

Green Economics and the Hindu Ethics of Economic Action

- A Comparison of some Common Features and Striking Similarities -

Abstracts

This article discusses the Hindu ethics of economic action as one possible source of inspiration to reflect on the orientations and highest values of Green Economics. Green Economics as a distinctive methodology and interdisciplinary approach interlinks economic, ecological, political and moral problems. It derives its values and orientations from different sources. Many of its aims and approaches, such as the protection of nature, the respect for all forms of life, or the observation to the laws of nature in search for solutions, can also be found in the ethics of the Hindu religions. Even though the context of justification is different, the basis considerations are almost identical. This paper shows some common denominators and tries to build bridges between fields staying unconnected so far. Despite many interfaces, it is not neglected to work out that there is also an unbridgeable gap between scientific reductionism and the religious search for salvation and holism, albeit consensus in the common aims.

Keywords: Hindu Economics, Green Economics, Moral Economy, Religion and Economic Action

Biographical notes: Dr. Hans-Guenter Wagner is an Educationalist and Economist. He published a number of books and articles on subjects related to Buddhism, Education and Economics. After working in the international development co-operation in China and Albania for more than a decade, he currently teaches Cross-Management at the University of Co-operative Education in Plauen and Chinese at the Hessenkolleg in Kassel.

Hindu-Religions are Multifaceted

All world religions make statements about the proper economic conduct of man. Apart from the Christian economic ethics aiming at the preservation of God's creation, we also find economic commandments in the Sharia (e.g. prohibiting the claim of interests), Judaism, and the Eastern religions. Whilst the Jewish ethics refers to business performance as laid down in the Torah (among others concerning the kashrut of food), the Buddhists see proper economic conduct as an essential part of the Noble Eightfold Path (Right Livelihood). The same is also true for the Hindu religions, although in contrast to Buddhist economics (see e.g. Payutto 1994; Schumacher 1966; Wagner 2007), or the business ethics of Christianity and the Islam, relatively little has been published about their ethics of economic action so far (see e.g. Chattopadhyay 2012; Vinod 2013; Wagner 2014). Hindu-Religions, however, enjoy an ambivalent image in the west. Christians and Moslems disdain their polytheism and idolatry, socially engaged people criticize the religious legitimation of social injustice by the ancient caste system, which is offensive to the European ideal of equality as generated by

the Enlightenment during the 18th century. On the other hand, there are also supporters who praise the tolerance and dovishness of these religions, considering them a great spiritual alternative to the modern materialistic way of life, and fully in line with the aims of modern green and social movements. We have to distinguish properly between the Hindu religious ideas and Hinduism as a political movement in today's India with all its ramifications, such as the social discrimination of women, brutal violence against the Moslem population, or a bizarre nationalism. While this paper primarily deals with the religious foundations, the latter shall not run out of focus.

The term Hinduism was introduced into the English language in the 18th century to denote the religion(s) native to India (see von Stietencron 2009, p.122; see von Stietencron 2011, p.7). Originally used by employees of the "East India Trade Company" as a catchall term to label what they considered being different sects of only one religion. During the 19th century the word was finally used by Indians themselves as proudly chosen term expressing national identity in their fight for freedom and independence (see Michaels 2012, p.29). Based on the recorded history and the folk customs it is very appropriate to understand Vaishnavism, Shivaism, Shaktism, and the historical Brahmanism, as different religions instead of parts of a unified corpus. Therefore in this paper the term Hindu religions is used instead of Hinduism. Because of larger differences in religious beliefs and practices, Buddhism and Jainism are excluded. Neither of them is defined as a Hindu religion, even they grew out of the same root. Actually, the Hindu religions consist of a large variety of religious ideas and practices, there is neither any unquestionable religious authority, no worship of one God, no belief in a unified philosophical concept, no all-embracing sacred book and governing body, no prophet(s) nor any binding ecclesiastical order. In contrast, many ways (*mārga*) lead to salvation (*moksha*). *"It would be more fruitful to see Hinduism as a spiritual laboratory than a religion in the strict sense of the term."* (Siddartha 2008, p.34). Ashokkumar (2014, p.17) considers the in Hindu religions a way of life rather than a religion. Because of its diversity, these religion(s) are different from most of the others. Despite these differences we can also identify some common denominators of all Hindu religions, and only because of their existence, something like a Hindu ethics of economic action can be identified. An inherent elements of all Hindu religions is the belief in Brahman, the all-comprehensive, supreme power lying dormant in all manifestations of life. Further common features are the idea of rebirth that is linked to the karmic retaliation of one's own deeds, and based on that a concept of everlasting cyclic structures governing all processes in the natural world. Another key foundation is the recognition that each individual has a responsibility for the cohesion of the world (see von Stietencron 2009, p.134). Hindus worship the three gods Brahma (the creator), Vishnu (the preserver or the protector of the world), and Shiva (the destroyer). Although they appear as distinguishable devas, most Hindus would claim that they finally emerge from a common origin, and that they are actually One by their very nature.

Ethical Standards of Economic Action and their Sources in Hindu Religions

Ethical codes can be traced back to two primal origins. They either stem from an extramundane source of wisdom or they can be derived from the pure rationality of social life. Examples of the first kind are the Ten Commandments of the Bible, brought down from Mt. Sinai by Moses as the iron law of the Almighty written in stone by letters of fire. The

same is true for the Quran, the book of which Moslems believe was verbally revealed by God to Mohammed through the angel Gabriel (*Jibril*), thus it's ethical teachings are also of non-human provenience. An example of the second kind is the Categorical Imperative of Kant: *"Act only according to that maxim whereby you can, at the same time, will that it should become a universal law"* (Kant 1993, p.30). Kant develops the highest ethical principle from the need of a harmonious social life, and explicitly without reference to a superior being and its will. John Stuart Mill's utilitarianism as a theory in normative ethics holding that the best moral action is the one that maximizes utility, also derives ethical codes only from the human sphere. An intramundane approach we also find in the ethics of Aristotle, or Aristippus, and in the modern era in Jeremy Bentham's work (who was inspired by the Enlightenment).

Owing to their non-monotheistic nature, in the Hindu (and also most of the Asian) religions there is no such dualism between ethics and religion,. As in many of the Hindu teachings there is no almighty and omniscient God, there is also no ultimate truth, no final answer, and no unquestionable religious dogma. Hindu ethics relies on two specific sources. The highest source are writings announcing timeless revelations (which wise and holy people once heard from the devas or realized through their own divine wisdom), the second origin are simply the recorded traditions (*smṛti*, i.e. "the recollected") (see Gupta 2006, p.380; see Miller 1981, p.186). Chattopadhyay (2012, p.15) considers the concept of Hindu ethics not necessarily tied up with the concept of society, but sees it arising from a divine origin. However this could easily lead to misunderstandings, because in most of the Hindu teachings there is no concept of a creator deity as in the Judeo-Christian beliefs. Instead of a Creator, the source of the divine has to be found within each being. So actually the divine is the wisdom of the beyond within. Many of the profound classical ethical teachings are laid down in the *Mānava-Dharmaśāstra* (Law of Manu) which also formulates the basis of the caste system (see. Miller 1981, p.191; see Olivelle 2004). In this ancient scripture we find different ethical standards for various casts, social layers, and occupational categories. The original purpose of the caste system was to achieve a separation of power, by forbidding the same person to amass more than one source of power in his hand: education (a field where the brahmins are in charge of) and military power (*khastriyas*) cannot be exerted by the same person. But in later centuries the idea became distorted (see Abhyankar 2013, p.176; see Vinod 2013, p. VI). Originally related to the division of labour as the constituting factors, during the course of time the family became the basis unit of organizing each caste group. Up to the present, membership is determined by the unchangeable criterion of birth. Based on obsessions with purity and pollution, caste rules prohibit inter-dining and intermarriage. The ancient Hindu society has been rigidly hierarchical and hence non-egalitarian and unequal: *"Certain groups were particularly disadvantaged (...) Social exclusion of women was carried possibly much farther in the paternalistic order than elsewhere."* (Tendulkar 2012, p.575). Nadkarni (2013, p.87) concludes that the Hindu society already saw the advantages of the specialization of labour, but did the wrong by putting restrictions on social mobility. However, the rules are not unified, and they partly contradict each other. What is right behavior for a soldier could be misconduct for members of other professions. Some ethical codes prescribe only duties for certain castes or for members of the same community, but oblige merely under certain circumstances. Different requirements refer also to different

situations or stages of life. So one should live the life of a hermit (*sādhu*) only after fulfillment of one's family and social duties. For this stage of life, other rules (regarding the provision for the means of life or sexual behavior) have to be followed (as laid down in the *āśrama dharma*). Thus, apart from some universal rules, some sets of ethical codes are restricted to certain people and situations (*swadharmā*), we might call them "particular ethics" as to be distinguished from universal ethics. Quite similar to ethical reasoning in Green Economics (see, for example Anderson 2006, p.17), Hindu moral standards are not considered a simple matter. Moral judgements sometimes need allowances to be made for complexity, diversity and ambiguity. Some Hindu researchers describe this dichotomy in terms of a conflict between duty ethics versus virtue ethics, respectively a hybrid of both (see Gupta 2006, p.374).

The most famous of the old Indian economists is Kautilya, who wrote his main work *Arthashastra* at about 320 B.C., advancing a people-centred approach to human society. His concept for individual well-being and economic prosperity is based on a moral economics of right conduct. In his writings Kautilya taught that it was the King's moral duty to bring prosperity to his subjects. In the maintenance of law and order as well as in the care for the sick, elderly and poor, he saw the prerequisites for the economic development of a country. In his theory of prosperity creation he identified the category of "natural wealth" consisting of food crops, trees, minerals, rivers and the ocean, formulated different categories of the working force, and pled for state protection for those unable to sustain a living on their own (see Patwardham 2013, p. 4 et seqq.; see Sihag 2013, pp 32 et seqq.). Besides these elaborated teachings, there are the popular Hindu beliefs with their practices of worshipping certain gods associated with wealth and prosperity, such as the elephant-headed Ganesha or Lakshmi, wife of Vishnu. Apparently by recognizing her "monetary value", one of the largest banks in India is called *Lakshmi Vilas Bank* (founded in 1926).

Hindu ethical teachings are subsumed under the category of *dharma*, a key concept of Hindu religion and philosophy, and a term encompassing both nature and social life. Dharma is therefore a universal category consisting of the laws of nature, the religious beliefs, and the rules of human life, in this comprehensive sense it is called *sanātana* (eternal Dharma) (see Dhand 2002, p.358; Olivelle 1999, p.xxxviii-xxxix; see Rothermund 2008, p.206; see von Stietencron 2011. S.96). Though the predominance of dharma is always emphasized, according to the *Puruṣārtha*, the teachings about the proper goals or aims of human life, there is also *artha* (prosperity or the pursuit of wealth), *kāma* (sensual pleasure) and *mokṣa* (spiritual liberation). Asceticism is not prescribed for all in the Hindu religions (see Nadkarni 2013, p.81). Dharma is also used in that sense that there exist a universal law for all walks of life. The dharma regarding social laws (especially occupation, duties and responsibilities), for example, is called *varna dharma*. No matter whether the codes are universal or caste related, the idea of the unescapable obligation to fulfill one's caste duties was at least in the past of paramount importance. For a comparison with Green Economics our attention should be focused on the universal ethics of the Hindu religions. According to the Patanjali Yoga Sutra, general values of religious life are non-harmfulness (*ahimsa*), truthfulness (*satya*), not taking what is not given (*asteya*), chastity (*brahmacharya*), and non-possessiveness or non-grasping (*aparigraha*) (see Dhand 2002, p. 355). The pursuit of private

gain or money is not forbidden by Hindu ethics as long as it is done by applying righteous methods, but this also includes to share one's gains with other. A certain amount of income should be allotted for charity. Some Hindus consider a quota of 25% of wealth to be given to those in need as appropriate (see Ashokkumar 2014, pp. 18 et seqq.). There are two fundamental principles of Hindu Economics: 1. You shall earn money in a legal and moral way (acquiring wealth only respecting the moral standards of the *artha-dharma*, and 2. You shall avoid becoming intoxicated by wealth, i.e. to refrain from all kinds of excessive behavior. (see Abhyankar 2013, p.185). The spiritual element is very core of all commandments on economic action: "*Hindu (...) Economics (is) an alternative and holistic theory of economic development based not only on material output and economic services, but on an ancient Hindu spiritual values (...) The objective of human life is not merely the pursuit of happiness and pleasure, but to experience a deep sense of fulfillment.*" (Swamy 2013, pp. 539 et seqq.).

Most of the ethical teachings of the Hindu religions we also find in one or the other way expressed within the normative framework of Green Economics. The idea of value-free economics is put into question. As a basic principle, Green Economics reincorporates earlier moral concerns into economics. Reason and knowledge shall not be separated from wisdom. Introducing the category of right means and proper ends into economics lead to the definition of aims such as to work for the benefit of all people everywhere, for the planet, the biosphere, non-human species, all forms of life (see Kennet/ Heinemann 2006, p.70 et seqq.). Such aims are in no way different from the essentials of Hindu ethics. "*Green economics is normative in its slant.*" (Wall 2006, p.208). Nevertheless, it should be obvious that the sources and methods of formulating moral judgements are in some aspects different from the Hindu as from any religion. Divine inspirations, however, or the sole proliferation of established traditions are not accepted by scientists as a basis for argumentation, due to the lack of proof and intersubjectivity. However, the need to act out of compassion with suffering beings as an impulse inherent to all living beings, might be a debatable common ground.

Unity and Diversity of Life – The Economic Model of Hindu Religions

All economic activities are seen (like any other phenomenon of the material world) as endless manifestations of energy. A spinning wheel, for instance, uses the physical energy of a man, woman or child to produce a material good. The handloom works likewise. The physical energy of human beings comes from the food they eat, which is created by the sunlight that makes all plants growing (see Gregg 1958, p.195). Hence all living creatures and all other forms of life can be seen as sole transformations of solar energy. All life unfolds based on eternal principles. The Hindu teachings of the inherent quality of all things (*gunas*) describe the different development stages of living manifestations. Three *gunas* are the basics stages shaping the evolution processes of all things. The three *gunas* are named and described as *sattva* (creative and constructive), *rajas* (active and full of passion), and *tamas* (destructive, in the state of decay). All *gunas* are present in everyone and everything, but in different proportion. It is the interaction of arising, developing, and disintegration that determines the progress of life. A dynamic balance between creation, destruction, and preservation is also the cornerstone of a well-functioning and sustainable economy. Strong

attention is paid to the force of destruction (the *Shiva principle*), because only decay and disintegration make new life possible.

“Every individual life mineral, vegetable, animal, human, or personal god has a beginning and an end, and this creation and destruction, appearance and disappearance, are of the essence of the world-process and equally originate in the past, the present, and the future. According to this view, then, every individual ego (jivatman), or separate expression of general Will to Life (ichchha, trishna), must be regarded as having reached a certain stage of its own cycle (gati).” (Coomaraswamy 1918, p. 7).

Permanent destruction is recognized as the indispensable ground for permanent creation. The rhythmic character of the world process is a central teaching of all Hindu religions. Rhythms of change are always divided into the great antithesis of Subject and Object, Self and non-Self, Unity and Diversity, and other pairs (see Coomaraswamy 1918, p.7). Based on the observations of nature, the planetary motions, the vegetation cycle, or the water circulation system, the whole world is maintained by eternal circular movements. Even the rebirth of the deceased souls follows this very principle.

Based on the broad spectrum of philosophical and religious ideas, there are well defined principle of economic action according to the Hindu religions. The Vedic teaching of *chatur dharma*, for instance, requires that businesses need to exist in harmony at four levels: *the universal* (a term that can be interpreted as “nature” in an all-encompassing sense), human, society, and the individual. According to *chatur dharma*, the responsibility of business on maintaining ecological balance is superior and supersedes the other groups (see Ashokkumar 2014, p.15). Thus, the ancient Indian approach is just the opposite to Milton Friedman’s notion of corporate social responsibility, namely the idea that the first responsibility of a company is to increase its profits. But the Hindu attitude to nature is not a far cry away from the approach of Green Economics demanding respect for nature’s role in economics (as in man’s action in general) and the struggle for social and environmental justice (for these conceptual frameworks of Green economics see Kennet 2007, p.227 et seqq.). Hindu approaches to leadership rank righteousness higher than efficiency. The most important qualities of a good leader are calmness, awareness, and courage. *“Leadership my way is to stand behind the people I am leading.”* (Mahatma Gandhi, quoted from Joshi/Joshi 2013, p.457).

Furthermore, sacrifice and ritual are taken also as modes of economic action. Hindu philosophy regards work as a kind of worship helping to awaken inner resources (divine virtues) which are more powerful than outer resources (such as capital or material possessions). According to Chattopadhyay (2012, p. 6) and Nadkarni (2013, p.84), in principle, action ranks higher than inaction, work is considered greater than idleness following the conviction that creating real wealth requires hard and honest work. But this is a debatable conclusion. In the *Mahabharata*, the dichotomy of action (*pravṛtti*) and non-action (*nivṛtti*) is frequently highlighted. The scripture says that while activity entraps in the mundane existence, passiveness leads to redemption of rebirth and thereby to supreme happiness. Nevertheless, the *Bhagavadgītā* states that absolute inactivity is impossible.

Therefore the true believer should always scrupulously perform his duties, but free of any egoistic consideration (see Forke 1944, pp.212 et seqq.).

The Social Connotations of Hindu Economic Ethics

At first glance the Hindu society leaves a variety of ambivalent impressions: violent conflicts with a Muslim population, arranged (child)marriage, and animal sacrifice on the one hand, vegetarianism, selfless acting for the poor, and the social engagement for peace and social justice as promoted by Mahatma Gandhi and Vinobha Bhave on the other hand. In its beginning, Hindu ethics took shape in a critical dispute with the ancient Vedic cults and rituals that preceded it. As the result of this long-lasting contestation, many elements of the former cults could survive even in the framework of the new religion. The Hindu society even allowed some forms of slavery (in most cases servant's work) (see Patwardhan 2013, p.13). During the 20th century prominent Hindus such as Gandhi and Bhave revitalized the social connotations of the traditional Indian teachings. To both of them, a religion of eternity and salvation must also be a religion of time, giving guidance to peace and social justice in the current society. A sole concentration of otherworldly purposes would not be in line with the essential spirit of the Hindu teachings. Gandhi's fight for India's national independence was at large extent based on criticism of the counter-productive results of western industrialism in his country. His economic ideas rejected the western model establishing an independent economic sphere of life with its own values: *"I do not draw a sharp, or any distinction, between economics and ethics."* (Mahatma Gandhi, quoted after Narkarni 2013, p.81). He considered artisanal forms of production, such as the spinning wheel, not only as expressions of a holistic life style close to nature, but saw also its social functions, e.g. the preservation of the traditional village culture. While the old Brahmins looked down on physical labour, Gandhi and his followers taught highest respect for all kinds of manual work. Societies that leave the removal of dirt and rubbish to a particular caste would indicate a profound failure in their value system. After Gandhi was murdered in 1948, Vinobha Bhave organized many long protest marches all over India to support a land reform aiming at a redistribution of land. Based on his religious beliefs he criticized the rich landowners and demanded justice for the army of poor farmers. Bhave demanded minimum wages and explained that the price of labour should not be determined by the market price of goods, but on what a worker in the palm plantations needed for a modest existence. The aim of social justice also justified higher prices (see Gandhi 1993, p.170 et seqq). To him it was unbearable that those people conducting the heaviest labour earned the lowest income. Another socially very active religious leader was Babasaheb Bhimrao Ambedkar, a member of the Dalit, the untouchable, and the most radical opponent of the caste system. Ambedkar, who also participated substantially in the Indian constitution, died in 1956. As a sign of protest against the Hindu caste system he converted to Buddhism. Hundred thousands of Dalits later followed his example (see Siddharta 2008, p.36 et seqq.). Today the new phenomenon of Dalit entrepreneurship creates not only new opportunities for the poorest Indians, but also a large potential for social transformation (see Tendulkar 2013, p. 585).

The actual impact of Hindu religions on India's social and economic development, is a controversial topic. There is definitely a gap between intentions and results. The traditional standpoints to that question have been formulated by Karl Marx and Max Weber. In the

Marxist classification of historical modes of production, the economy of ancient India belongs to the category of the so-called Asian mode of production. A central criterion of this type of society is the existence of large-scale irrigation constructions, which were due to the annual monsoon and periodical floodings, compulsory needed in order to ensure rich and stable harvests. Those in charge of these buildings kept in their hands all the instruments of power. An “oriental despotism” ruled over the small rural villages scattered all over the vast country whose populations relied on agriculture and crafts (see also Wittfogel 1977). In the local villages existed a decoupling of work and income, i.e. the traditional division of labour was need-, not merit-based. They had, for instance, a blacksmith and a tailor, who were paid by the villagers for their work in general, not for the production of specific goods – the same principle used for the employment of a judge or a teacher in western societies. According to Marx, the religions of ancient India kept the whole society in a stationary state. Although still preserving some elements of the paradisiac primeval societies, the Asian mode of production did not allow any progress or development. Instead of conquering nature, people venerated the cow and the monkey – to Marx an indication that the Indian religions are functioning as a reliable pillar to support primitive rulers, and as a result cemented the backwardness of the whole society (see Marx 1972, p. 131).

Max Weber delivers a very different explanation of the social and economic impact of the Hindu religions. While Marx sees in the mutual interaction between “productive relations” and “productive forces” the basis of all development (including those of religion and culture), Weber puts the focus of his sociological analysis on the “superstructure”, claiming that the ideas of a time shape the economic basis and all social relations. In Protestantism as well as in Zen Buddhism he identified promoters of welfare and social progress, while in the case of India, he blamed the Hindu religions for being responsible for the countries backwardness. To Weber the entire spirit of these religions, in particular their fatalism (as he understood the concept of karma) did not encourage responsible professional performance, the many rites and rituals were obstacles to an efficient economy, and the caste system prevented professional flexibility and the free choice of occupation (see Weber 1988, p.37 et seqq.). Nadkarni (2013, pp. 78) calls Weber’s “otherworldliness of the Hindu religions a “biased view” relying on a wrong interpretation of one particular school of thought while ignoring others. *“Merely because the Industrial Revolution started in the West, it does not mean that the West alone had a positive attitude to the world and that other civilizations did not have it (...) The pre-British economy would not have attained the diversity, complexity and level of development it did, if the bulk of its inhabitants had a negative attitude towards creating wealth and no interest in economic matters.”* (Nadkarni 2013, p. 93,97).

Both approaches to the social and economic impact of the Hindu religions have been discussed widely up to the present, but without reaching any common conclusion. Embedded in their respective framework, they might claim some logical plausibility, but from an empirical point of view, no convincing evidence for or against one of these hypotheses could have been provided so far. On the contrary, empirical studies conducted in Asia during the 1960s, in order to identify possible differences in job performances between people of the same occupation, but different religions, did not indicate significant variances (see for examples Alatas 1963). Taking the current state of affairs into account, the research

question rather must be reformulated: How did the Hindu religions contribute to modernization of India rather than the preservation of its backwardness.

Hindus Ethics of Economic Action and India's Ascent to a Global Power

When turning our attention from the past to the present, the actual influence of Hindu religions on the modernization of the country is still a controversial question. Is the secularization of Indian society the moving force of modernization or do exactly the traditional religious values and orientations accelerate the dynamics of the recent decades? The success of the Indian economy rests mainly on three pillars (see Rothermund 2008, p.124 et seqq.): The first is the diamond industry. The ability of Indian workers to grind even the smallest diamonds (which elsewhere in the world are only used as industrial diamonds) is outstanding and widely admired. The second pillar is tailoring. Originally, Indian dressmakers only produced tailor-made clothes due to cheap labour costs. But today, by applying "power looms" and "fraternal Capital" the Indian textile industry has established highly exploitative models which are very profitable for the capital owners. The third sector is most important for the global success of the country: it is the computer industry which needs highly qualified experts. For already a couple of decades, international companies transfer their IT and sometimes their entire accounting departments to India, resulting in cost reduction and higher efficiency. For all three areas, we can detect positive influences from the traditional ethics of the Hindu religions. Perseverance and devotion to a given task as well as the willingness to suffer hardships play an essential role, complemented by specific skills, such as the long tradition of mathematical and logical thinking (originating also from the Hindu philosophy). However, drawing on the hierarchical traditions, the new wealth and achievements of modernization are unevenly distributed. While the large cities are booming, two thirds of the population still subsist on agriculture, which only contributes 20% percent to the national product. More than 50% of all rural households are highly indebted. In many rural villages there is no proper land registration. Local moneylenders demand extortionate rates of interests, and as a result, small farmers become pauperized (see Rothermund 2008, p.154 et seqq.). Despite high rate of economic growth, at about half of the population still lives under the same conditions as in the past. India is home to the largest number of hungry people in the world and still at rank 80 of the Global Hunger Index (see Global Hunger Index 2015, p.18). Many skyscrapers are surrounded by slums. It is quite appropriate to blame the religious justification of the caste system as the cause for the broad acceptance of social injustice and poverty. A biased interpretation of the doctrine of karma promotes fatalism and a serfdom mentality, both factors enabling the Indian miracle of economic growth during the recent decades. Because of the visible negative impact on social and economic development, today, most modern Hindus are very critical of the caste system, claiming that it inflicts suffering on millions of people and has to be abolished (see, for example, Rambachan 2008, p.60). They do not consider this system as an inseparable part of their religion. Unfortunately, this is not true for "official Hinduism" which severely manipulates the genuine doctrines. For many Indian leaders religion is subordinated to national politics (see von Stietencron 2009, p.140). Religion is used as an instrument to exercise power.

One problem not settled so far by Hindu ethics is the suppression of women in almost all layers of Indian society. Despite the worship of the female aspect of devas in Shaktism and other Hindu religious schools, as well as the existence of some features of a female shaped economy in the sense of protecting and preservation instead of the male principle of competition and rivalry, these factors exert only minor impact on social life. The status of women still depends on their social role: humiliated as a daughter or daughter in law, superelevated as a mother, transfigured as a virgin, maltreated as a house-wife, and worshipped as a grandmother or goddess (see Michaels 2012, p.147). Modern Hindus who preach emancipation and support gender policies are sometimes in conflict with traditional religious authorities and their fixation on the traditional Indian family including all its handed down norms and role expectations (see Weber 1997, p. 2). Although the omnipresent discrimination of women can be traced back to Hindu religious origins, it would be an oversimplification to hold the religion itself responsible for it as many social and political factors play a decisive role. Furthermore, many religious texts pay highest reference to women and consider the female in no way inferior to the male. Vandana Shiva is one of the prominent representatives of the Indian women's movement. In her critic of the male dominated culture, she in particular highlights female wisdom as a model of gaining ecological insights and a life design close to nature. In line with the Shakti traditions, in the natural world she sees the hoard of all secret and creative forces. Side by side she fights with smallholders against patenting and the monopolization of genetic and seeding material through multinational corporations (see Shiva 1989, p.55).

Common Grounds and Interfaces with Green Economics

If we only set aside that Hindu Economics is embedded in a long tradition and strongly marked by traditional values, which entails such different factors as the welfare of the family, spiritual self-control or the acquisition of religious knowledge (see von Stietencron 2009, p. 132 et seqq), there are many interfaces with Green Economics. Although acknowledging that particularly religious ideas and ethical codes exert profound impact on economic life, Green Economics draws its values and orientations from other sources. First of all, the scientific principles of modern ecology deliver the theoretical framework for a sustainable future economy. Here again and not generally different from the Hindu concept of the three *gunas*, the Green approach also requires that all economic actions should be in line the laws of nature, for example, the equilibrium and stabilizing rules of ecological systems. As the economy depends on the natural world, the interaction between the human and the natural world should be based on a harmonious relationship. Corresponding moral judgements are derived from rational calculus. Most green economists rely their theories and models on the general framework of ecosystem development: a first stage of rapid growth focussing on pure quantitative increase (pioneering stage) is followed by a second stage of diversification and improved stability during which the development aim changes towards the refinement of quality (climactic stage) (regarding ecosystem development see Hampicke 1977, pp.311 et seqq.; E.P. Odum 1969, pp.262 et seqq.; E.P. Odum/J. Reichhoff 1980, pp.139 et seqq.; H.T. Odum 1973, p.222). Sophisticated ecological systems are determined by a variety of symbiotic relationships of inhabiting species. As during the course of ecological succession, in order to survive ecosystems developed evermore complex

structures, likewise a sustainable economy should be based on an efficient use of energy and a variety of renewable resources, thereby establishing stable relationships and facilitating a rapid increase of information. Therefore in a Green Economy, the flows of matter and energy should be held at the lowest feasible level to afford the human species the longest possible life-span on earth. In line with the Hindu ideas of circular flows of all matter, the imperative of taking care not to exceed the waste processing capacities of the ecological systems is a further fundamental aim of green economists. The steady-state concept recognizes the circular processes in the natural world as far as the transformations of matter are concerned. Even the idea of harmony between man and its natural environment shows striking similarities to the religious traditions of ancient India. Only the context of justification is different: Apart from compassion with other sentient beings, in Green Economics economic actions have to be harmonized with those mechanisms ensuring stability and an equilibrium of ecological systems, in order to ensure the survival of the human species. Not only the interests of current mankind are to be considered, but future generations have also to be taken into account.

Some Hindu Inspirations for Green Economics

Various positive impulses could radiate from the Hindu religions when we strip off their negative social connotations, such as the hierarchical caste system and the pre-modern attitude towards women. A revised and up-dated Hindu Economics might be helpful to reshape the global economy mainly in the following way:

1. Hindu religions show respect for all forms of life, the whole nature is seen as a manifestation of the divine. The divine is present in all aspects of life. Therefore in everyday life a reverent attitude towards all living beings is promoted. One should be mindful when dealing with other beings as well as with any object of nature. Renunciation ranks higher than heedless consumption, the dialectics of sacrifice and spiritual award can also provide a prototype for man's metabolism with nature. In the Hindu religions, offering sacrifices is the human beings most important life-sustaining task. Apart from its religious purpose, it also adds to the preservation of world order (see von Stietencron 2009, p.134).
2. All kinds of economic performance can be considered in its very core as ever changing flows of energy. Hindus view the entire economic process as a great transformation of energy. In the history of modern economics, there has always been a minor fraction of economists who also perpetuated the idea that all economic activities can finally be analyzed in terms of energy transformation. Such approaches were developed by energy economists such as Serge Podolinsky and Wilhelm Ostwald in the 19th century and Howard T. Odum in the last century (see H.T. Odum 1971,1973; Ostwald 1912; Perelman 1976; Podolinsky 1883; Wagner 1997, p.228). Originally only of highly hypothetical value, today models of energy economics play a vital role in assessing the energy costs and external effects of economic allocations.
3. The principles of Hindu economic ethics are helpful to reflect on the true nature of economic needs. A sole focus on economic purposes is replaced by ideas of proper economic conduct, i.e. virtues rank higher than hedonism, the right motivation is always crucial, and instead of ceaselessly striving for highest gain and monetary

efficiency, economic action should rely on self-sufficiency and contentment with available means. Hindu ethics esteems spiritual aims higher than material purposes: “We live in a world where money (...) and pleasure (...) are projected as the main goals of life. We have forgotten personal and social responsibility (*dharma*) and ultimate meaning (*moksha*).” (Siddhartha 2008, p. 40). Hindu ethics promotes a more spiritual approach even by businesses requiring introspection and inner purification. Economic activities should not mainly be based on reductive, rational calculus, but on a holistic perspective. The Hindu Utopian ideal is: “A country might (...) be judged not by its per capita GDP, but by its charity and character.” (Abhyankar 2013, p.191).

4. Hindu economics is based on an economy of simplicity and full transparency. The technological basis of human life is solar energy transformed by human labor in combination with the forces of nature. The economic mode of such a society is a sustainable economy. In the pre-colonial past, the Hindu economies functioned as self-regenerating institutions. Thus, we can infer that the so called *stationary* nature of ancient Asian societies is closely related to their religious beliefs. (see e.g. Wittfogel 1977, Taeube 1987).
5. In social respect, Hindu economics promotes the existence of commons (land and resources) and expresses a high appreciation of physical labour. In general, production and consumption should take place at a preferably low level and always close to nature. A basic income shall be provided for everybody. The ideal mode of economic action is local production and consumption, and avoidance of long-distance transportation, in order to save energy and resources (*swadeshi*). Money must not be worshipped as a goddess, but should be seen as practical instrument for allocation. Anything that goes beyond that purpose is rejected.
6. All Hindu religions are based on the principle of non-violence (*ahimsa*). Not to harm other beings is considered the leading rule in all aspects of economic life. The protection of animals and the natural environment also belongs to that principle. Whatever activities are performed, we should strive for the lowest depth of intervention, i.e. creating as little harm as possible.

From all this we can see that the Hindu economic ethics is actually not otherworldly, but in its practical consequences strongly related to social and ecological action. We might conclude that the highest aims of Green Economics are fully in line with the ancient wisdom of an economics of the steady state as represented by the religions of old India.

References

Abhyankar, Shankar (2013): The Ahamkaara Factor in Bhaaratēeya Arthashastra, in: Hrishikesh D. Vinod, loc.cit., pp. 175-196.

Alatas, S.H.: The Weber Thesis and South East Asia, in: Archive de sociologie des religions, Vol.8, pp.21-34.

Anderson, Victor (2006): Turning economics inside out, in: International Journal of Green Economics, Vo. 1, No. 1/2, pp. 11-22.

Ashokhumar, Sukyama (2014): Thoughts on Business Ethics and Corporate Social Responsibility from Vedic Literature, in: *Procedia Economics and Finance*, No. 11, p.15-22.

Chattopadhyay, Chandrani (2012): Indian Philosophy and Business Ethics, in: *Advances in Management and Applied Economics*, Vol. 2, No. 3, p.111-123.

Coomaraswamy, Ananda (1918): *The Dance of Siva*, New York: Sunwise Turn.

Dhand, Arti (2002): The Dharma of Ethics, the Ethics of Dharma, in: *Journal of Religious Ethics*, Vol. 30, (Fall), No. 3, pp.347-372.

Gandhi, Mahatma (1993): *Sarvodaya. Wohlfahrt für alle*, Gladenbach: Hinder+ Deelmann.

Global Hunger Index. Armed Conflict and the challenge of hunger (2015): International Food Policy Research Institute. Bonn/Washington, DC/ Dublin. October 2015

Gregg, Richard B. (1958): *A Philosophy of Indian Economic Development*. Ahmedabad: Navajivan Pub. House.

Gupta, Bina (2006): Bhagavad Gita as Duty and Virtue Ethics, in: *Journal of Religious Ethics*. Vol. 34, No.3 (September), pp. 373-395.

Forke, Alfred (1944): Chinesische und indische Philosophie, in: *Zeitschrift der Deutschen Morgenlaendischen Gesellschaft*, Vol. 98, p.195-237.

Hampicke, Ullrich (1977): *Landwirtschaft und Umwelt. Oekologische und oekonomische Aspekte einer rationalen Umweltstrategie, dargestellt am Beispiel der Landwirtschaft in der BRD, Kassel 1977.* (urbs et regio. Kasseler Schriften zur Geographie und Planung, Vol. 5).

Joshi, Prashant/ Joshi Manju (2013): Ancient Hindu Wisdom for Modern Day Management, in: Hrishikesh D. Vinod, loc.cit., pp. 451-460.

Kennet, Miriam/ Heinemann, Volker (2006): Green Economics: setting the scene. Aims, context, and philosophical underpinning of the distinctive new solutions offered by Green Economics, in: *International Journal of Green Economics*, Vo. 1, No. 1/2, pp. 68-102.

Kennet, Miriam (2007): Editorial: progress in Green Economics: ontology, concepts and philosophy. Civilisation and the lost factor of reality in social and environmental justice, in: *International Journal of Green Economics*, Vo. 1, No. 3/4, pp. 225-249.

Kant, Immanuel (1993) [1785]: *Grounding for the Metaphysics of Morals*, translated by James W. Ellington, Cambridge (MA): Hackett Publishing Company.

Marx, Karl (1972): *Die britische Herrschaft in Indien*, in: MEW Vol. 9, Berlin: Dietz.

Michaels, Axel (2012): *Der Hinduismus. Geschichte und Gegenwart.* (2. Edition), Munich: C.H. Beck.

Miller, David (1981): Sources of Hindu Ethical Studies: A Critical Review, in: *Journal of Religious Ethics*. Vol. 3, No.2 (fall), pp. 186-198.

Nadkarni, M.V. (2013): Hindu Economic Philosophy, in: Hrishikesh D. Vinod, loc.cit., pp. 75-99.

Odum, Howard T. (1971): *Environment, Power, and Society*. New York, London, Sydney und Toronto 1971: John Wiley & Sons.

Olivelle, Patrick: (1999): *Dharmasūtras: The Law Codes of Ancient India*, Oxford: Oxford University Press.

- Olivelle, Patrick (2004): *The Law Code of Manu*, New York: OUP.
- Odum, E.P. (1980)/ Reichhoff, J.: *Oekologie. Grundbegriffe, Verknuepfungen, Perspektiven*, Munich and Vienna: Georg Thieme.
- Odum, Howard T. (1973): *Energy, Ecology, and Economics*, in: *Ambio* Vol. 2, No.6, p.222 et seqq.
- Ostwald, Wilhelm (1912): *Der energetische Imperativ*, Leipzig 1912: Akademische Verlagsgesellschaft.
- Padwardham, M.V. (2013): *Economics, Business and Management in Ancient Hindu Texts*, in: Hrishikesh D. Vinod, loc.cit., pp. 3-30.
- Payutto, P.A (1994): *Buddhist Economics - A Middle Way for the Marked Place*, Bangkok: Buddhadhamma Foundation.
- Perelman, Michael (1976): *Energy, Entropy and Economic Value*, in: *Australian Economic Papers* (June), pp.1-10.
- Podolinsky, Serge (1883): *Menschliche Arbeit und die Einheit der Kraft*, in: *Die Neue Zeit* (two parts).
- Rambachan, Anantanand (2008): *Is Caste Intrinsic to Hinduism?*, in: *Tikkun*, Vol.23, Issue 1, pp.59-61.
- Rothermund, Dietmar (2008): *Indien. Aufstieg einer asiatischen Weltmacht*, Munich: C. H. Beck.
- Schumacher, E.F (1966): *Buddhist Economics*, in: Guy Wint: *Asia – A Handbook*. London: Anthony Blond Ltd.
- Shiva, Vandana (1989): *Das Geschlecht des Lebens - Frauen, Ökologie und Dritte Welt*. Berlin: Rotbuch.
- Sihag, Balbir (2013): *Kautilya on Prudence, Protection and Prosperity*, in: Hrishikesh D. Vinod, loc.cit., pp.31-58.
- Siddhartha (2008): *Open-Source Hinduism*, in: *Religion and the Arts*, No. 12, pp. 34-41.
- Stietencron, Heinrich von (2009): *Hinduism*, in: Hans Joas/ Klaus Wiegand (ed): *Secularization and the World Religions*. Liverpool: Liverpool University Press, pp.122-140.
- Stietencron, Heinrich von (2011): *Der Hinduismus*, (3. Edition), Munich: C.H. Beck.
- Taeube, Rahimo (1987): *Die Lotusbluete bekommt Stacheln. Innere Erfahrung und Gesellschaft*. Frankfurt/Main: Fischer.
- Tendulkar, Suresh D. (2013): *Interactions among Social, Political, and Economic Dimensions of Inequalities in India: An Interpretation*, in: Hrishikesh D. Vinod, loc.cit., pp.573-588.
- Swamy, Subramanian (2013): *Hindutva Principle of Economic Development*, in: Hrishikesh D. Vinod, loc.cit., pp. 539-572.
- Vaidya, Chinmay (2013): *Hindu Law and Evolution of Women's Property Rights*, in: Hrishikesh D. Vinod, loc.cit., pp.589-608.
- Vinod, Hrishikesh D. (2013): *Handbook of Hindu Economics and Business*. Tenafly.
- Wagner, Hans-Guenter (1997): *Bio-Oekonomie - Die nachhaltige Nischenstrategie des Menschen*. Frankfurt/Main: Haag und Herchen, (e-book edition, epubli 2013).

Wagner, Hans-Guenter (2007): Buddhist Economics – Ancient Teachings Revisited, in: International Journal of Green Economics, Vol. 1, No. 3/4 (2007), pp.326-340.

Wagner, Hans-Guenter (2014): Die Wirtschaftsethik der Hindu-Religionen – eine Annäherung, in: Zeitschrift für Sozialökonomie, Vol. 48. (April), No. 175/176, pp. 47-59.

Wall Derek (2006): Green economics: an introduction and research agenda, in: International Journal of Green Economics, Vo. 1, No. 1/2, pp. 201-214.

Weber, Edmund (1997): Modern Hindu Culture. A Study on Modernization of Hinduism by Considering Parallels in Modern Christianity, in Journal of Religious Culture, No. 6, pp. 1-8.

Weber Max (1988): Gesammelte Aufsätze zur Religionssoziologie (Die Wirtschaftsethik der Weltreligionen II – Hinduismus und Buddhismus, Tuebingen: Mohr.

Wittfogel, Karl A (1977): Die Orientalische Despotie. Eine vergleichende Untersuchung totaler Macht, Frankfurt/Main, Berlin und Vienna: Ullstein.

Published in: Green Economics and the Hindu Ethics of Economic Action – A Comparison of some Common Features and Striking Similarities, in: Prendushki, K./ Kennet, M.: Proceedings of the Green Values, Religion and Secularism Seminar at Oxford University 30th July 2016. Published by the Green Economics Institute. UK 2016; auch erschienen in: Nelly Eysholdt/ Miriam Kennet: Green Culture, Cultures and Philosophy Reading 2016. S. 198-211.