

Buddhism in the Global Economy

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Over the past two decades I have had continuous contact with Buddhist communities, in both traditional cultures and the industrialized West. These experiences have made me keenly aware that industrial development affects not only our way of living, but our world view as well. I have also learned that if we are to avoid a misinterpretation of Buddhist teachings, we need to look closely at the fundamental differences between societies that are part of the industrialized global economy and those that are dependent on more localized economies.

In the Buddha's day, societies were more deeply rooted to their place in the natural world. Economies were more localized — in other words, of a scale that made explicit the human interdependence with other sentient beings and the rest of creation. Relations between people and between culture and nature were relatively unmediated. Direct observations and experiences of the natural world provided the basis for ethical decisions in individual lives.

The Buddha's teachings and precepts were formulated within the context of societies shaped by these direct connections to community and to the living world. Buddhism is, in fact, about life. It is about the constantly changing cycles of the natural world: birth and death, joy and sorrow, the opening of a flower, the waxing and waning of the moon; it is about the impermanence and interdependence that

characterize all that lives.

In the modern industrial world, on the other hand, complex technologies and large-scale social institutions have led to a fundamental separation between people, as well as between humans and the living world. Since our daily lives seem to depend largely on a man-made world — the economy, electric power, cars and highways, the medical system — it's easy to believe we depend more on the *technosphere* than on life, or the biosphere. As the scale of the economy grows, it also becomes increasingly difficult for us to know the effects of our actions on nature or on other people. These forms of separation stem from and reflect a fragmented world view that is essentially antithetical to the Buddha's teachings. In fact, modern society is based on the assumption that we are separate from and able to control the natural world. Thus the structures and institutions on which we depend are reifications of ignorance and greed — a denial of interdependence and impermanence.

The significance of these differences may not be immediately apparent to western Buddhists — most of whom have grown up within the industrial system and have known no other way of life. It can therefore be easy to confuse rapid technological and economic change with impermanence or the cycles of nature, or to believe that the current attempt to amalgamate diverse economies into a so-called 'unified' global economy reflect the Buddha's notion of interdependence. The result is sometimes passive acceptance in the face of changes that are not only counter to Buddhist values, but are fundamentally anti-life.

As engaged Buddhists we have a responsibility to examine current economic trends carefully, in the light of Buddhist teachings. I am convinced that such an examination will engender in us a desire to actively oppose the trend toward a global economy, and to help promote ways of life consistent with more Buddhist economics.

Globalization: eradicating the diversity of life

Through 'free trade' treaties and globalization, a single economic system is threatening to encompass the entire planet. At its core this system is based on a very narrow view of human needs and motivations: it is concerned almost exclusively with monetary transactions, and largely ignores such non-material aspects of life as family and community, meaningful work, or spiritual values. The focus on monetized social relations is echoed in the belief that people are motivated primarily by self-interest and endless material desires. Significantly, the western economic system does not set about trying to temper our supposedly self-centered, acquisitive nature, but rather to exploit it: it is believed that an 'invisible hand' will transform the selfish actions of individuals into benefits for society as a whole.

What does the globalized economy really mean? The president of Nabisco once defined it as 'a world of homogeneous consumption' — a world in which people everywhere eat the same food, wear the same clothing and live in houses built from the same materials. It is a world in which every society employs the same technologies, depends on the same centrally managed economy, offers the same

Western education for its children, speaks the same language, consumes the same media images, holds the same values, and even thinks the same thoughts. In effect, globalization means the destruction of cultural diversity. It means monoculture.

Cultural diversity is a reflection of people's connection to their local environment, to the living world. Centuries of conquest, colonialism, and 'development' have already eroded much of the world's cultural diversity, but economic globalization is rapidly accelerating the process. Along with multi-lane highways and concrete cities, globalization is bringing to every corner of the planet a cultural landscape dominated by fast food restaurants, Hollywood films, cellular phones, designer jeans, the Marlboro Man, Barbie.

If globalization is bringing monoculture, then its most profound impact will be on the Third World, where much of the world's remaining cultural diversity is to be found. In the South the majority still live in villages, partly connected through a diversified, local economy to diverse, local resources: still connected more to the biosphere than the technosphere. Because of pressures from globalization, locally-adapted forms of production are being replaced by systems of industrial production that are ever more divorced from natural cycles. In agriculture — the mainstay for rural populations throughout the South — this means a centrally managed, chemical-dependent system designed to deliver a narrow range of transportable foods to the world market. In the process, farmers are replaced by energy- and capital-intensive machinery, and diversified food production for local communities is replaced by an export monoculture. As the vitality of rural life declines, villagers are

rapidly being pulled into squalor in shanty towns. The Chinese government, for example, is planning for the urban population to increase by 440 million people in the next twenty years — an explosion that is several times the rate of overall population growth.

Development not only pushes farmers off the land, it also centralizes job opportunities and political power in cities, intensifying the economic pull of urban centers. Advertising and media images, meanwhile, exert powerful psychological pressure to seek a better, more ‘civilized’ life, one based on increased consumption. But since jobs are scarce, only a fraction succeed. The majority end up dispossessed and angry, living in slums in the shadow of advertisements for the American Dream. Despite the disastrous consequences, it is the effective policy of every government to promote these trends through their support for globalization.

What happens when rural life collapses, and people who once relied on nearby resources become tied to the global economy? Consider traditional architecture, in which structures were built from local resources: stone in France, clay in West Africa, sun dried bricks in Tibet, bamboo and thatch in the Philippines, felt in Mongolia, and so on. When these building traditions give way to ‘modern’ methods, those plentiful local materials are left unused — while competition skyrockets for the monoculture’s narrow range of structural materials, such as concrete, steel, and sawn lumber. The same thing happens when everyone begins eating identical staple foods, wearing clothes made from the same fibers, and relying on the same finite energy sources. Because it makes everyone dependent on the same resources, globalization creates efficiency for corporations, but it also

creates artificial scarcity for consumers, thus heightening competitive pressures.

In this situation those on the bottom rungs of the economic ladder are at a great disadvantage. The gap between rich and poor widens, and anger, resentment, and conflict increase. This is particularly true in the South, where people from many differing ethnic backgrounds are being pulled into cities where they are cut off from their communities and cultural moorings, and where they face ruthless competition for jobs and the basic necessities of life. Individual and cultural self-esteem are eroded by the pressure to live up to media and advertising stereotypes, whose images are invariably based on an urban, Western consumer model: blonde, blue-eyed and clean. If you are a farmer or are dark-skinned, you are made to feel primitive, backward, inferior. As a consequence, women around the world use dangerous chemicals to lighten their skin and hair, and the market for blue contact lenses is growing in markets from Bangkok to Nairobi and Mexico City. Many Asian women even undergo surgery to make their eyes look more Western.

Contrary to the claims of its promoters, a centrally planned global economy does not bring harmony and understanding to the world by erasing the differences between us. Uprooting people from rural communities by selling them an unattainable urban white dream is instead responsible for a dramatic increase in anger and hostility — particularly among young men. In the intensely demoralizing and competitive situation they face, differences of any kind become increasingly significant, and ethnic and racial violence are the all but inevitable results.

My experiences in Ladakh and in the Kingdom of Bhutan have made me painfully aware of this connection between the global economy and ethnic conflict. In Ladakh, a Buddhist majority and a Muslim minority lived together for 600 years without a single recorded instance of group conflict. In Bhutan, a Hindu minority had coexisted peacefully with a slightly larger number of Buddhists for an equally long period. In both cultures, just fifteen years' exposure to outside economic pressures resulted in ethnic violence that left many people dead. In these cases it was clearly not the differences between people that led to conflict, but the erosion of their economic power and identity. If globalization continues, the escalation of conflict and violence will be unimaginable; after all, globalization means the undermining of the livelihoods and cultural identities of the *majority* of the world's people.

The response of engaged Buddhists

In the difficult situation globalization is creating, Buddhism's philosophical foundation and emphasis on compassion put the followers of these profound teachings in a unique position to lead the way out. Not only can Buddhism provide the intellectual tools needed to oppose further globalization but, more importantly, it can help to illuminate a path towards a *localization* based on human-scale structures — a prerequisite for action rooted in wisdom and compassion. For how can we make wise judgements if the scale of the economy is so great that we cannot perceive the impact of our actions? How can we act out of compassion when the scale is so large

that the chains of cause and effect are hidden, leading us to unwittingly contribute to the suffering of other sentient beings?

Despite the answers Buddhism offers, many western Buddhists have been slow to address the disturbing social and economic impact of globalization. In part this is clearly because westerners in general have received very little accurate information about the impact of the global economy, particularly on the so-called Third World. Another reason may be a lack of clarity about the fact that Buddhist teachings refer to the state of the world *as it is, in and of itself*, unaffected by human intervention. In other words, it refers to the natural world, not an artificially constructed 'technosphere' and its corrupt economic system. In fact, the teachings warn against 'ignorant' human interpretations of reality — that is, seeing the world as made up of static, separate particles. We need to see many of today's institutions and suprastructures as nothing more than reified ignorance.

The challenge for western Buddhists is to apply the Buddhist principles taught many centuries ago — in an age of localized social and economic interactions — to the highly complex and increasingly globalized world in which we now live. In order to do so it is vital that we avoid the mental traps of conceptual thought and abstraction. Otherwise it is easy, for example, to confound the ideals of the 'global village' and the borderless world of free trade with the Buddhist principle of interdependence — the unity of all life, the inextricable web in which nothing can claim completely separate or static existence. The buzzwords — 'harmonization', 'integration', 'union', etc. — sound as though globalization is leaving us more

interdependent with one another and with the natural world. In fact, it is instead furthering our *dependence* on large-scale economic structures and technologies, and on a shrinking number of ever larger corporate monopolies. It would be a tragic mistake, indeed, to confuse this process with the cosmic interdependence described by the Buddha.

The Buddhist notion of impermanence can also be distorted unless we are clear about the fundamental differences between life processes and the global economic system. The Buddha's teachings are about change and impermanence in the natural world. We are taught to accept the ever-changing flow of life in the biosphere, the cycles of life and death, the impermanence of all beings. The changes precipitated by globalization, however, are based on a denial of the impermanence in nature observed by the Buddha. Megaprojects such as nuclear powerplants, dams and superhighways are not a part of the flow of life that the Buddha taught us to accept, nor is the manipulation of genetic material through biotechnology. Instead, these are manifestations of a world view which seeks to dominate nature, and which pretends that life can be held static, split into fragments and manipulated to satisfy the needs of a technologically-dependent consumer culture.

Two final and interconnecting Buddhist concepts can sometimes be misconstrued to support social apathy: karma, and the three poisons of greed, hatred and delusion. The Law of Karma is one way to explain the growing gap between rich and poor: if one is rich, one must have performed good deeds in the past. However, an honest examination reveals, of course, that the more immediate cause of

much social inequality is a global economic system which allows a few to prosper at the expense of the many. Rather than attributing differences in wealth to karma from the deeds of past lifetimes, we need in particular to acknowledge the implications of the urbanized western lifestyle. The lack of wisdom and compassion inherent in this lifestyle is quite evident: we in the industrialized parts of the world consume roughly ten times our share of the world's resources, often oblivious to the incalculable cost to all life on this planet. Without taking entire responsibility *personally* for a *global system* that has been built up over centuries, we nonetheless need to muster the courage to scrutinize our collective contribution to a system which encourages exploitation and social atomization, and exacerbates inequalities and destruction — often out of sight, on the other side of the world.

The three poisons of greed, hatred and delusion are to some extent present in every human being, but cultural systems either encourage or discourage these traits. Today's global consumer culture nurtures the three poisons on both an individual and societal level. At the moment, \$450 billion is spent annually on advertising world-wide, with the aim of convincing 3-year old children that they need things they never knew existed — like Coca-cola and plastic Rambos with machine guns. Before the rise of consumerism, cultures existed in which this type of greed was virtually non-existent. Thus we cannot conclude that the acquisitiveness and materialism of people trapped in the global economic system are an inevitable product of human nature. Instead we need to recognize the near impossibility of uncovering our Buddha natures in a global culture of consumerism and social atomization.

Buddhism can help us in this difficult situation by encouraging us to be compassionate and non-violent with ourselves as well as others. Many of us avoid an honest examination of our lives for fear of exposing our contribution to global problems. However, once we realize that it is the complex global economy which is creating a disconnected society, psychological deprivation and environmental breakdown, Buddhism can help us to focus on the *system* and its *structural* violence, instead of condemning ourselves or other individuals within that system. The teachings can encourage an understanding of the many complex ways we affect others and our environment, and encourage empathy and a profound affirmation of life. Only by recognizing how we are all part of this system can we actively work together to disengage from these life-denying structures.

Buddhism, in its holistic approach, can help us to see how various symptoms are interrelated; how the crises facing us are systemic and rooted in economic imperatives. Understanding the myriad connections between the problems can prevent us from wasting our efforts on the symptoms of the crises, rather than focusing on their fundamental causes. Under the surface, even such seemingly unconnected problems as ethnic violence, pollution of the air and water, broken families, and cultural disintegration are closely interlinked. Psychologically, such a shift in our perception of the nature of the problems is deeply empowering: being faced with a never-ending string of seemingly unrelated problems can be overwhelming, but finding the points at which they converge can make our strategy to solve them more focused and effective. It is

then just a question of pulling the right threads to affect the entire fabric, rather than having to deal with each problem individually.

Stepping back from the global economy

At a structural level, the fundamental problem is scale. The ever-expanding scope and scale of the global economy obscures the consequences of our actions: in effect, our arms have been so lengthened that we no longer see what our hands are doing. Our situation thus exacerbates and furthers our ignorance, preventing us from acting out of compassion and wisdom.

In smaller communities, people can see the effects of their actions and take responsibility for them. Smaller scale structures also limit the amount of power vested in one individual. What a difference between the leader of a large nation-state and that of a small town: one has power over millions of faceless people with whom there will never be any real contact; the other coordinates the affairs of a few thousand people, and is an active part of the community. The scale of the modern nation-state has become so large that leaders would be unable to act according to the principles of interdependence, even if they wished to. Decisions are instead made according to abstract economic principles — in the name of ‘progress’ — often disregarding the implications for individual members of society and for the rest of the living world.

In more decentralized economies and political structures it is difficult to ignore the laws of impermanence and interdependence. Being

personally accountable to the community means being constantly in tune with its changing social and environmental dynamics. Since the consequences of any action are evident in a smaller community, decisions are more likely to be guided by wisdom and compassion. As difficult as it may sound, our choice as Buddhists seems clear: we need to help move society towards re-building smaller-scale social and economic structures which make possible a life based on Buddhist notions of interdependence and impermanence. It is helpful to remember that continuing the competitive race towards increased globalization and larger scale is far *more* difficult. In fact the global economy represents an impossible dream, since it is eradicating the diversity on which life depends.

An important aspect of moving toward smaller-scale human institutions is reaffirming a sense of place. Each community is unique in its environment, its people, its culture. Human scale minimizes the need for rigid legislation and allows for more flexible decision-making; it gives rise to action in harmony with the laws of nature, based on the needs of the particular context. When individuals are at the mercy of faraway, inflexible bureaucracies and fluctuating markets, they feel passive and disempowered; more decentralized structures provide individuals with the power to respond to each unique situation.

Despite the many environmental, social and even ethical benefits that decentralized economic activity could provide, governments are blindly promoting exactly the opposite: massive centralization on a global scale. Since economic centralization is promoted in the name of 'oneness' and 'interdependence', among the first steps we need to

take as Buddhists is to educate ourselves and others about the mental confusion these terms engender. By promoting discussion and sharing information we can remove the layers of ignorance that lead us to unwittingly support a system of greed and violence while we are striving in our individual lives to do just the opposite. Once we are more *awake*, we can join with others to pressure government for changes in policy.

Since the global economy is fueled by transnational institutions that can now overpower any single government, the policy changes most urgently needed are at the international level. In theory, what is required is quite simple: the governments that ratified 'free trade' treaties like the Uruguay Round of GATT need to sit down around the same table again. This time instead of operating in secret — with transnational corporations at their side — they should be made to represent the interests of the majority. This can only happen if there is far more awareness at the grassroots, awareness that leads to real pressure on policy-makers.

Pressuring for policy change can seem a daunting task. Many today have abandoned any hope of meaningful political change, thinking that we no longer have any leverage over our political leaders. But it is important to remember that in the long term, blind adherence to the outdated dogma of free trade benefits no one, not even the political leaders and corporate CEOs that are promoting it today. Among its other effects, globalization is eroding the tax base and power of nation-states — and that means the budgets and influence of elected officials. It is also threatening the job security of individuals, even at the highest levels of the corporate world.

It is heartening to realize that even the tiniest change in policy towards curtailing the movement of capital and diversifying economic activity at the local and national level would reap enormous systemic rewards. The ability to shift profits, operating costs and investment capital between far-flung operations has played a key role in the growth of ever more powerful transnational corporations. Today the capital controlled by these businesses, and the ease with which it can be transferred around the world, allows corporations to hold sovereign nations hostage — simply by threatening to leave and take their jobs with them if governments attempt to regulate or restrict their activities. Rules that limited the free flow of capital would therefore help to reduce the advantage that huge corporations have over smaller, more local enterprises, and would make corporations more accountable to the places where they operate.

Steps to decentralize energy development would also be immensely beneficial. All around the world, large-scale power installations are heavily subsidized. Phasing out these multi-billion dollar investments while offering real support for locally available renewable energy supplies would result in lower pollution levels, reduced pressure on wilderness areas and oceans, and less dependence on dwindling petroleum supplies and dangerous nuclear technologies. It would also help to keep money from 'leaking' out of local economies.

In less-industrialized countries in particular, large dams, fossil-fuel plants, and other large-scale energy infrastructures are geared

towards the needs of urban areas and export-oriented production. Shifting support instead towards a decentralized renewable energy infrastructure would help to stem the urban tide by strengthening villages and small towns. Since the energy infrastructure in the South is not yet very developed, there is a realistic possibility that this could be implemented in the near future if there were sufficient pressure from activists lobbying Northern banks and funding agencies.

A parallel change in regulatory laws could also provide significant systemic benefits. In almost every country, for example, tax regulations currently discriminate against small businesses. Small-scale production is usually more labor-intensive, and heavy taxes are levied on labor through income taxes, social welfare taxes, value-added taxes, payroll taxes etc.. Meanwhile, tax breaks (accelerated depreciation, investment allowances and tax credits, etc.) are afforded the capital- and energy-intensive technologies used by large corporate producers. Financial policies that aimed at reversing this bias in the tax system would not only help local economies, but would create more jobs by favoring people instead of machines.

Until now, governments of every stripe have embraced free trade policies in the belief that liberalization and an opening up to economic globalization will cure their ailing economies. However, since these policies are, in fact, eroding the tax base, destroying countless businesses, and leading to widespread unemployment, policy makers will soon be forced to wake up to the real impacts of globalization, and reassess the free-trade dogma. Policy changes such as those outlined above would virtually overnight shift the

economy towards fuller employment and truly free markets, in which stronger small- and medium-sized businesses have the opportunity to compete. It would also enable local and national governments to generate the taxes they require to fulfill their obligations to society.

Localization: towards a Buddhist economics

Even now, without the help from government and industry that a new direction in policy would provide, people are starting to change the economy from the bottom up towards more human-scale structures which are more consistent with a Buddhist viewpoint. This process of localization has begun spontaneously, in countless communities all around the world. Because economic localization means an adaptation to cultural and biological diversity, no single 'blueprint' would be appropriate everywhere. The range of possibilities for local grassroots efforts is therefore as diverse as the locales in which they take place.

In many towns, for example, community banks and loan funds have been set up, thereby increasing the capital available to local residents and businesses and allowing people to invest in their neighbors and their community, rather than in a faceless global economy.

In other communities, 'buy-local' campaigns are helping locally-owned businesses survive even when pitted against heavily subsidized corporate competitors. These campaigns not only help to

keep money from leaking out of the local economy, but also help educate people about the hidden costs — to their own jobs, to the community and the environment — in purchasing cheaper but distantly produced products.

In some communities, Local Exchange and Trading Systems (LETS) have been established as an organized, large-scale bartering system. Thus, even people with little or no 'real' money can participate in and benefit from the local economy. LETS systems have been particularly beneficial in areas with high unemployment. The city government of Birmingham, England — where unemployment hovers at 20% — has been a co-sponsor of a highly successful LETS scheme. These initiatives have psychological benefits that are just as important as the economic benefits: a large number of people who were once merely 'unemployed' — and therefore 'useless' — are becoming valued for their skills and knowledge.

One of the most exciting grassroots efforts is the Community Supported Agriculture (CSA) movement, in which consumers in towns and cities link up directly with a nearby farmer. In some cases, consumers purchase an entire season's produce in advance, sharing the risk with the farmer. In others, shares of the harvest are purchased in monthly or quarterly installments. Consumers usually have a chance to visit the farm where their food is grown, and in some cases their help on the farm is welcomed. While small farmers linked to the industrial system continue to fail every year at an alarming rate, CSAs are allowing small-scale diversified farms to thrive in growing numbers. CSAs have spread rapidly throughout Europe, North America, Australia and Japan. In the United States, the

number of CSAs has climbed from only two in 1986 to 200 in 1992, and is closer to 1,000 today.

These and countless other initiatives around the world are a reflection of a growing awareness, a realization that it is far more sensible to depend on our neighbors and the living world around us than to depend on a global economic system built of technology and corporate institutions. As Buddhists faced with this same reality, we have little choice but to become engaged. Buddhism provides us with both the imperative and the tools to challenge the economic structures that are creating and perpetuating suffering the world over. We cannot claim to be Buddhist and simultaneously support structures which are so clearly contrary to Buddha's teachings, antithetical to life itself.

The economic and structural changes needed will inevitably require shifts at the personal level as well. In part, these involve rediscovering the deep psychological benefits — the joy — of being embedded in community. Another fundamental shift involves reintroducing a sense of connection with the place where we live. The globalization of culture and information has led to a way of life in which the nearby is treated with contempt. We get news from China but not next door, and at the touch of a TV button we have access to all the wildlife of Africa. As a consequence, our immediate surroundings seem dull and uninteresting by comparison. A sense of place means helping ourselves and our children to see the living environment around us: reconnecting with the sources of our food — perhaps even growing some of our own — learning to recognize the cycles of the seasons, the characteristics of flora and fauna.

As the Buddha taught, our spiritual awakening comes from making a connection to others and to nature. This requires us to see the world within us, to experience more consciously the great interdependent web of life — of which we ourselves are among the strands. In this way we ‘experience’ the teachings of impermanence and interdependence, principles which exhort us to interact with others and with nature in a wise, compassionate and sustainable way.

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