state is a good state. So the state is required to intervene private matters when justice, fairness, or state existence is at stake. State needs a defensive mechanism that works because state has duty to prevent its citizens from exploitation of foreign and domestic private enterprise.

8. Principle Focusing Solely on Economic Growth

The figures of economic growth are the measure of overall economic improvement. The true believers in the numbers as the real economics growth authentically believed overall economic growth will benefit down to all lower strata of society. But the growth is possibly limited to those business operators and affects minutely to the lower strata. If this is the case, most people are the labour of such business operators owned by foreign investors. The figures might not essentially mean national economic growth but capital owner's nation. The figures can also be temporary and illusive owing to the fact that economic system relying foreign investors is rather uncertain as investors can relocate their investment anytime at their will. Any variances happened to main business enterprise can effect deeply and consequently to its local affiliate company. Such economic growth is not economic security, unlike self reliance.

Foreign investment is the symbol of slavery, of subjugation, of incapability of being oneself, and is equal to being in debt or even worse. In deeper sense, such investment is profit making process without being responsible for waste and environmental damage. Such businesses will be costly for waste treatment and resource costs if operated in their own countries. The investment in under-developed countries is the mean to avoid environmental regulations. This also reduces usage of investors' national resources by using target country's resource with cheaper cost. Moreover, foreign investors create the competition among target countries in reducing cost of resource and labour, or force by capital dependency. This then comes along with local promotion of consumption in order to turn the target country into market. Finally investment of capital will be pulled back to the original country. The picture of development and growth is thus temporary. When money is absent, economy will consequently fail. Then foreign loan is then introduced to the production and vicious consumption cycles until the local resource vanishes and foreign investment is ultimately withdrawn to other locations. Eventually the country falls. This form of capitalism is not sustainable economy.

Lord Buddha holds the real happiness as the quality happiness happening to body and mind. Such happiness must be obtainable by oneself without debt. From individual point of view, it could come from thriftiness and moderate consumption.

From national point of view, it could mean the attempt to create the local production system based on local resources and development. This system does not aim to achieve high growth figures or get more profit to minorities but to self reliance, and reduction of import, the outreaching distribution of happiness, and to better quality of life. But most consumption is indeed performed by those minorities who are taught or socialized to consume more. Eventually they will be all in debt and suffering. Cooperation in smaller scale, but in securely expanding manner, leads to more secure and sustainable economy. Capitalism taking this road will need to shortcut of loaning for operation. Capital should come habitual saving and economical consumption. Economic growth is indication of enterprise development, not overall human happiness indication. It is economic security and fair and thorough distribution of production and products such as cooperative system that are mattered.

9. *Centralized Feature of Capitalism*

Capitalism is the most centralized economic system of all by attracting capital to the centre and distributing out in the least degree in order to cut cost, produce more, dump market, and profit the most. This only benefits the rich but alienates and dehumanizes the rest. The rest is then turned to be slave labour and consumer i.e. they are exploited as labour and then as consumer for further.

Buddhism does not focus on material as much as mind. Material is needed to the certain level. The high volume of production is not as necessary as the high level of distribution, self reliance, and cooperation among human. Generous help and cooperation among human will create job opportunities and recapitalization for production systems which can be owned and managed by, and benefited to everyone. Economic power is not with state and capital owners but dispersed to various group in society. Interactions among groups should then be fair. There will be no exploitation as there is no minority capital owner. No exploitation can be seen as a good deed. Distribution also means distribution of environment conservation group, environment increasing attempt. Economic and efficient usage of resources is the distribution action which gives human integrity as a free and useful person; useful for other members of society as co-producer, as savior of other sufferers, domestic or foreign alike, and as protector of nature. The action should be manipulator and destroyer like capitalism, and not exploit the inferior person or country. It should cut its tie with false economy of money traders and exploitation of middleman.

10. *Delusive Advertising*

Advertising has changed over times with the only similar purpose to sell goods and service. But the styles and types of advertising will morally justify the advertisement itself. The first era of advertising is generally called "Product Era", i.e. the advertisement of the newly emerging product to public focusing mainly on product name, quality and benefit, usage and price. It is advertisement of detail and quality of product. This kind of advertisement will be immoral only when it is deceptive which means the product does not have such quality as advertised. This straightforward advertisement can be examined by consumer when buying and testing.

The second era is called "Image Era" which has more competition. There are more of the same kinds of products. The advertising is more important as it helps retain market shares by creating more confidence of consumer in every product brands by the same manufacturer without concerning on the product per se. Consumer will only look into the name of manufacturer. The advertising of the era still also focuses on product quality and the maintenance of the good reputation on quality. Buddhism could still accept advertisement of this era as legitimate advertising.

The third era is called “Positioning Era”. This era is the period that products have resemble quality or come from the same manufacturer. Apart from certain features and appearances, they are practically identical and not able to be distinguished and used for advertising. Mostly advertising mentions only the intriguing or outstanding features or establishes such features to that particular product. This feature establishing attempts are sometimes so surrealistic or unrealistic that people overlook the actual quality of product.

False advertising is universally unacceptable by any standard of Buddhism. Surrealistic advertising is the overstatement of the quality of product and advertising statement purposely focusing on good side or benefit to customer only and withholding a part of fact stating the down side or loss of consumer. This is deception and Buddhism finds this unacceptable. The reason behind this overstatement or delusive statement is the maximum sale for maximum profit. The greed for profit leading to deceptive method is also unacceptable by Buddhism. Besides, the advertising for overspending, over-consuming, and obsessive consumption is all bad commercial practice.

Summary of the Features of Buddhist Political Economy

We have explored capitalism, capitalistic arguments which are partly different, and Buddhist critiques of capitalism on various issues, especially on unacceptable capitalistic issues. This will summarise politico-economic features of Buddhism as the topical conclusion. This means to show the relation among different but harmonious politico-economic features of Buddhism.

1. Buddhist political economy is collectivism, not individualism which is the root of capitalism.
2. Collectivism focuses on the unity of group or society as a whole. It thus analyses state as the collection of people in unity, not from the nature of individuals in the state of nature, or state of no society as individualism suggested.
3. Collectivism will focus on the duty to the public or to society more than private right, i.e. everyone has duty to perform to and for others and with the concern of others, no matter they are rightful or not. If it is obliged duty, one must perform such as sharing, public mind, and reciprocation over private right.
4. Thinking outward from oneself, not inward. The concept of personal duty should prevail, so we should perform our duty to and for others as well as ourselves. One does not respect others' right because one wants others to respect one's right in return.
5. Such concept is possible through self abandon. If one cannot abandon oneself, one cannot devote the self for others. This is at odd with individualism focusing on self and ego, personal interest, and self-centre idea. So the dogma is for personal struggle, not sacrifice for other. Thus it focuses on exploiting competition, survival, anti-society, personal aggression until other resists where one defines right, and expands it when having chance. Such attempts is called “right claim”.
6. Right is the logical hypothetical assumption for individuals to exploit society but duty is based from human coexistence where duty cannot exist without supporting reason. This is because the ultimate duty for everyone is to create a good society.
7. Individualism is only the concept that serves passion (kiles) by starting the claim over personal possessions, and other's as co-possessed natural resource. Anyone puts labour into or adapts it and then can claim right over it. Indeed the use of such resource makes the user exceed others' right by using it, without considering possession. By claiming right over it and prevent others from using it is indeed violation of right of the rest by refraining others to use such resource. The more

intelligence and the more capital one has, the more right one wants to obtain and the more violation of others' right happen.

In contrary, collectivism suggests completely different concepts i.e. the development or progress from general human intelligence and technology should belong to all human. So all can share happiness and better quality of life from such knowledge, and if such person cannot share, such person should not exist in the same society.

8. Collectivism holds that everyone has duty to one's family, family has duty to community, and community has duty to state. Each smaller part is for bigger part and each individual existence is for bigger existence. Everyone aims to reduce lust and spend their lives to renounce passion. One should take from society only what one would need and contribute to society as much as possible. Even a king would need to comply with royal moral of *Dhossapit Rajadharma* and other *Dharmas* to serve and protect his subjects.

9. Such passion abandoning, and altruism are not natural for commoner but good persons and intellectuals. These natures can be developed through nurturing. Altruism and sacrifice are parts of human nature as a moral being, not sensory pleasure seeking which is same nature of those subhuman being.

10. Western individualism combined with materialism results in the dogma of struggling for material cause. This struggle is caused by the scarcity of resources and the unlimited passion and lust. Material has individual traits and characters. Person with passion demands materials of certain characters. If combining western individualism with ethics and idealism, individualism will focus on self control, refraining from passion and lust, and keep general peace. This will harm no one and nothing. Individualism does not necessarily contradict to ethics.

11. According to Buddhist philosophy, physical or secular happiness is not true happiness but necessary for healing physical suffering. The true nature of human is the mind when needing only little physical happiness. So individual can share with the rest of humankind in need. Physical suffering remedy in wider scale is the goal of collectivism. Physical happiness or pleasure is not the goal of life. To redeem oneself from physical pleasure obsession, i.e. mental redemption is the ultimate goal of life. Decent life is the devotion to do goods and work hard to free oneself from physical pleasure influence.

12. Social and political collectivism can be developed into economic concept of "Dharmacracy" or ruling by dharma or moral justice. Dharma will be the centre of thought and concept behind everything including production, consumption, or any mechanism to ensure economic fairness in every activity.

13. Producing activities must rest on economic reality of state, i.e. according to the true economic status of such community or state such as resources, knowledge, and technology. Any economic activity deemed irrelevant to production will not be accepted such as monetary speculation. Neither does immoral and underground economic activities such as gambling or narcotics.

14. All economic activities, trade or production, must be legal and fair with no trade or labour exploitation. Price must be fair and product quality must be worth to buy. Advertising, monetary system, and taxation must be just. Any economic activities should be moral (*Samma Arjeva*)

15. One should not aim to wealth by the path of exploitation or over-consumption of resource, but sustainable economy. The system should be self-reliant, non-destructive, best valued in term of resource. The production and consumption should be moderately sufficient, not wasteful or prodigal. It should be well constructive for healing human suffering, for social security, for human interdependence in just and fair

manner. Ultimately it should reduce ego, give human more time to contemplate, train, and meditate for oneself.

16. All economic relation should be based on the principle of good friend (Galayana Mitta) for all related parties: trade partners, co-producers, employers and employed labour. All should uphold dharma. Employer must not exploit. Employee must be diligent and focus on work, not wage. Employee must have chance to progress such as be a business partner.

17. Profit must be shared to society which truly co-owns resource as inferior chance bearer. This should be also the practice guideline for investing nation and local nation by redistributing the earned profit the locals in form of paid tax, charity donation, and other social supporting schemes.

18. Consumption must lead production, not vice versa. The production-led scheme will create overproduction, and in turn overconsumption.

19. Consumption must be quality consumption with no harm, no overconsumption, no passion-led consumption, no sinful consumption leading to immoral paths, and no concept of consumption as ultimate goal. Consumption should be only for physical need healing.

20. Consumption should be according to availability. Country needs to consume the resource available to it. Consumption should be restrained by production ability, i.e. self-reliant consumption.

21. Valued consumption is the consumption of the product with best value of money, not of the product promoted vividly by advertisement or fashion.

22. Consumption promotion must be moderate as possible. There should be no delusive, or seductive advertisement, or any advertisement causing wasteful consumption, or immorality.

23. Government or state should take part in administrating production and consumption to comply with the mentioned principles. For example, bank and financial institution should be managed not to take advantage of their clients, to curb financial power with no production base, recapitalize for cooperative activities, control currency flow, and establish knowledge and development of production for community. So it can be self reliant, and knowledgeable enough to grow in its own strength. This control should extend to product quality control, consumer protection, production volume, environment safety, waste volume, and so on. This control is possible through legal mechanism such as labour law, consumer protection law, law protecting small and medium size enterprise, product standard law, law on service business, etc.

Buddhism and Condition of Accepting Capitalism

Both Capitalism and Buddhism have idealistic characters which are unattainable in realistic world. Some changes are deemed necessary when putting into practice in each individual situation. It can be seen that Adam Smith's capitalism is fair and based on the belief of human goodness. Market mechanism is natural. But in practice, some cases of capitalism are lack of human compassion, using human as the means of production and to wealth. This turns out to be greedy, selfish, and ruthless, immoral, and publicly irresponsible kind capitalism.

Buddhist economy too can vary to the degree of strictness of operation. So does the concept of middle path. It can be interpreted in strict manner of the sect of Santi Asoke, or in organized and corporate manner of Dharmakaya. This various degree of strictness can be good faith but can make Buddhist economy very difficult to practice and so forceful that it cannot be adapted to other economy concepts. This is not quite a principle practicing by Lord Buddha, i.e. flexibility and adaptability to other

economies. By applying the appropriate principles of Buddhist economy to assist, there will be new harmonious ways of economy.

If we consider that a society such current Thai society has fallen so deep into capitalism that it cannot change its course or direction and capitalism has several good points, such as strong motives to produce, high quality of product standard and high product development, and lower price caused by economy of scale. If we can ideally consume resources which will be economical and value-added, consumption within this ideology will enhance convenience and comfort of life. Human capability and knowledge will be simultaneously and constantly developed as well as the production process. Capitalization for production can be difficult and costly. If we can just maintain this goodness of capitalism and reduce some bad side effects such as excessive profit speculation which lead to more social problems such as waste, damaged environment and resources, usage of hazardous production technology in under developed countries, and reckless usage of natural resource focusing solely on profit, exploitation with forceful measure such as law, marketing, taxation, privileges for consumerism for personal profit and extracting the redistribution portion back with the original profit.

The attempt to retain goodness and reduce badness of capitalism is only possible for domestic capitalism. International or transnational capitalism could be difficult to control or adjust because some actions may be unacceptable for capitalism such as state intervention of domestic economy by legal approach, promotion of local investors with various means, the sudden change to self-reliant economics- such as sudden decrease of consumption, attempt to consume only what one can produce, consumption of necessary – not of passion, increasing value and consumption of resources as necessary ,saving for investment, and so on. These actions can be seen as good by Buddhism, but for persons getting used to capitalistic consumption and comfort of technology and capitalism may not easily want to change their lives and thought to Buddhist economy except possibly economic meltdown when they cannot find jobs and cannot continue consumerism.

In current situation, if considering cases of capitalism such as Thailand, most Thai capital owners are not aggressively exploited and quite Buddhist in character. If some individualistic conditions can be retained for capitalism with some to be adjusted according to Buddhism, some conditions can be achieved, more or less depending on cases. Such conditions include;

1. Economic goals should be limited to those in harmony with good life and good living of Buddhism.
2. Capitalism must truly accept social responsibility and advertising must not focus single-mindedly on business profit.
3. Product should be redistributed fairly such as wages, product quality, and price.
4. The goal cannot be the destruction of other economy.
5. Competition must be constructive, not destructive.
6. Business promotion must be just and fair. There should be no overstatement or false statement in advertising.
7. Economic activity is social and communal, thus considerate to public, society, and others. The real cost is actually higher.
8. State intervention is possible as this is “Dharmacracy”.

Causes Preventing Buddhist Economy to Realise

Buddhist economy can be partly adapted and implemented to current Thai society but implementing the difficult economic system is unlikely to happen except the event of similar economic meltdown and collapse. So the new system will later prevail

as an alternative. If the society does not reach that meltdown stage, the new economy can take place in parts of country such as agrarian part. The causes preventing Buddhist economy to realise include;

1. The existing system is strong and already dominating society. Moreover, people get used to the existing system, especially one attached to the existing comfort and convenience of the system. The one lacking comfort may wish to have so.

2. People of the existing system can only think of earning ways of the old system, not new. For example, the laid off labours can only who or where should be next employer, or think backwardly to agricultural sector. They will eventually go back to be industrial labours if there is chance. They might migrate to different countries to find employer. Only concept of work for this type of person is labour. So does merchant. Even they are bankrupted by trading, they will start trading again to recover. No matter how many times they fail.

3. Poor communities in rural area might be well better and accept this concept more, but ones in urban which cannot rely on agriculture will be more difficult to be self-reliant. For these communities, they seem to find no way to reach Buddhist economy.

4. The existing economy is more compatible to passion because the exploiters prefer. The exploited will then in turn exploit others further. For example, the big business exploits the smaller business, the small business exploits consumer, and so on. The last exploited may want to change this but not be in the position to do so. He or she could only pray for mercy.

5. The existing system is well accustomed for all related parties. The new Buddhist is new and unknown for the ways it should operate. Many accepted communism or fascism as the situations forced them to do. These ideologies seem to have clear methods to proceed. Buddhism might need to wait until the unsolvable or catastrophic disaster occurs such as being exploited until bankruptcy, using up resources. Unless, the current power holders, i.e. capital owners, who control state and well as economic power, will solve the problems in the same old way of the old regime, no matter how many meltdowns happens.

If Buddhism does not offer concept on the elements of the systems such as capital, or who should have power to allocate resources and how to do so, or how to convert to the new regime or system or how can the two coexist and maintain Buddhist economic character, or what is the ultimate goal of the system, or how satisfying it would be, Buddhist economy will remain vague ideology because there is no strategy for changes.

Even though, Buddhist economy is difficult to happen at this point of time. But now actually there are proposals from various sides to employ some economic concepts in harmony with Buddhist economics. Some are in experimental state such as sufficiency economy operating through concept of new theory initiated by HM The King Bhumibhol, local community business syndicate of Bang Chak Company. Some are theoretical suggestions such as *Dual Economy* by Dr. Vichitvong na Pombhejara, *Buddhist Economics* by Dr. Apichai Puntasen, *Green Economics* by Dr. Preecha Piampongsan, and so on. This clearly shows that Buddhist economy movement has started already.