

# Perceptions of Material Wealth in Buddhist Economics

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## Abstract

This article explores the perception of material wealth and its significance in human life within the framework of Buddhist economics. Buddhist economics is a philosophy centered on economic well-being, emphasizing happiness, peace, and stability achieved through the regulation of desires, selfless service, and right livelihood. Also referred to as middle path economics, it advocates for the avoidance of harm to oneself and others. The research synthesizes diverse sources, encompassing articles, journals, books, and Buddhist literature, to offer a comprehensive analysis. Employing a qualitative research methodology, the study employs explanatory and exploratory approaches, with particular emphasis on content analysis. The findings of the study indicate that, in the context of Buddhist economics, material wealth is perceived as a means rather than an end in itself. It is recognized as a valuable resource that, when acquired and employed conscientiously, can yield positive outcomes not only for individuals but also for others. Ultimately, this collective well-being and happiness contribute to the broader advancement of humanity.

**Keywords:** Buddhist economics, middle path economics, selfless service, material wealth, right livelihood

## Introduction

The term “Buddhist economics” was used by E. F. Schumacher in 1955, when he travelled to Burma as an economic consultant. The term was used in his essay named “Buddhist Economics”, which was first published in 1966 in *Asia: A Handbook*, republished in his influential collection *Small Is Beautiful* (1973). The term is currently used by his followers and by Theravada Buddhist writers, such as Prayudh Payutto, Padmasiri De Silva, and Luang Por Dattajivo. Schumacher argues that Buddhist teaching of right livelihood mentioned in the Eightfold Path is the Buddhist way of life which is considered as the necessary step of a

Buddhist economics (Varma, 1993). According to Ritthithit, Leeka, & et. al (2017), Buddhist economics encompasses three interconnected aspects of human existence: human beings, society, and the natural environment. It emphasizes that economic actions should be conducted in a manner that avoids harming oneself and others, thereby preventing a decline in the overall quality of life. Therefore, Buddhist economics can be considered as the middle path economics, promoting the principle of non-harm towards oneself and others.

Payutto (1994) has defined Buddhist economics as the “*middle path*”. Although that may look, from an outside perspective, to be a place between two extremes, it is not actually a compromise rather a way of “getting things exactly right”

E.F. Schumacher uses the principles of *right livelihood*, inter-dependence and middle way to propose a nonviolent way in economic and political life. Guruge (2008) explains that Buddhist economics tries to maximise 14 Rupandehi Campus Journal Volume 5, 2025 satisfaction rather than consumption. It measures harmony instead of annual consumption, and seeks to raise the worth of an employee in its place of looking him as a cost item.

In his article titled “*WESTERN ECONOMICS VERSUS BUDDHIST ECONOMICS*”, Laszlo Zsolnai (2007) summarizes that happiness, peace, and stability can be attained through the control of desires and selfless service. However, these ideas of Buddhist philosophy may seem irrational to western

economics, which focuses on creating demand and maximizing profit or utility. Buddhist economics challenges the fundamental principles of modern western economics and proposes alternative principles, including the reduction of harm, the simplification of desires, the promotion of non-violence, the encouragement of genuine care, and the fostering of generosity. Fazal & Menon (2016) writings seems to conclude that Buddhist Economics is a hefty topic covering many areas including Right livelihood, Appropriate spending, Attitude to wealth, Economic ethics for leaders, Monastic and lay people economics, and the Fair economic distribution. The Buddha not only mentions the importance of material wealth for lay life but also shows how wealth should be acquired, protected and utilized.

### **Literature Review**

Loy, R. Devit (2003) seems to state that it is wrong to say that wealth completely solves the problem of poverty. So Instead of focusing only on poverty, people also need to address the wealth and growth with its cost on person, society and to entire ecosystem. According to Loy and Devit (2003), it is incorrect to assume that wealth alone can completely eradicate the issue of poverty. Instead of solely concentrating on poverty, it is crucial for individuals to also consider the consequences of wealth and economic growth on individuals, society, and the overall ecosystem. By recognizing the broader impacts and costs associated with wealth and growth, a more comprehensive approach can be adopted to address the complex challenges related to poverty and sustainable development. Kottegoda (2006) study seems to conclude that Buddha was not against the happiness derived from material wealth of lay people, although the main emphasis of Buddhism is to get out of the Samsāric presence by realizing Nibbana. The Buddha attempted to give ethical importance in method of earning material wealth. He was against unethical and immoral ways of it. Ariyabuddhiphongs, V., & Jaiwong, D. (2010) study argue that Buddhist five precepts having wealth, using wealth, not being in debt, and engaging in a harmless profession leads to subjective wealth, and happiness. Research done on four hundred residents of Bangkok wants to show that happiness begins by not transgressing upon oneself and violating others, and may depend less on what one has than on what one has left after paying off the bills. According to the study conducted by Ariyabuddhiphongs and Jaiwong (2010) “Observance of Buddhist Five Precepts, wealth, and happiness among Buddhists in Bangkok, Thailand”, it is argued that adhering to the Buddhist five precepts, which include having wealth, utilizing wealth, avoiding debt, and pursuing a harmless profession, contributes to subjective wealth and happiness. The research, involving four hundred residents of Bangkok, aims to demonstrate that true happiness stems from abstaining from actions that harm oneself or others, and may depend less on material possessions and more on the remaining resources after fulfilling financial obligations. This suggests that the ethical aspects of wealth management and financial responsibility play a significant role in attaining personal well-being and contentment. Michael (2017) seems to accomplish that the Buddha has emphasized the term “less is more” which is applied for attaining real happiness to meet one’s needs prudently. This is just opposite to the Benthamite Utilitarian view of more wants is always chosen to less. Self-command permits for Buddhist to identify that the desire for more and more things leads ultimately to suffering, not to happiness. Dorje, (2018) express that a part of earning must be given as donation for the wellbeing of people. He argues that the four things must be kept in mind for happy life. They are the generosity of material things, the generosity of freedom from fear, the generosity of spiritual teaching which entails offering comfort, concern and advice to support other’s psychological and emotional well-being, and the generosity of love. Ven. Neminda (2019) appears to conclude his article that moral issues are associated with material wealth in Buddhist economics. Material wealth is one of the important factors contributing to the development of a Buddhist economics, which supports in poverty alleviation. When people are provided with opportunities to earn material wealth, they will be content, has no anxiety or fear, and will not harm to the society,

which helps to prepare peaceful and prosperous society. Sauwalak Kittiprapas (2020) seems to tell that limited desires for material wealth and finding knowledge of its appropriate level gives happiness to mankind. He further adds while acquiring material wealth, one should not give over load to self as well as the others. Material wealth can be benefited in the society if people have sila (morality), dāna (generosity, sharing), and paññā (wisdom). He concludes that Buddhism does not reject materials development, if it is supervised by Dhamma. Numerous research scholars and writers have explored various perspectives on the significance of material wealth in achieving contentment for humanity. These studies have been explored that material wealth holds little significance in Buddhist philosophy, as the focus is primarily on spiritual wealth. But these studies have not been principally focused on material wealth and its role in humankind as per Buddhist philosophy. This article aims to bridge this gap by concentrating on the perceptions of material wealth in Buddhist economics through a systematic review of relevant articles and conducting reflective analysis.

## Methodology

In this modern world, many people place a great importance on acquiring material wealth, which is also a key focus in Buddhist economics. Surprisingly, even those who possess a lot of wealth often experience unhappiness and suffering. This leads to make questions about Buddhism views on material wealth, its perceptions and significance of material wealth on Buddhist economics. These questions have motivated 16 Rupandehi Campus Journal Volume 5, 2025 researchers to explore this topic, and this article aims to provide insights into how material wealth is perceived and its importance in human life. The study draws upon various sources such as articles, journals, books, and Buddhist literature as the main references. The research methodology employed is qualitative, using explanatory and exploratory approaches, with a specific emphasis on content analysis. Given the brevity of this article, only the most relevant and closely related sources have been selected to support the arguments and findings.

## Discussion

“It is not wealth that stands in the way of liberation but the attachment to wealth; not the enjoyment of pleasurable things but the craving for them”, Schumacher (1973). So, craving and attachment on wealth are the obstacles of happiness of the mankind. Helping others with own wealth gives us satisfaction and keeping necessary wealth gives happiness. A person can be happy who does not crave for money and spends it not only for himself but also for the welfare of others.

A person suffers because of pursuing unnecessary wealth. On the one hand, he suffers to earn money and on the other hand, he wastes his life in accumulating money. In fact, modern people have isolated themselves from the path of wisdom, religion, and happiness. They are indulged into accumulating wealth by corrupting, harming others, killing animals and so forth. But they do not use that wealth for others, nor they ultimately use it for themselves.

E. Hardy (1959) discusses the teachings from the *Anguttarnikāya* that The Buddha shared regarding the four factors that lead to happiness in the present world. They are *Uttansampadā*, *Arakkhasampadā*, *Kalyanamittatā*, and *Samajivikatā*. Let's explore each of these in detail:

- a) ***Uttansampada***: Uttansmpada refers to the ‘attainment of energy.’ It emphasizes the importance of being mindful and dedicated to personal growth and development. Regardless of one’s occupation, it encourages having an inquisitive mind and the ability to organize and accomplish tasks effectively.

- b) **Arakkhasampada:** This term translates to the ‘attainment of watchfulness.’ It highlights the significance of being attentive, watchful, and cautious in safeguarding one’s possessions from theft or destruction.
- c) **Kalyanamittata:** Kalyanamittata promotes the idea of ‘keeping good friends.’ It emphasizes the importance of surrounding oneself with morally upright individuals who possess good values. It encourages cultivating virtues such as respectfulness towards elders (saddha), morality (sila), generosity and sacrifice (caga), and wisdom (panna).
- d) **Samajivikata:** Samajivikata means ‘leading a balanced life.’ It emphasizes the importance of maintaining a state of balance in both mental and physical aspects, even during the extremes of life’s highs and lows. It further emphasizes the importance of living within one’s means and avoiding both debt and unnecessary hardship, as Buddhism prohibits both.

Overall, *Samajivikata* encompasses these teachings and encourages adhering to these principles in order to lead a balanced and fulfilling life.

In the *Vyagghapajja-sutta* of the *Aiguttara-nikaya*, the Buddha seems to praise the usefulness of balancing one’s income and expenditure where it is clearly mentioned that expenditure should not exceed one’s income. If somebody’s expenditure is more than his income, he cannot balance his budget. Whatever he earns is exhausted and unable to manage his household. Such a person always remains in deficit and running into debts. The Buddha said that it is very unethical if somebody does not settle loans borrowed from lenders and calls him a ‘Vasala’ (bad).

In his book “*A Middle Way for the Market Place*”, Payutto (2009), a Thai Buddhist monk, conveys the Buddha’s three significant economic messages regarding wealth for different individuals: monks, householders, and business people. These messages can be summarized as follows:

1. **Acquisition:** The acquisition of wealth should not involve exploitation but should be obtained through sincere effort and intelligent actions. It should be acquired in a morally upright manner.
2. **Safekeeping:** Wealth should be safeguarded and preserved as an investment for the progress of one’s livelihood and as a protection against future adversities. When accumulated wealth surpasses these two purposes, it can be utilized for the betterment of society by supporting the community.
3. **Utilization of Wealth:** Wealth can be used in the following ways: (1) to support oneself and one’s family, (2) to foster fellowship and social harmony, such as by hosting guests or supporting the activities of friends and relatives, and (3) to contribute to endeavours that promote the well-being of the community and society as a whole.
4. **Mental Attitude:** Wealth should not become an obsession or a source of worry and anxiety. It should be approached as a means for personal progress, individual growth, and happiness. There should be limitations on the pursuit of material wealth.

These messages highlight the importance of acquiring wealth ethically, managing it responsibly, and utilizing it for the benefit of oneself and others, while maintaining a healthy mental perspective on wealth and its role in one’s life.

According to Balachandran (2006), the Buddha did not encourage his lay followers to renounce their worldly activities. Instead, he advocated for the integration of economic and spiritual values to maximize overall benefits for both individuals and society. In this particular form of Buddhism, wealth, encompassing both material possessions and intangible qualities like wisdom and virtues, holds significant importance. The stability and harmony within society stem from the principles of equality and fair distribution of wealth.

## Acquisition of wealth

The acquisition of wealth, as mentioned in the Sutta Nipata, is described by the Buddha as being achieved through diligent effort, accompanied by physical exertion and hard work. This demonstrates the Buddha's encouragement for his lay followers to energetically pursue wealth, but in a manner consistent with moral principles. In another instance, the Buddha draws a comparison between earning wealth and bees collecting honey without causing harm to the flowers. This analogy underscores the importance of gradually accumulating wealth without causing harm to others. Buddhism strictly prohibits all illicit activities, including the trading of weapons, the killing of animals, and the trade of drugs and alcohol.

## Uses of wealth

Prof Dr. Piyaratana (2019) writes in "Buddhist Perspective on Economical Preservation" that once individuals have acquired the necessary wealth in their lives, it is important to utilize it wisely for the benefit of themselves, their families, and their relatives. In line with the teachings of the Buddha, the income should be divided into four parts. The first part should be allocated for personal consumption, ensuring one's own well-being. The second part should be set aside to address any future obstacles or contingencies that may arise. The third part should be invested in income-generating ventures to secure future financial stability. Lastly, the fourth part should be dedicated to supporting children, parents, monks, and other deserving individuals. This allocation framework reflects the Buddhist approach to financial management during the Buddhist era, where it was deemed appropriate to allocate 50 percent of income for consumption and 50 percent for savings.

## Protection of Wealth

According to the *Anguttara Nikaya*, wealth should be protected from confiscation by king, theft, fire, floods, and enemies. Another source shows that property can be dwindled away by six kinds of practices. The first practice is the habit in taking various kinds of intoxicating drinks. The second is the wondering around the streets for no reasons; addiction in celebration of the festival, third; the fourth is the involvement in gambling; the fifth is the company with bad friends; and the sixth is the habit of laziness which one says, it is too cold, it is too hot, it is too late, and it is too early. If one indulges in these six bad habits, he will destroy his property and his family. Avoidance of such practices in other words is the safety to his wealth.

According to Buddhist teachings, wealth is benefit if it is used for good purposes. Despite having greater success, the billionaires have to deserve their great successes for this they should also concern on common goods, such as social stability, skilled employees, infrastructure, and so forth. According to the principle of Buddhist teaching, all the concerned stakeholders should get equal benefits and distribution from the success of any organization.

*Basangoda Rahul (2008)* highlights the Buddha's emphasis on ethics in the pursuit of wealth, advocating for honesty, respect for customs, and avoidance of harm towards others. Wealth accumulation should be gradual and devoid of exploitation, akin to bees collecting honey without damaging flowers.

*Dhammavijaya (1992)* highlights the generous contributions of wealthy lay followers to support the sangha. Rupandehi Campus Journal Volume 5, 2025 19 and alleviate poverty. *Anathapindika*, a millionaire, exemplified this by providing daily sustenance for hundreds of monks and the impoverished. In an ideal society, guided by a just ruler, poverty would be eliminated, ensuring self-

sufficiency and enabling support for monks through the community's surplus resources.

Material wealth can benefit to everyone in society by funding in education, healthcare, and other public services. Though, material wealth can also be a source of inequality and conflict, when it concentrates in the hands of a few; it can lead to poverty and suffering for the many and also lead to environmental deprivation, as people compete for scarce resources. Previous studies and accounts have revealed that acquiring wealth in a responsible manner leads to personal happiness, while an excessive desire for wealth brings suffering. Therefore, it is crucial to view money as a means rather than an end, utilizing it to benefit oneself and others with a balanced level of wealth. In Buddhist economics, the objective is to establish a society where individuals have sufficient material wealth to meet their basic needs, without making material wealth the primary focus of life. Instead, the emphasis should be given for creating a fair, equitable, and sustainable society.

## Conclusion

The Buddhist economic system is rooted in ethics, guiding the acquisition of wealth. It distinguishes between harmful and beneficial wealth. Buddhist economics aims for sufficiency in society, individuals, and the environment, prioritizing happiness over the accumulation of wealth.

Key findings of the study are:

- Ethical acquisition of wealth, without causing harm.
- Using acquired wealth to support and assist others.
- Recognizing that blind pursuit of wealth leads to suffering.
- The moral value of wealth depends on its use.
- Viewing wealth as a means, not an end.

Excessive greed for wealth should be avoided, as it serves as a means, not a final goal. Unfortunately, the relentless pursuit of wealth has eroded morality and widened the wealth gap. Ethical acquisition and proper use of wealth can mitigate this inequality. Donations and mutual support are vital in today's society. Adhering to Buddhist economic principles in wealth management enhances social welfare. In conclusion, ethically acquired wealth benefits individuals and fosters happiness for all of humankind.

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