

## **Buddhist Economics – Clair Brown**

Clair Brown, a professor emeritus at UC Berkeley, taught economics for over 30 years. She often found that the students in her sprawling introductory classes had a hard time reconciling the dominant neoclassical model that she taught with the real world that they experienced from day to day.

They wanted to know why there was so much emphasis on economic growth in the abstract, and so little discussion of issues like inequality and environmental degradation...She decided to offer a course in “Buddhist economics.” BillMoyers.com asked her to explain how Buddha would organize an economy. Below is an excerpt of discussion between Clair Brown & Joshua Holland:

**Joshua Holland:** .... a book called *Buddhist Economics: A Middle Way for the Market Place*. It’s by Prayudh Payutto, a Thai practitioner, and he writes: Economics is one science which most clearly integrates the concrete and the abstract. It is the realm in which abstract human values interact most palpably with the material world. If economists were to stop evading the issues of moral values, they would be in a better position to influence the world in a fundamental way. What would incorporating moral values into the realm of economics look like in practice?

**Clair Brown:** I see Buddhist economics as having three legs.

One is the capabilities and freedom approach of Amartya Sen, for which he won the Nobel Prize... He says that you absolutely have to be able to compare rich people and poor people and their wellbeing, and you absolutely have to care about inequality...

One is ... sustainability, and there’s been a lot more work done on how we can incorporate sustainability into economics, and that’s called ecological economics.

One ...is ... — that you relieve suffering.

**Holland:** A big part of Sen’s philosophy of welfare economics was coming up with different ways to measure economic well-being. What measures would Buddhist economics employ?

**Brown:** There have been a couple of approaches that have taken off from Sen’s work.

Bhutan used one of them — it is a Buddhist country — creating the Bhutan Gross National Happiness Index...Bhutan said ... We don’t think of economic growth as valuable, except to the extent that it can make people happier and relieve suffering.” And one of their criteria also was sustainability, and they said, “Actually, we need to work more on the sustainability part. We haven’t incorporated that part enough in our model.”

Another way of thinking about measuring economic growth is ecological economics, which looks at the entire output of the economy in terms of its impact on the environment. But not just in one time period. This approach brings the potential negative impact on the environment for future generations back into your growth rate today, so that you have a total growth rate that incorporates what’s happening today — the positive and negative— and what’s happening over time. And that really does help us understand how much we are really benefiting right now from our economy’s growth.

**Holland:** Americans earn more, on average, than people in most European countries, but we also work about 30 percent more hours per year than they do. And we deal with more stress. What would Buddhist economists say about the balance between work and the rest of life?

**Brown:** ...with economic growth and people getting better and better off, we didn’t cut back on work, as people had predicted. We didn’t make life more balanced, we didn’t take time to be creative and spend time with our friends and build our communities. Instead, we just kept working harder and harder. And today, the materialistic culture, which is reinforced by the mainstream economic model, says, “Hey, you want to feel better? Make more money and go shopping”— it’s like you can never be satiated with this model. And it seems like that reflects American life. We want more and more, we consume more and more, and the other things in life that should be important to us—our families, our communities—are suffering from that. And of course, I think we’re suffering too from all the stress.

So Buddhist economics would definitely say, “Hey, let’s step back, let’s focus on our wellbeing, and how we care for the environment and each other.”