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The Invisible Hand of Altruism:  
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“What Is Human Nature? Its Role in  
Structuring Buddhist Economics”

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The Invisible Hand of Altruism:  
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On June 16th, 2017, the University of British Columbia welcomed Dr. Clair Brown, Professor of Economics and Director of the Center for Work, Technology, and Society at the University of California, Berkeley, to present her talk, “What Is Human Nature? Its Role in Structuring Buddhist Economics.” Dr. Brown's presentation was featured as a part of the “Buddhism and Business, Market and Merit: Intersections between Buddhism and Economics Past and Present” conference, at the University of British Columbia from June 16th to 18th, 2017.

Buddhist Economics is emerging as a multidisciplinary field of scholarly inquiry, convoking the united efforts of anthropologists, historians, economists, philosophers, textual scholars, politicians, monastic leaders and businessmen worldwide. The conference focused on the ways that economic interests inform Buddhist practice, and conversely, the ways that Buddhism shapes economic activity.

To facilitate the multidisciplinary exchange, the conference featured forty-two presentations by renowned academics from all over the world. The conference was sponsored by The Liuzu Temple in Sihui, Guangzhou, University of British Columbia Buddhist Studies Forum, and From the Ground Up, the newly funded multi-year, international and interdisciplinary Canadian Social Sciences and Humanities Research Council partnership project on Buddhism and East Asian Religions ([www.frogbear.org](http://www.frogbear.org)).<sup>1</sup>

The conference opened with a welcome address from Venerable Dayuan (Liuzu Temple). He noted that there is significant work being done on Buddhism's intersections with economics, both across and outside of the academy, however there is still much to be learned in multidisciplinary conversations surrounding this topic. As the speech concluded, he emphasized that as globalization and international interdependence continue to proliferate, Buddhist Economics is ever more required.

Following Venerable Dayuan's address, the field specialist presentations were given. These forty-two presentations were divided into ten panels, each on a different subject of Buddhist Economics study. The first panel, "Buddhist Economics: States of/in the Field" featured presentations by Dr. Clair Brown (University of California, Berkeley), Dr. Otto Chang (Indiana University and Purdue University), Dr. Barbra Clayton (Mount Allison University), Dr. Hudaya Kandahjaya (BDK America, Moraga, California), and Dr. Juwei Shi (Nan Tien Institute, Wollongong, Australia). This paper will feature an in-depth exploration of Dr. Clair Brown's presentation, "What is Human Nature? Its Role in Structuring

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<sup>1</sup> "Buddhism and Business, Market and Merit: Intersections between Buddhism and Economics Past and Present," From the Ground Up: Buddhism & East Asian Religions, accessed July 31, 2017, <http://frogbear.org/buddhism-and-business-market-and-merit-intersections-between-buddhism-and-economics-past-and-present/>.

Buddhist Economics.” For further reflections on Dr. Chang’s and Dr. Kandahjaya’s presentations, as written by Yadi Qu of the University of British Columbia, please visit the [Canadian Journal of Buddhist Studies Blog](#).

The first panel presentation, “What is Human Nature? Its Role in Structuring Buddhist Economics,” was conducted by Dr. Clair Brown, Professor of Economics and Director of the Center for Work, Technology, and Society at the University of California, Berkeley. As a past Director of the Institute of Industrial Relations at the University of California, Berkeley, Dr. Brown has published research on many aspects of economic function, including high-tech industries, development engineering, the standard of living, wage determination, poverty, and unemployment. Her books include *American Standards of Living, 1919-1988*, and *Chips and Change: How Crisis Reshapes the Semiconductor Industry*. Dr. Brown’s contributions to the field of Labor Economics were recognized by the Labor and Employment Relations Association, who awarded her their Lifetime Achievement Award in 2010.

In 2010, Dr. Brown expanded her research to include sustainability and environmental protection, citing the measurement of global warming and inequality as a fundamental “blind spot” in modern economic policy. This unique blend of subject matter expertise, combined with her own operational ethos as a practicing Buddhist, galvanized her to develop and introduce Buddhist Economics as a field of study at the University of California, Berkeley. Dr. Brown’s new stream of Buddhist Economics retains elements of past works, while simultaneously introducing new and alternative economic models that are designed for the modern world. Her name has quickly gained synonymy with the term “Buddhist Economics” in the past decade.

The term “Buddhist Economics” was first used in 1955, by E. F. Schumacher, a German economist and economic consultant for Burmese

Prime Minister U Nu.<sup>2</sup> The term is currently used by followers of Schumacher and by Theravada Buddhist writers, such as Prayudh Payutto, Padmasiri De Silva, and Sulak Sivaraksa. In general, Buddhist Economics aims to classify harmful and beneficial human activities involving the production and consumption of goods and services, in turn defining a “right” (ethically mature) path of development.<sup>3</sup> In Buddhist Economics, this path has been referred to as the middle way between materialist heedlessness and traditional immobility, seeking to obtain the maximum of well-being, with the minimum of consumption.<sup>4</sup>

Dr. Brown’s specific contributions to the field of Buddhist Economics include a newly invented economic framework, focusing on the integration of global sustainability and shared prosperity to provide a holistic model of economic behavior and well-being. Her valuation of economic performance is based on how well the economy delivers a high quality of life to every person, while simultaneously protecting the environment. By replacing the primarily profit-driven economic motivators of the current global economy with these new humanistic motivators, Dr. Brown has created a new economic model that seeks to challenge the GDP-based growth which dominates in today’s economy. In addition to domestic output (or consumption), Dr. Brown maintains that the measurement of economic performance must be corrected to include equity, sustainability, and activities that create a meaningful life.<sup>5</sup> Dr. Brown’s presentation at the conference highlighted several central points of her

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<sup>2</sup> Ernst Friedrich Schumacher, *Small is Beautiful: Economics as if People Mattered* (New York: Harper & Row, 1973).

<sup>3</sup> Prayudh Payutto, *Buddhist Economics: A Middle Way for The Market Place*, trans. Dhammavijaya and Bruce Evans (Bangkok: Buddhadhamma Foundation, 1994).

<sup>4</sup> Ernst Friedrich Schumacher, *Small is Beautiful: Economics as if People Mattered* (New York: Harper & Row, 1973).

<sup>5</sup> Clair Brown, *Buddhist Economics: An Enlightened Approach to the Dismal Science* (New York: Bloomsbury Press, 2017).

book *Buddhist Economics: An Enlightened Approach to the Dismal Science*, published by Bloomsbury Press in February 2017.

In Dr. Brown's conference presentation, she carefully deconstructed the three assumptions of free-market economics: people are selfish (the "Adam Smith sequel"); more is always better; and that the goal is always to maximize consumption. In *Buddhist Economics*, however, Dr. Brown states that people are inherently altruistic; a person's well-being depends on cultivation of inner (spiritual) wealth, even more so than outer (material) wealth, and through the necessary cultivation of this inner-happiness, humans become free to express their "true" and altruistic nature. This idea leads way to three new Buddhist Economic assumptions: we all have Buddha-Nature that we can nurture and subsequently apply towards economic activities; we must assume interdependence with all other human beings; and lastly, we must acknowledge human interdependence with nature. Dr. Brown stressed that the Earth is not a mere consumable, and the health of individual people, nations, and the Earth as an organic entity are interdependent upon one another.

Dr. Brown explained that for the global economy to transition to a future where inequality and environmental issues are properly addressed, an enhanced focus must be placed on the tools that are used to measure economic progress. The tool used by most governments today is Gross Domestic Product (GDP), which effectively measures market output, the transfer of money from one economical pocket to another, but ignores conditions related to human happiness. For example, Bhutan uses a Happiness Index called Gross National Happiness (GNH), Maryland uses the Genuine Progress Indicator (GPI), and the United Nations has devised a Human Development Index (HDI). Combinations of such measures may provide a much more holistic standard of economic measurement than the current *modus operandi*, GDP.

Dr. Brown then elaborated on the differences between hedonic happiness—the pursuit of pleasure and avoidance of pain in one’s own selfish parameters, with the Aristotelian concept of Eudaimonia, which defines happiness as a byproduct of ethical and virtuous functioning within one’s role as an interdependent member of their respective community. In Dr. Brown’s version of Buddhist Economics, this concept of Eudaimonia is placed together with the fundamental Buddhist concept of detachment from hedonism, leading to her conclusion that achieving self-realization, living a worthy life, and contributing to one’s community while caring for nature are to be exercised in tandem to create lasting happiness. According to Dr. Brown, measurement indicators for this form of happiness have been created, and subsequently can be incorporated into global economic modeling.

Using the Buddhist Economics framework, Dr. Brown’s team is developing a new measure of economic performance based on the quality of life, and estimating it for the state of California. This index integrates measurements of inequality and environmental degradation, as well as the value of non-market activities and consumption. These metrics provide an inclusive measurement of sustainable economic performance to evaluate our economic performance and to guide policy. On this note, Dr. Brown concluded her presentation, stating that by placing focus on the factors that create happiness, rather than those that are merely conducive to financial growth, rich countries can trigger the change required to reduce economic injustice.

In conclusion, Dr. Brown’s presentation, “What Is Human Nature? Its Role in Structuring Buddhist Economics,” was masterfully delivered, effectively prompting discussion on how existing free-market ideology can be modified to increase equality and environmental protection.

I would like to extend a heartfelt thank-you to Dr. Brown for her contribution to the conference and for acquainting us with her Buddhist



Economics model. For those readers who are interested in further exploring her findings, please visit the [Buddhist Economics official website](#). I would also like to extend my appreciation to The Liuzu Temple in Sihui, Guangzhou, University of British Columbia Buddhist Studies Forum, and From the Ground Up for hosting me at the conference.

The conference was a great success in bringing scholars together to take part in a global, interdisciplinary conversation on the ways that economic interests inform Buddhist practice, and conversely, the ways that Buddhism shapes economic activity. As an attending undergraduate student, I am grateful to have taken part in this opportunity. I look forward to providing reflections on future lectures during the 2017-18 academic year, and am thankful for this opportunity, as made possible by my wonderful Professor, Dr. Wendi Adamek, Numata Chair at the University of Calgary. For those readers who are interested in reading further reflections on other panels presented at the conference, please visit the [Canadian Journal of Buddhist Studies Blog](#).

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