

Buddhism and Economics (©2017-2020)

Lecture 9: Buddhist Economic Idea of Interdependence of Human and the Environment

Two years ago, on Monday, 8th Oct. 2018, the Swedish Royal Academy announced that 2018's Noble Prize in Economics (The Sveriges Riksbank Prize in Economic Science) was awarded to Yale University Professor William D. Nordhaus and New York University's Stern School of Business Professor Paul M. Romer in recognition of their contribution "for integrating climate change into long-run macroeconomic analysis".

You may remember that more than 10 years before 2018's Noble Prize in Economics awarded to issues related to climate change, the Noble Prize for Peace (in 2007) was awarded to Fr. US Vice President Al Gore and Intergovernmental Panel of Climate Change (IPCC) for their contribution to the promotion of consensus of "human activities and global warming."

All those events at least indicated that after many years of debating, the social elites and mainstream economic theories recognized the importance of environment issues in economics and even in world peace. In this lecture, we are going to discuss some of the related issues.

Relevant ideas from economic aspects:

Four factors of economic growth (Samuelson and Nordhaus, 2009):

- Human resources
- Natural resources
- Capital
- Technology and innovation

Natural resources: gas, oil, coal, or collective known as fossil fuel; water, land, forests, fishery, minerals, etc.

Renewable and non-renewable resources: those fossil fuels such as gas and coal are considered as non-renewable because it takes million of years for them to be developed by way of natural process. It is therefore difficult to renew them in a matter of centuries or even thousand years. Land and water, which can be used year after year, are considered as renewable. But without conservation and protection, land can be depleted and less arable and then becomes complete barren land. And it is impossible to expand a piece of land, especially farming land and land reserved for greenery and wildlife. Drinking or clean water is also very delicate and fragile without considerable protection from pollution or wastage.

Different versions of Buddhism

- Theravada (different traditions)
- Mahayana (different traditions)
- Vajravada (different forms)

So even within Buddhism itself, we have different traditions which despite the fundamental similarities, may hold different views or attitudes towards nature.

Early Buddhism towards natural world

In *Kūṭadanta sutta*, it is stated that wellbeing should not only be afforded to animals – sentient or living beings, but also extended to insentient beings – plants and forests; Buddhists, especially monks, shall not harm trees or grass unnecessarily. This is in accordance with some minor Vinaya rules which prohibit monks from harming trees and grass. Many examples of praising nature or harmonious coexistence between meditating monks and nuns and the nature can be read in Buddhist suttas, especially *Theragāthā* and *Therīgāthā*; (Sahni, 2008:50-51)

Reasons: a comfortable (suitable) living environment is the essential foundation for a meditator to advance his spiritual practice, and as such, both the inhabitant and his environment are interconnected and interdependent of each other. At times, forests are regarded as sanctuaries for meditating monks. (Sahni, 2008:52) All those examples indicate that from a practical point of view, in Buddhism, preservation of forests and surrounding environment is very important, and both sides are dependent of each other.

Mahayana Buddhist tradition

According to Mahayana Huayan's philosophy, even insentient beings possess Buddha-nature, and as such, it shall be treated with due consideration and kindness. Such an interpretation was based on the core text of Huayan philosophy: *Avatamsaka-sutra*; but it must be reminded that the view of insentient beings possessing Buddha-nature cannot be taken as a reality; rather, it is more interpretative and philosophical, and thereby idealistic. Be that as it may, still, here the important message is that natural resources may be used but not exploited. Trees may be cut for necessities but not for abuse or greedy excessiveness.

Quotation from Mahayana text:

“The buddhas have ten peerless inconceivable realms. What are they? All buddhas, once sitting one logical statement, can express in the ten directions. All buddhas, uttering one logical statement, can express all Buddha teachings. All buddhas, emanating one light, can illuminate all worlds. All buddhas, in one body, can manifest all bodies. All buddhas can show all worlds in the ten directions in a single moment of thought. All buddhas can manifest the infinite spiritual powers of the enlightened in a single instant. All buddhas can focus on all the buddhas and sentient beings of past, present, and future in a single instant without confusion of mind. All buddhas are in one instant essentially the same as all buddhas of past, future, and present.” (*Avatamsaka-sutra*, trans. Thomas Cleary, 1993:910)

East Asian monastic tradition:

Preservation of nature in monastic community/monasteries and monastery compounds
Surrounding environment within or in the vicinity of monastic community
The importance of co-existence between nature, human beings and all sentient beings
*Again, we should remember that all the good results of environment conservation in Buddhist traditions are beneficial to the living beings (including human beings) and the natural world. Yet if we need to do more to promote the idea of environment protection

and ecological preservation, we need to be aware of the eco-crisis and the long-term economic cost may result from the damaged environment. In other words, we need to actively and willingly engage in environment protection, with the awareness of importance of environment, ecosystem and the sustainable economic development.

Reading suggestions

Please read the first half of the textbook (pp.48-63) and get as much information as you can regarding the association among the ecological, environmental and economic issues. In particular, read pp. 51-60, and try to understand the issues between human activities and climate change. Also, you should read chapter 14 of *A Little History of Economics*, pp. 79-84. This reading will give you some ideas about the important economic theory of *externality*: the intended and unintended effects of an economic policy, as well as the positive and negative effects of *externality*.

One more further reading is Nicholas Stern's concise but insightful article *What is the Economics of Climate Change*. This is a condensed version of his longer lecture; but it includes most of the necessary information that needs to know about climate change and economic related issues. Because next week we shall discuss more about the economic aspect of the environmental issues, you should read the article in detail and notice some of the keywords.

Reference:

Sahni, Pragati

(2008) *Environment Ethics in Buddhism: A Virtues Approach*, pp.32-91. London: Routledge.