

Globalization, Buddhist Ethics & Buddhist Economics: A New Approach to Entrepreneurship

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Abstract. From a Marxian perspective, religion, as a part of the superstructure of society, is shaped ultimately by the infrastructure i.e. economic factors. However, Max Weber rejects the view that religion is always shaped by economic factors. In his famous work, *The Protestant Ethic and the spirit of Capitalism*, Weber examines the relationship between the rise of certain forms of Protestantism and the development of Western Industrial capitalism. Weber illustrates the spirit of capitalism with quotes from two books by Benjamin Franklin.¹ Franklin writes, 'Remember that time is money. Time wasting, idleness and diversion lose money. Remember that credit is money. A reputation for prudence and honesty will bring credit as will paying debts on time. A businessman should behave with industry and frugality and punctuality and justice in all his dealings.' At the same time another scholar Robert Bellah² believes that due to the emergence of new religious movements, the priorities would shift away from endless accumulation of wealth and power to greater concern for harmony with nature and between human beings. He concludes, 'It may be however that only the implementation of a utopian vision, a holistic reason that unites subjectivity and objectivity, will make human life in the twenty-first century worth living.' In this background, it will be interesting to unravel the connection between Buddhist ethics and capitalism i.e. Buddhist Economics leading to a new approach to Entrepreneurship in this age of Globalization with particular reference to India and Japan. Furthermore, an attempt will be made to discuss the shift from endless accumulation of wealth [i.e. capitalism] to greater concern for harmony with nature and between human beings.

Keywords: Superstructure, Infrastructure, Buddhist ethics, Capitalism iBuddhist Economics, Entrepreneurship, Globalization, India, Japan.

1 Introduction

From a Marxian perspective, religion, as a part of the superstructure of society, is shaped ultimately by the infrastructure i.e. economic factors. However, Max Weber rejects the view that religion is always shaped by economic factors. In his famous work, *The Protestant Ethic and the spirit of Capitalism*, Weber examines the relationship between the rise of certain forms of Protestantism and the development of Western Industrial capitalism. Weber illustrates the spirit of

capitalism with quotes from two books by Benjamin Franklin.¹ Franklin writes, 'Remember that time is money. Time wasting, idleness and diversion lose money. Remember that credit is money. A reputation for prudence and honesty will bring credit as will paying debts on time. A businessman should behave with industry and frugality and punctuality and justice in all his dealings.' At the same time another scholar Robert Bellah² believes that due to the emergence of new religious movements, the priorities would shift away from endless accumulation of wealth and power to greater concern for harmony with nature and between human beings. He concludes, 'It may be however that only the implementation of a utopian vision, a holistic reason that unites subjectivity and objectivity, will make human life in the twenty-first century worth living.' In this background, it will be interesting to unravel the connection between Buddhist ethics and capitalism i.e. Buddhist Economics leading to a new approach to Entrepreneurship in this age of Globalization with particular reference to India and Japan. Furthermore, an attempt will be made to discuss the shift from endless accumulation of wealth [i.e. capitalism] to greater concern for harmony with nature and between human beings.

In order to understand the connection between Buddhist ethics and capitalism in 21st century, it will be worthwhile to first discuss the various facets of Globalization. Despite intensifying interest in the phenomenon of globalization since the 1980s the term is still used to refer, variously to a process, a policy, a marketing strategy, a predicament or even an ideology. In 1989 Kenichi Ohama³ tried to reduce globalization to a single theme i.e. idea of a borderless world.

In 2000, J.A. Scholte⁴ argued that globalization is linked to the growth of supraterritorial relations between people, a reconfiguration of social space in which territory matters less because an increasing range of connections have a transworld or transborder character. But in spite of this, rather than simply bringing about a global monoculture, globalization has in some ways fashioned more complex patterns of social and cultural diversity in developing and developed countries alike. In developing countries western consumer goods and images have been absorbed into more traditional cultural practices through a process of indigenization. Developed countries also have not escaped the wider impact of cultural exchange being increasingly influenced by non-western religions, medicines and therapeutic practices and art, music and literature. Distinctive forms of economic, cultural and political globalization can also be identified. Economic globalization is reflected in the idea that no national economy is now an island: all economies have, to a greater or lesser extent, been absorbed into an interlocking global economy. Cultural globalization is the process whereby information,

commodities and images that have been produced in one part of the world enter into a global flow that flatten out cultural differences between nations, regions and individuals. Political globalization is evident in the growing importance of international organizations such as UNO, EEC, EC, EU, IMF, World Bank and WTO.

2. **Buddhism: Some Facts:**

The Hinyana or Sthaviras, emerged as Theravada (The way of the Elders) in the second century BC in Sri Lanka, where it is now the state religion.⁵ It spread to Myanmar, Thailand, Cambodia and Laos. As for the Mahasanghikas, they were the progenitors of the adherents of Mahayana (Great vehicle) Buddhism that is today a major religion in the far east (China and Japan) and elsewhere. In 7th c AD Tantric Buddhism popularly known as Vajrayana (Thundervolt Vehicle) arose in north India from where it spread to Ladakh and the kingdom of Bhutan (Three-fourth of the people there are Buddhists), and Tibet. In the north-eastern states of Tripura, Mizoram and Aruachal Pradesh in India there are close to 200,000 Buddhists of the Theravada school. Large number of lower caste Hindus who were converted to Buddhism in 1956 under the leadership of Dr. B.R. Ambedkar (1891-1956) call themselves Dalits (The Oppressed) and are generally referred as Neo-Buddhists.

INDIA: On the basis of 2011 Census data, we can have idea about population by religion in India:

Hindus	80.5% – over 827 million
Muslims	13.4% --- 138 million
Christians	2.3% -- 24 million
Sikhs	1.99% – 19 million
Buddhists	0.8 % --- 8 million
Jains	0.4% --- 4 million
Others	0.6% --- 6 million
Religion not stated	0.1% --- 1 million

According to 2011 Census, the largest concentration of Buddhism is in Maharashtra [58.3%] where 73.4% of the total Buddhists in India reside. Karnataka [3.9 lakh], Uttar Pradesh [3.0 lakh], West Bengal [2.4 lakh], and Madhya Pradesh [2.0 lakh] are other states having large Buddhist

population. Sikkim [28.1%], Arunachal 13.0% and Mizoram [7.9%] have emerged as top three states in terms of having maximum percentage of Buddhist population.

Religion-wise Work Participation [2011 Census]:

Hindus	40.4%
Muslims	31.3%
Christians	39.7%
Sikhs	37.7%
Buddhists	40.6%
Jains	32.9%
Others	NA
Religion not stated	NA

WORLD:

Religion	World Strength	%	Number of Countries
Christians	2019,052,000	32.9	238
Muslims	1,207,148,000	19.7	204
Hindus	819,689,000	13.4	114
Buddhists	361,985,000	5.9	126
Jains	4,281,000	0.1	10

In order to establish a connection between Buddhist ethics, capital formation i.e. Buddhist Economics and Globalization, let us first highlight the main features of Buddhist ethics. The middle of the first millennium introduces a new ideological perspective in the form of Buddhism which carried within it the notion of causation. Why the need arose for a new ideology? The need appeared in response to the urban civilization of the Ganges valley which was based on the use of iron, the extension of agriculture and the growing commercialization. During the time of Buddha a major change in the agrarian structure was the emergence of large estates. As an adjunct to this development of a landed class, there is a noticeable increase in the categories of wage labourer, hired labourer and slave. Agriculture provided the economic base for the growth of towns. The emerging

urban economy based on market was facilitated by the use of script, the issuing of promissory notes, letters of credit, and pledges, and the introduction of money in the form of silver and copper punch-marked coins issued initially by traders' guilds. These, in turn resulted in the new profession of trading in money, and the appearance of the banker deriving his wealth from usury. The discovery of new routes and the revival of old routes were further incentives to trade.

The guild was emerging as an essential institution of early India. Economic redistribution system also came into being among the merchants and bankers. Among them the ethic of redistribution was such that substantial sums were retained as capital for further investment.⁶ Certainly the existence of this kind of economic redistribution in cities points to their more diffused political authority.

The changing material conditions necessitated the search for an ideology which could establish a balance between materialism and the fundamental problem of human salvation or liberation. Buddha's emphasis on middle path i.e. the path devoid of excesses, emphasizing moderation and moral life, was indicating of his concern that the path suggested by him be compatible with real problems of social existence. Central to the awareness of change is the law of causality. The interconnection between desire, suffering, and rebirth is explained by causality. The elimination of dukkha (suffering) lies in the elimination of tanha (desire) and this can be achieved by observing the eight –fold path. Moreover where renunciation and opting out is not feasible, the individual ,whatever his social status, had the choice of becoming a lay disciple and observing the rules of the middle way. The life asserting aspect of karma is that, if the rules are observed, the next birth can at least bring a better and more prosperous life, if not the freedom from the chain of rebirth.

In Buddhism the constituents of merit for the layman are activities motivated by the need to further social good, such as harmonious social relationships and charity, but, above all, sexual control and non-violence.

Emphasis on Ahimsa has been as an objection to the sacrifice of animal during the yajna. There is repeated mention of futility of killing animals as a religious ritual.⁷ Therefore, the emphasis on ahimsa catered to the needs of growing agriculture.

Buddhist texts give great importance to the gahapatis or householders. They are the source of dana, the gift-giving which maintains the sangha. This implies that it was the prime duty of the householder to ensure that he had access to wealth at all times. The Sangha encouraged commercial

wealth and investment. The Yajna ,therefore was replaced by an ethical code encouraging austerity and ensuring the conservation of wealth..

Dana as virtue is clarified in the Buddha's discourse to the householder Sigala.⁸The replacing of ritual by ethical action is clearly stated when the Buddha tells him that the worship of the four quarters does not consist of prescribed rituals but the avoidance of the fourteen evils of life. These are listed as the four vices in conduct: slaughtering life, stealing, lying and adultery; the four evil motives of action, partiality, hate, fear and dullness; and the six channels for dissipating wealth, the taking of intoxicants, roaming the streets at unseemly hours, going to fairs and festivals, gambling, keeping evil friends and idleness.

Buddha states that the amassing of wealth is required of the good layman for it is through this that he benefits his clan. The procedure for amassing wealth is described as,spending a quarter of one's income on daily living, keeping another quarter in reserve and investing the remaining half in an enterprise which will result in monetary profit. The Buddha and his disciples taught the people the value of earning wealth and the importance of economic development for their well-being and happiness. The Sigalovada Suttanta from Didh Nikaya shows concern for balance between human relationship and economic development.

Rhys David [III,32] also refers to a cordial relationship between a master and a worker.

*A recent study arguing in favour of a similar view is that of G.Upreti⁹, who has emphasised the role of early Buddhism in creating an ethics appropriate for commercialism: The early Buddhist world outlook...firmly to an individualistic (market-oriented) society, including the nuclear family and private property-oriented fastened the individual to 'well-earned private property' at the economic level, to a 'caring patriarchal family' at the social level, and to an 'orderly state' at the political level. If the individual moulded his behavior and thinking at the anvil of non-egotism not only he himself became a rightful holder of private property, an ideal householder and a good citizen, but also enormously contributed to the formation of a viable economy, a strong and solid social structure, and a healthy and durable state. '*¹⁰

3. **Buddhist Economics**

The term Buddhist Economics was first coined in 1973 by the English economist EF Schumacher.¹¹

Schumacher says, "Right livelihood is one of the requirements of the Buddha's eightfold path. It is clear, therefore, that there must be such a thing as Buddhist economics". According to the Buddha, the path to cessation of suffering needs to be "developed". To develop this path, Buddhist economists use the tools of Sila (ethics), Samadhi (concentration), and Prajna (wisdom). **Sila:** Buddhist economics is built on the foundation of ethics. **Samadhi:** Buddhist Economics believes that the causes of suffering can be eradicated if man is able to train his mind to attain happiness for all sentient beings.

Prajna: A Buddhist economist uses man's interdependence to his natural environment as the basis of all policy and livelihood decisions. Buddhist economics is not anti--modernisation. Schumacher advocates the concept of "Appropriate Technology" to replace mass production with production by the masses. Over 2500 years after Buddha's first sermon, India can take the lead in demystifying the Four Noble Truths to develop a unique economic model combining, material health (GDP), mental health (GNH) and moral health (National Sustainable Goals) of the nation.

The relationship between Buddhist ethics and capitalism is best reflected through the example of the Asian giant Japan. Today Japan is the second largest economic power of the world and the economic super power of Asia. ¹² Japan is one of the three major powers of Asia, with India and China the other two. Most Japanese are Shintoists or Buddhists.

To the outsider Buddhism in Japan presents new features. Here Buddhism stresses the importance of finding one's true self and realizing Enlightenment here and now. This worldliness is a characteristic of Japanese Buddhism as a whole. One expression of it is Zen, which in keeping with the teaching of the earliest Buddhism maintains that man can attain deliverance only through his own power [jiriki]. Apparently contradicting this belief are the schools of Amidism, which preach that man is powerless to save himself and must rely on the compassionate Buddha Amida, the Other Power [tarikhi], who will enable him to be born in his Pure Land of the Highest Happiness, where Enlightenment will be realized. ¹³

The Sangha too has undergone changes in Japan. The Clergy of the Jodo-shinshu, which has grown to be the largest Japanese sect, have abandoned celibacy and describe themselves as neyther monk nor layman. Today the great majority marries and passes on their temples to their sons; they also take other jobs. Japanese Buddhism is uniquely secularized. ¹⁴

The Japanese way of thought brought about certain changes in Buddhism. The prevailing tendency of Japanese Buddhism is to search for fulfillment and ultimate truth not in any transcendental sphere, but within the structure of secular life, neither denying nor repressing man's natural feelings, desires or customs. Accordingly, in the course of history, Japanese Buddhism easily assimilated indigenous beliefs and often took an especially secularized practical form. Many Japanese arts and skills are profoundly pervaded by Buddhist spirituality. The tea ceremony [sado], the arts of gardening, of calligraphy [school], and of the No play are well-known examples. ¹⁵

Buddhism witnessed a revival in Japan after the Second World War. Links with other countries multiplied- there were missions to North and South America and to Europe, as well as renewed contacts with Buddhist countries in Southeast Asia and elsewhere. Social and cultural activities also flourished, mostly run by lay people. At the same time Japan was becoming the foremost Buddhological country in the world ¹⁶as academic studies advanced with a stream of scholarly publications of the highest standards.

Japan succeeded in building its its identity on the basis of a strong admixture of tradition and modernity. Japan has become a major donor to Asian countries.¹⁷ Japan has become a key factor in regional organizations in Asia.¹⁸

Thus, emphasis on middle path and eight-fold path, the life-asserting aspect of karma, emphasis on ahimsa, the futility of animal slaughter, the constituents of merit for laymen, austerity and conservation of wealth, the importance of gahapatis, the importance of dana and gift – giving, the need for accumulation of wealth and further investment all point to the capital formation during the early days of Buddhism, particularly in India. Buddhism witnessed a revival in Japan after the Second World War. And the modern and developed Japan has emerged as the foremost Buddhological country in the world.

Thus, the emergence of Buddhism as a new ideology with notion of causation, the changing material conditions, the ethics of economic redistribution, the solution to the fundamental problem of salvation, resulted into a new approach to entrepreneurship, both in India and Japan in this age of globalization.

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