

Buddhist Economics: The Foundation for an Equitable, Sustainable, Caring Economy

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Abstract: Our planet faces the extinction of much of the natural world, including humans, if carbon emissions are not dramatically reduced by 2030 in order to keep the global temperature rise under 1.5 degrees centigrade. Inequality in the United States has surged, and inequality in countries around the world has grown even as it has lessened between rich and developing countries. Yet economies continue to focus on growth of income, which has increased both greenhouse gas (GHG) emissions and inequality. This paper asks: How can we create meaningful changes in our economic system to provide shared prosperity, a healthy environment, and reduced suffering? In this paper, I present a vision of Buddhist economics, which is based on known policies to create an equitable, sustainable economy with greater well-being for people in the United States and abroad, as a holistic alternative to free market (neoliberal) economics. First, I describe the Buddhist economic framework and compare it to the free market economic model. Then I discuss four observed relationships that support Buddhist economics: (1) Inequality and carbon emissions go together; (2) Inequality reduces well-being; (3) Society is subsidizing the fossil fuel industry and wasteful consumption by the rich; and (4) People are altruistic as well as self-regarding. To demonstrate how countries have policies compatible with a Buddhist economy, I present the Sustainable Shared-Prosperity Policy Index that ranks countries by their policies that support sustainability, structure markets, and provide social programs and services with the goal of creating a holistic economy that cares for people and the planet.

Keywords: Buddhist economics, Sustainability, Prosperity, Inequality, Neoliberal, Carbon emissions, Well-being, Government Policies

The Problem: An Inequitable and Unsustainable Economy

In the October 2018 report of the Intergovernmental Panel of Climate Change (IPCC), climate scientists warn that we face the collapse of our civilization and extinction of much of the natural world if carbon emissions are not dramatically reduced by 2030 in order to keep the global temperature rise under 1.5°C. Global warming to date is already causing severe damage to major marine, forest, and fresh water ecosystems.¹ Climate scientists also warn that the earth has approached two critical planetary boundaries: climate change and loss of biodiversity. Crossing these boundaries will undermine the stability of the planet and severely damage the earth's ecosystems. Climate scientists have warned us that the goal of limiting global warming to 2°C is not adequate for keeping the earth within the planetary boundaries.²

Yet our materialistic economy, based on fossil fuel energy and industrial agriculture, continues to focus on growth of income, which has increased both GHG emissions and inequality, especially over the past four decades. Although some countries are making progress in decoupling economic growth from GHG emissions, the change is slow.³ Global carbon emissions increased 2.7% in 2018, declined with the global recession in 2020, and then rebounded in 2021.⁴ Inequality in the United States has surged since the 1970s as income from economic growth was captured by the top 5%. The top 1% enjoyed 95 percent of the country's income growth in the recovery following the Great Recession.⁵ No longer does the maxim hold that economic growth is a "rising tide that lifts all ships."

Neoliberal economists have indirectly supported inequality and climate change by teaching the mainstream free market (competitive) model, based on the belief that markets can solve our problems and maximize social welfare. In the United States, deregulation and decreasing taxes have resulted in a redistri-

¹ IPCC, "Summary for Policymakers."

² Steffen et al., "Planetary Boundaries: Guiding Human Development on a Changing Planet."

³ Aden, "The Roads to Decoupling: 21 Countries Are Reducing Carbon Emissions While Growing GDP."

⁴ Le Quéré et al., "Global Carbon Budget 2018"; IEA, "Global energy-related CO₂ emissions, 1990–2021."

⁵ Atkinson, Piketty, and Saez, "Top Incomes in the Long Run of History."

bution of income towards the rich without increasing productivity or growth.⁶ Today, we are experiencing the political backlash and social fracturing that have resulted from rising inequality caused by economic growth that does not share prosperity, as wages stagnate and many children live in poverty.⁷

How can we create meaningful changes in our economic system to protect people and create an economy based on caring for each other and the planet, with nonmaterialistic sources of happiness? This paper presents Buddhist economics, which can create an equitable, sustainable economy with greater well-being for people at home and abroad, as a holistic alternative to free market economics.⁸

The Solution: The Buddhist Economics Approach

This paper describes a Buddhist economic framework that delivers shared prosperity in a sustainable world where human spirit flourishes. Interdependence, impermanence, and compassion are important aspects of Buddhist thinking. People are interdependent with each other and the planet; nothing exists as an independent and separate entity, so each person's well-being is dependent on all others' well-being and the well-being of the planet. Impermanence means everything continually changes and nothing lasts.

In 1971, Barry Commoner, a founder of modern ecology, expressed interdependence as one of the four laws of ecology in which everything is connected, with one ecosphere for all living organisms.⁹ Even without practicing Buddhism or any spiritual practice, one can adopt a pragmatic approach that accepts impermanence and interdependence. Then human behaviour is tempered by the fact that when nature is degraded and when people are harmed, all life suffers. This is reflected in the Buddhist teachings of nonviolence and of doing no unnecessary harm to any living being. All beings have a finite

⁶ Piketty, Saez, and Zucman, "Distributional National Accounts: Methods and Estimates for the United States"; Hungerford, *Taxes and the Economy: An Economic Analysis of the Top Tax Rates Since 1945*.

⁷ Stiglitz, *The Price of Inequality: How Today's Divided Society Endangers Our Future*; Atkinson, *Inequality: What Can Be Done?*

⁸ Brown, *Buddhist Economics: An Enlightened Approach to the Dismal Science*.

⁹ Commoner, *The Closing Circle: Nature, Man, and Technology*.

lifespan; life is everchanging and comes to an end. Caring for the human spirit brings in spiritual aspects, which most people consider important for living a meaningful life.

Buddhist Economics versus Free Market Economics: Basic Worldviews

The Buddhist economy and free market economy rest upon opposing worldviews. The Buddhist economic model's assumptions of interdependence, impermanence, and compassion replace the free market model's basic assumptions that people are selfish and maximize their own well-being; that more consumption is always better; and that environmental resources are for humans to consume to increase their standard of living.

Free market economics supports self-centred materialism, in which people buy luxuries to display their self-importance and status. Economic performance is judged by the growth in average gross domestic product (GDP). In contrast, the health of ecosystems is integrated in all activities in a Buddhist economy because the well-being of all beings and the planet are interconnected. Economic performance focuses on maximizing well-being, where both the human spirit and the environment flourish.

Buddhist economic policies are based on structured markets and government programs to maximize the well-being of all people and protect the earth's ecosystems, while free market policies maximize average income and ignore the resultant income distribution and environmental degradation. In the free market model, government regulations or taxation are assumed to interfere with how well markets function, so less government is advocated.

Those in charge of structuring the markets and public programs determine how the economy performs in reaching certain goals.¹⁰ Big businesses and the rich favour the free market model, so they can have higher incomes, lower taxes, more control over the economy, and provide fewer resources and less security to the rest of society. In contrast, market regulations, social programs, and tax systems can provide the desired outcomes of basic consumption, a strong safety net, health care, education, clean air and water in a healthy environment, liveable communities, and a dignified life and opportunities for

¹⁰ Vogel, *Marketscraft: How Governments Make Markets Work*.

everyone. We can characterize the free market economy as having a scarcity mindset, with people competing over zero-sum outcomes, and the Buddhist economy as having an abundance mindset, with people sharing win-win outcomes.

Next we review evidence to shed light on these observed problems.

Data and Evidence

The problems of environmental degradation and inequality go together. The carbon footprint of the rich is enormous, and carbon footprint decreases with income, both within a country and across countries.¹¹ Overall, rich people and rich countries must reduce luxury expenditures and wasteful consumption if the world is to have a chance to stay within the 2°C target. As mentioned earlier, economic growth contributes to both inequality and carbon emissions, and cannot be the solution.

1. Inequality and carbon emissions go together.

In countries around the world, inequality in both emissions and income have grown over time, as the data from a study comparing 2019 to 1990 demonstrates. The bottom 50% income group's share of total global emissions was 11.5% in 2019, whereas the top 10% income group's share of total global emissions was 48% in 2019. From 1990 to 2019, total emissions grew by about 50%, with the bottom 50% population being responsible for 16% of the emissions growth and the top 1% population being responsible for 23% of the emissions growth. The global inequality of emissions within countries grew as the inequality of emissions between countries fell between 1990 and 2019.¹²

The highly regarded International Energy Agency (IEA) has a report based on 2021 data that analyses the CO₂ emissions across income groups and regions. Their data show that the top 10% of emitters averaged 22 tons of CO₂ per person annually, which accounted for almost half of the global energy-related CO₂ emissions in 2021. Their average emissions were over two hundred

¹¹ Oxfam, "Extreme Carbon Inequality: Why the Paris Climate Deal Must Put the Poorest, Lowest Emitting and Most Vulnerable People First," figs. 5, 9.

¹² Chancel, "Global carbon inequality over 1990–2019."

times the average for the bottom 10%, which accounted for only 0.2% of annual global emissions.¹³

Overall, the global average CO₂ emissions per person is 4.7 tons per year. However, the average yearly CO₂ emissions per person varies widely across and within countries by income group. The United States has higher CO₂ emissions than the EU, China, or India. Americans in the lowest 10% of income average 3.5 tons of CO₂ emissions per person annually, and those in the highest 10% of income average 56.5 tons. Residents of the EU have much lower CO₂ emissions per person annually: the bottom 10% income group averages 1.5 tons, and the top 10% averages 24.2 tons. In contrast to these richer countries, the residents of India have extremely low annual CO₂ emissions per person: the bottom 10% income group averages only 0.2 tons, and the top 10% income groups averages 7.0 tons, or only slightly more than the emissions of Americans in the 20%-30% income group. Indian people in the middle 40% to 60% income groups average only around 1.0 ton of CO₂ emissions per person annually.¹⁴ The very low CO₂ emissions of India indicate the need for the country to raise their standard of living and use more energy, especially low-carbon energy. The industrialized high-emitting countries must reduce their annual CO₂ emissions and provide the technology and resources to help India and other developing countries raise their living standards using low-carbon energy.

2. Inequality reduces well-being.

People feel worse off as inequality grows because they are not sharing the returns to economic growth. Families compare their economic well-being to those at the top whose incomes are growing, and they see their lifestyle falling behind in comparison. What had been considered a comfortable lifestyle when compared to high income families, now seems less desirable, and middle-class and working families feel left behind. Meanwhile the rich spend their higher incomes on status goods to mark their position. A more equal distribution of income would improve social welfare. Invidious comparisons can be replaced by communal feelings of belonging, and the status

¹³ Cozzi, Chen, and Kim, “The world’s top 1% of emitters produce over 1000 times more CO₂ than the bottom 1%.”

¹⁴ Calculated by author from IEA’s table “Energy-related CO₂ emissions per capita by income decile in selected countries and regions, 2021.”

consumption by the rich can be replaced with basic consumption by families in need.

Comparisons of income and “happiness” (subjective well-being) across developed countries find that national happiness does not increase with national income. This is known as the Easterlin Paradox: once basic needs are met, even as average per capita national income grows, average national happiness tends to remain the same over time.¹⁵ What do we find when we compare income with a broader measure of *well-being*—measured by an index of physical and mental health, educational attainment, drug use, and obesity—in rich countries? We find that the national well-being index is *not* related to average national income; rather, well-being is related to income *inequality*. The well-being index and national inequality move in opposite directions, so well-being goes down as inequality goes up (see Figure 1).¹⁶

We observe this pattern in the United States, where indicators of well-being have fallen as income inequality has increased relative to other affluent countries. Today, indicators of mortality, life expectancy, childhood poverty, incarceration, and general health put the United States at or near the bottom among high-income countries, as you can see in the top right-hand corner of Figure 1. The United States is exceptional for its high inequality and low well-being. Yet, as recently as 1980 when its income inequality was not so stark, the United States was close to the top countries in well-being.¹⁷

3. Society subsidizes the fossil fuel industry and the rich.

Both free-market and Buddhist economics support a carbon tax to integrate the social costs of carbon emissions into the price paid by consumers. Buddhist economics views a carbon tax as only one tool to mitigate carbon emissions, because the economic system must be restructured with progressive taxes along with social programs and regulations to support the well-being of people and the environment.¹⁸ However, very few countries tax carbon. Meanwhile, countries make both direct and in-kind payments to the fossil fuel industry. This results in countries subsidizing the fossil fuel industry, and lower-income

¹⁵ Easterlin et al., “Happiness-Income Paradox Revisited.”

¹⁶ Pickett and Wilkinson, *The Spirit Level*.

¹⁷ Porter, “Income Inequality Is Costing the U.S. on Social Issues.”

¹⁸ Brown, *Buddhist Economics*, 67–8.

Health and social problems are worse in more unequal countries

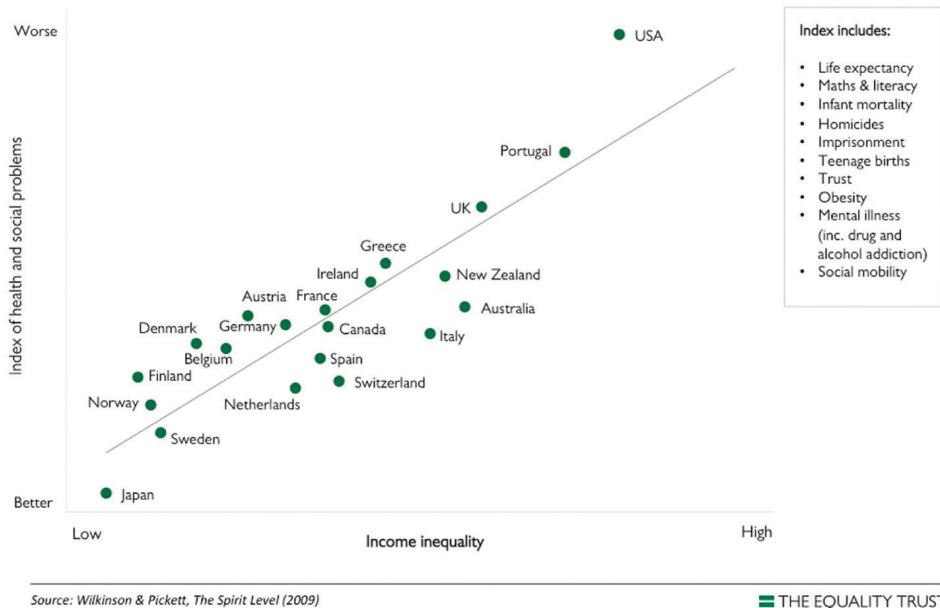


Figure 1 Health and social problems are worse in more unequal countries. From Pickett & Wilkinson, “SpiritLevel slides,” 7.

families end up subsidizing the wasteful, high-carbon lifestyles of rich families.

We can see how this happens by using the social cost of carbon (SC-CO₂), a monetary measure of public health, physical damages, and productivity losses to current and future generations from the pollution caused by a metric ton of GHG emissions in a given year. When the price of fossil fuels includes the SC-CO₂, the people and firms using fossil fuels pay for the pollution and environmental damage caused by GHG emissions and the markets provide the correct price incentives to replace fossil fuels with clean energy sources. Yet fossil fuel companies receive billions of dollars in subsidies that *reduce* fossil fuel prices, lower exploration and exploitation costs, and increase after-tax profits. This is equivalent to a *negative* tax on fossil fuels, and society bears the costs of pollution by living with worse health and environmental problems. The Organisation for Economic Co-operation and Development (OECD) tracks fossil fuel subsidies in forty countries, and reports these countries paid out \$160

billion in these subsidies in 2014.¹⁹ An International Monetary Fund (IMF) study estimates that direct fossil fuel subsidies worldwide were about \$333 billion. However, the indirect costs to human health and environmental damage are even higher. Once these social costs are included, the subsidies shoot up to 6.5% of global output (\$5.3 trillion in 2015).²⁰

Because the rich cause much higher carbon emissions than the lower-income population, we see that without taxing carbon emissions, we end up with lower-income families and regions indirectly subsidizing the rich in their wasteful, high-carbon lifestyles. The GHG emissions of the rich harm people's health, especially in lower-income communities and regions.²¹ Today, we are transferring well-being from lower-income people to the rich, and income from all people to the highly profitable fossil fuel industry. This is the exact opposite of an equitable sustainable economy.

4. People are altruistic as well as self-regarding.

Free market economics holds that people care only about themselves as they determinedly maximize their incomes and fancy lifestyles. Buying and consuming are assumed to give people pleasure or hedonic happiness, which fits well with a materialistic, status-oriented economy. Buddhist monk Matthieu Ricard points out that a search for hedonistic happiness goes with a decreased feeling of well-being.²² In an endless cycle of desire, we are continuously wanting more without ever finding lasting satisfaction.²³

Yet the existence of selfishness does not imply that *all* actions are motivated by selfishness. The issue is not whether people are either selfish or altruistic, because we expect people to care both for themselves (self-regarding) and for others (other-regarding). Evidence from psychologists and neuroscientists confirms the Buddhist economic assumption that people act with altruism as well as selfishness.²⁴ Economists have observed in lab games that most people have some altruistic feelings, defined as unconditionally caring about others

¹⁹ OECD, *OECD Companion to the Inventory of Support Measures for Fossil Fuels 2015*.

²⁰ Coady et al., "How Large Are Global Energy Subsidies?"

²¹ Hsiang et al., "Estimating Economic Damage from Climate Change in the United States."

²² Ricard, *Altruism: The Power of Compassion to Change Yourself and the World*, 277.

²³ Kasser, *The High Price of Materialism*; Hanson and Mendius, *Buddha's Brain: The Practical Neuroscience of Happiness, Love and Wisdom*.

²⁴ Batson, *Altruism in Humans*.

with no ulterior motive.²⁵ Generous behaviour is not only observed in the lab, but also expected in life situations. Economists have demonstrated that people care about fairness and want to be part of an organization and society that they consider just and fair.²⁶

Psychologists have found that being kind to others makes people happier. People build on moments of compassion because of a positive feedback loop: when you do a kind deed (like take an elderly person to lunch), you become happier, which makes you more likely to do another kind act (like help your neighbour carry boxes). Kindness makes you happier, and happier people engage in more acts of kindness.²⁷ Secular versions of this approach to life can also be used. As Batchelor writes, awakening is a way of living that is “no longer determined by one’s greed, hatred, fear, and selfishness” and is “an ethical way of life and commitment that enables human flourishing.”²⁸ These four observations present the foundational evidence for why a Buddhist economy can create a healthier, happier world.

How to Create a Buddhist Economy

Although a Buddhist economy may seem utopian, in fact, economists already know the policies that can achieve shared prosperity domestically.²⁹ Scientists have provided roadmaps on how to achieve a low-carbon world,³⁰ and the United Nations Millennium Development Goals demonstrate how to reduce global suffering.³¹ These economists and scientists have demonstrated that countries choose their level of inequality and GHG emissions. The added bonuses

²⁵ Andreoni, Harbaugh, and Vesterlund, “Altruism in Experiments.”

²⁶ Akerlof and Shiller, *Animal Spirits: How Human Psychology Drives the Economy, and Why it Matters for Global Capitalism*.

²⁷ Otake et al., “Happy People Become Happier Through Kindness: A Counting Kindnesses Intervention”; Buchanan and Bardi, “Acts of Kindness and Acts of Novelty Affect Life Satisfaction.”

²⁸ Batchelor, *Secular Buddhism: Imagining the Dharma in an Uncertain World*, 163.

²⁹ Atkinson, *Inequality*; Stiglitz, *The Price of Inequality*.

³⁰ Bataille et al., “The Deep Decarbonization Pathways Project: Insights and Emerging Issues”; Jacobson et al., “100% Clean and Renewable Wind, Water, and Sunlight All-Sector Energy Roadmaps for 139 Countries of the World.”

³¹ United Nations, “The Millennium Development Goals Report.”

of creating an equitable, sustainable, caring economy are that the country's well-being improves with lower inequality, people's happiness increases by helping others, and the health of people and the planet improve together.

My book *Buddhist Economics*³² provides a detailed path for governments, as well as companies and people, to develop a Buddhist economy. It need not be called "Buddhist"; this type of economy can take any name that indicates an equitable, sustainable, and compassionate economy. The Green New Deal (GND) advocates such an economy of integrated policies.³³ In surveys, Americans agree that inequality is harmful, and think that government policies can, and should, reduce the gap between the rich and everyone else. The public also tends to favour policies that would create a GND.³⁴

In a Buddhist or similar economy, the government plays a key role in creating social programs and regulating markets to support a meaningful life for all people while caring for the planet. Overall, the economic system would replace personal consumption with spending on social programs (health care for all, free college education, infrastructure for liveable cities, low-carbon transportation, renewable energy, clean air and water, paid family leave, and the list goes on). No single policy can stop the climate emergency, because our climate and inequality crises require systematic changes. Many different policies must be used at the local through international levels, and must reflect variations in cultures while providing various options for people to form sustainable communities that support living a meaningful life. Some policies may work better than others, but our environmental and quality-of-life challenges dictate that well-being of people and the planet—not maximizing efficiency with so-called free markets—should be our main metric for evaluation.

Here is an overview of the goals for governments, individuals, and companies in an economy that is sustainable and shares prosperity:

1. Governments oversee regulations and incentives to structure markets and provide social programs, so all people can have meaningful, dignified lives in a healthy environment.

³² Brown, *Buddhist Economics*, chapter 7.

³³ Carlock and Mangan, "A Green New Deal: A Progressive Vision for Environmental Sustainability and Economic Stability."

³⁴ Kaufman, "Green New Deal Has Overwhelming Bipartisan Support, Poll Finds."

2. Individuals create meaningful, balanced lives, with awareness of how they are harming or helping others and the planet; people work together to push governments for the legislation and programs required to support this quality of life.
3. Companies integrate the well-being of workers, customers, communities, and the environment into their practices and performance metric, along with the interests of shareholders.

Table 1 shows a wide variation across in GDP per person (shown in descending order) for twenty countries, along with two widely used economic performance measures (Human Development Index and Sustainable Development Goals (SDG) Index), as well as CO₂ emissions per person (in 1960, 1990, and 2018), and inequality (Income Share ratio of the bottom 50% of earners to the top 10% earners) for 2018. The last column presents the SSPI rank, which we discuss below.

GDP per person and HDI move together because income is a component of HDI. A comparison of GDP per person and the SDG Index points out countries—such as France and Vietnam—who score higher in the SDG Index than their GDP per person would suggest, as well as countries—such as the United States, Australia, and Israel—who score lower in the SDG Index than their GDP per person would suggest. Although GDP per person and CO₂ emissions per person tend to move together, some countries (France, Hungary) show faster decoupling of economic growth from reliance on fossil fuel energy, while other countries (United States, Australia, Korea) indicate much slower decoupling. Only five of the twenty countries had CO₂ emissions per person below the annual world average: Thailand, Indonesia, Vietnam, India, and Cambodia. However, these countries also have the lowest GDP per person of the twenty countries.

Countries vary widely in their inequality. The income share ratio points out countries with extremely high inequality, where the income share of the bottom 50% earners is less than about one-third (0.35) of the income share of the top 10% earners: United States, Israel, China, Thailand, Vietnam, India, and Cambodia. It also points out countries with relatively low inequality, where the income share ratio is above two-thirds (0.65): Norway, Austria, Belgium, France, and Hungary.

This snapshot raises the question of what policies are related to the eco-

Table 1 Selected Country Income and Well-being Data (2018)

Country	GDP per Capita ³⁵ (Current USD)	Human Development Index ³⁶	Sustainable Development Index ³⁷	CO ₂ Emissions per Capita ^{38, 39}			Income Share Ratio ⁴⁰	SSPI Rank ⁴¹
				1960	1990	2018		
Norway	\$82,268	0.96	81.2	0.486	6.91	7.077	0.759	2
USA	\$62,823	0.93	73	16.444	19.407	15.223	0.291	38
Australia	\$57,208	0.94	72.9	8.566	15.448	15.503	0.48	29
Austria	\$51,467	0.92	80	4.369	7.589	7.133	0.697	4
Finland	\$49,988	0.94	83	3.405	10.942	8.083	0.646	7
Germany	\$47,939	0.95	82.3	11.14	12.027	8.536	0.5	10
Belgium	\$47,545	0.93	79	9.98	10.967	8.196	0.667	5
UK	\$43,306	0.93	78.7	11.115	9.813	5.428	0.572	20
Israel	\$42,407	0.92	71.8	3.396	7.255	6.876	0.311	36
France	\$41,558	0.9	81.2	6.486	6.137	4.572	0.671	9
Japan	\$39,727	0.92	78.5	2.461	8.832	8.802	0.409	18
Korea, Rep.	\$33,437	0.92	77.4	0.536	5.778	12.225	0.39	33
Hungary	\$16,425	0.85	75	4.541	6.499	4.747	0.664	24
Malaysia	\$11,074	0.81	70	3.654	3.118	7.544	0.43	NA
China	\$9,905	0.76	70.1	1.221	1.915	7.487	0.345	39
Thailand	\$7,125	0.8	69.2	0.139	1.615	3.614	0.27	NA
Indonesia	\$3,903	0.71	62.8	0.242	0.815	2.16	0.397	42
Vietnam	\$3,267	0.7	69.7	0.229	0.289	3.009	0.334	NA
India	\$1,974	0.65	59.1	0.25	0.647	1.791	0.23	49
Cambodia	\$1,533	0.59	60.4	0.042	0.141	0.91	0.307	NA
World	\$11,284	0.74	NA	NA	3.896	4.475	NA	NA

³⁵ The World Bank, “GDP per capita (current US\$).” World Bank national accounts data, and OECD National Accounts data files for 2018.

³⁶ United Nations Development Programme, Human Development Report 2019, for 2018 dataset.

³⁷ Sachs et al., “From Crisis to Sustainable Development: The SDGs as Roadmap to 2030 and Beyond.”

³⁸ Global Carbon Atlas, “CO₂ emissions.” Carbon emissions data from 1960.

³⁹ The World Bank, “CO₂ emissions (metric tons per capital).” Carbon emissions data for

economic goals of reducing inequality and carbon emissions. More broadly, we ask the question: What are the national policies in practice today to create a sustainable, shared prosperity economy? To explore this question, my research team at the University of California-Berkeley developed a Sustainable Shared-Prosperity Policy Index (SSPI).⁴² The SSPI provides a metric of over fifty national policies (regulations and programs) for fifty countries. It divides policies into three Pillars (Sustainability, Market Structure, and Governance) that represent the government functions of protecting the environment, structuring markets, and delivering public goods and services.

The SSPI ranks countries by their SSPI scores (Table 1, last column) and demonstrates how nations vary widely in their policies to structure economic and social life. The advanced European countries rank toward the top of the SSPI, while the United States is ranked in the bottom third, along with Israel, South Korea, China, Indonesia, and India.⁴³

A comparison of Norway and the United States, both oil producing countries, points out how countries differ in their choice of national policies and the resulting economic performance. Overall, the United States has a lower GDP per person, along with more CO₂ emissions per person and much higher income inequality than Norway. Norway, which has a high SSPI ranking, has a GDP per person of \$82,268, with average carbon emissions per person of 7.1 metric tons in 2018. Their inequality is relatively low with the income share of the bottom 50% earners being about three-fourths of the income share of the top 10% earners. In contrast, the United States (SSPI rank 38) has GDP per person of \$62,823, which is only three-quarters of Norway's GDP, but the United States has over twice the annual CO₂ emissions per person of 15.2 metric tons, and the bottom 50% earners have only 29% of the income of the top 10% earners, or less than two-fifths of the bottom earners ratio in Norway.

1990 and 2018 reported by the World Bank from Climate Watch. 2020. GHG Emissions. Washington, DC: World Resources Institute.

⁴⁰ World Inequality Database. Income share ratio expresses the ratio of the national pre-tax income share of Bottom 50% of earners to Top 10% of earners.

⁴¹ For SSPI rankings, see "SSPI Main Data File" in the provided link under Brown et al., "Sustainable and Shared-Prosperity Index."

⁴² Brown et al., "Sustainable and Shared-Prosperity Index."

⁴³ Insufficient data prevents calculating the SSPI for four of the twenty countries: Malaysia, Thailand, Vietnam, and Cambodia.

Next, we compare two lower-income countries, China (SSPI rank 39) and Indonesia (rank 42). China's GDP per person is 150% higher than Indonesia's GDP, but China's CO₂ emissions per person are 250% higher than Indonesia's emissions in 2018. Both countries have high income inequality. The income share of the bottom 50% compared to the top 10% earners is 40% in Indonesia compared to the even lower 35% in China. Overall, the SSPI provides a way to measure and compare policies across countries, and the findings indicate that national policies are related to broad measures of economic outcomes.

Conclusion

The rich and those of us in wealthy countries continue to destroy our planet with a wasteful lifestyle that pollutes the air, water, and earth. As humans, we do not have the right to harm people and other species, and our dependence on fossil fuel energy is overheating the planet and causing climate change that is killing life as we know it. People are entitled to clean air and water and the fulfillment of their basic needs. We are not entitled to live as we please if it causes harm to others and the planet.

To create the economy that we desire, people must work with environmental and political groups to demand that local and global governments restructure the economy to use clean energy, develop regenerative agriculture, redistribute resources from the rich to the needy, promote peace, and evaluate economic performance as quality of life. Rich economies need to focus less on income growth and more on quality of life. Buddhist economists point out how to create sustainable lifestyles that reduce wasteful consumption and overwork, and people have time to enjoy life and help one another. We want to change the culture so people care about shared prosperity, rather than how much money they are making. We do not want to replicate individualistic motivations that create crises in inequality and accelerate climate change. Instead, we want to create a culture that supports human rights, equity, and healthy ecosystems.

The SSPI demonstrates that creating a Buddhist economy is not a pipe-dream. Many countries have national policies that reduce inequality and provide health care, education, a financial safety net, and human rights, providing people with comfortable lives and opportunities to develop their full potential

while protecting the environment. The SSPI shows that all countries need to strengthen their sustainability policies, especially to reduce GHG emissions, increase non-carbon energy sources, improve regenerative agricultural practices, and reduce wasteful consumption.

In a Buddhist economy, living in harmony with nature becomes the new norm. Time for social and creative activities allow people to enjoy life. Lavish, wasteful consumption will seem incomprehensible as people become healthier and happier with more natural lifestyles, while planetary ecosystems heal. The good news is that our way of life can remain meaningful and healthy as our consumption and lifestyles become sustainable. To quote Thích Nhất Hạnh, “Caring about the environment is not an obligation, but a matter of personal and collective happiness and survival. We will survive and thrive together with our Mother Earth, or we will not survive at all.”⁴⁴

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