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## **An Economic Interpretation of *The Diamond Sutra*<sup>1</sup>**

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### **ABSTRACT**

When a person faces the various dishes on a buffet table, economics can help analyze how he makes choices among the dishes. But if the dishes are *all the same* to this person, then the issue of choice economics studies essentially disappears. The idea that the dishes are all the same, however, reflects metaphorically one of the central thoughts of *The Diamond Sutra*. By employing a set of analytical concepts of economics, this paper attempts to provide a logically consistent analysis of the central thoughts of the important Buddhist treatise and to explain their potential attractiveness as well as possible weaknesses.

Keywords: Cost, Values, Price, Choice, Religion, Relativity.

JEL classification: A13, B40, P50.

### **1. INTRODUCTION**

Studies related to religions are a thriving area in economics. In addition to individual journal articles, panel discussions in conference as well as special issues of economic journal have been devoted to examining religions from the economic perspective.<sup>1</sup> It reflects economists' persistent effort in employing the rational choice model to expand the domain of economics. This paper is written with this background, but, compared with previous studies on the linkage between economics and religion, there are two additional motivations for the present study. First, economics implies a particular way of thinking, or a particular world view;<sup>2</sup> in contrast, various religions also imply different perspectives towards the world. It is therefore interesting as well as challenging to employ economics to interpret these other perspectives, and hopefully a better understanding about both economics and various other perspectives is achieved.

Secondly, Buddhism is one of the major religions, with its teachings serving as the guidelines for millions of people all over the world, and *The Diamond Sutra* (hereafter *The Sutra*), one of the most reverend documents of Buddhism, is argued to be the pinnacle of Buddhist thoughts.<sup>3</sup> As such, by properly interpreting the central thoughts of *The Sutra*, it is hoped that the attractiveness of Buddhism can be illustrated in a rigorous manner.

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To achieve the goal of interpreting *The Sutra* from the economic perspective, I will proceed as follows. First, I will provide a summary of the thoughts as implied in *The Sutra*. Then, I will try to interpret *The Sutra* by employing a few analytical concepts of economics. Afterwards, I will discuss the strengths and weaknesses of the central thoughts of *The Sutra* as well as some related issues. Two major results emerge from my inquiry: First, for the seemingly unworldly teachings of *The Sutra*, economics provides, perhaps surprisingly, a logically consistent explanation. Secondly, within the rational choice analytical framework, I am able to identify and explain the potential attractiveness as well as the possible weaknesses of *The Sutra*.

Before proceeding with the inquiry, however, a few qualifications are in order. First, the original text of *The Sutra* was in Sanskrit, an ancient language of Indian origin, and had various versions. Therefore, the translations into other (modern) languages as well as the interpretations of the densely versed texts may all involve inevitably loss of various degrees of the original meanings.<sup>4</sup> Also, most interpretations of *The Sutra* have been done by either Buddhists or people who accept its teachings, therefore an economic interpretation concerning the textual meanings may produce a reading that is drastically different from the existing interpretations.<sup>5</sup> Secondly, as one of the social sciences, economics has commanded among economists a general consensus on both its subject matter and its analytical approach.<sup>6</sup> In contrast, to appreciate (or to be enlightened by) *The Sutra*, a process concerning both mental and physical activities may be required. As such, there might exist an irreconcilable gap between economics and *The Sutra*.<sup>7</sup> Third, in Buddhism, as in other religions, certain concepts cannot be verified or refuted by the commonly accepted methods of modern sciences, such as the concepts of the afterlives, the previous lives, the heaven, and the hell. These concepts and related arguments obviously are difficult to be tested empirically. As such, the materials in *The Sutra* that may be relevant to these concepts will not be discussed in the present paper.<sup>8</sup>

## 2. A SUMMARY OF THE DIAMOND SUTRA

A brief account of the background of *The Sutra* is helpful. The *Sutra* is believed to be written by the disciple(s) of Buddha around 500 B.C. Among the numerous Buddhist documents, *The Sutra* occupies a central position, presumably for two reasons. First, it is relatively short, and therefore is fit for daily recitations.<sup>9</sup> Secondly, the contents of *The Sutra* are summons of Buddha shortly before his death, and thus can be seen as the summary or the climax of Buddha's teachings. These two factors combined to give *The Sutra* a wide following among the disciples of Buddhism. With respect to the format of *The Sutra*, it is depicted as a dialogue between Buddha and Subbuti, a close and major disciple of Buddha's. Throughout the dialogue, the questions repeatedly asked by Subbuti are the following: If a man or woman is moved by the teachings of Buddha and sets out to pursue the wisdom of Buddha so as to achieve enlightenment, then how is he or she to stand? And how is he or she to control his or her thoughts? By drawing on numerous metaphors and

by reasoning on several different levels, Buddha answers the questions raised by Subbuti. Concerning the focus of our inquiry, the major points of Buddha's teachings can be summarized as the following two concepts: the concept of *non-perception-and-unsupported-self* and the concept of *giving-with-(an-)unsupported-self*.<sup>10, 11</sup>

## 2.1 Non-perception-and-unsupported-self

On the surface, the idea of non-perception-and-unsupported-self is a normative teaching. A person, or someone who sets out to pursue the wisdom of Buddha, should not be confused by the superficial phenomena he faces, and should instead perceive the phenomena with a *non-perception*, a concept to be explained below. Moreover, concerning his mind, he should not be absorbed or occupied by *any* state, and should instead be standing in the unsupported, detached manner. Under the surface of such a normative teaching, however, the concept of non-perception-and-unsupported-self involves a reasoning process.

First, the idea involves two subjects, the *perception* of the objective phenomena and the *standing* of the subjective mind. The perception refers to how one perceives the external world that surrounds him, while the *standing* refers to how he maintains the state of his mind internally.<sup>12</sup> Secondly, the *perception* and the *standing* imply an interactive process between the externally objective phenomena and the internally subjective standing. A person perceives the external phenomena based on his subjective values (preferences), but his subjective values are also influenced by the external phenomena. Third, when a person perceives an external object, he goes through a mental process that involves several stages. The external object would first be perceived by his sensors (concerning smell, vision, sound, etc.), and then he would call upon his memories for similar or relevant objects. The next step is to assign meanings to the object he faces by relating it to his memories. And finally, using the assigned meanings of the object as the basis, he would make a decision as to whether to respond or not. Therefore, the meanings of the external world are assigned by the individual and as such are not objective in nature.<sup>13</sup> In other words, the contents of a perception are determined by the individual involved, and as such would reflect the personal history, the experiences as well as the situational factors of this particular individual. Moreover, since the meanings of an object (or a phenomenon) are assigned by the particular individual, an alternative description is that the meanings of an object are originally empty; the object acquires meanings only after the individual involved assigns meanings to it. But if the idea that the meanings of an object are initially empty is granted, then why would an individual have to have emotional fluctuations for those objects of empty meanings. If the individual can realize the subjective, personal, and situational nature of the external world, he obviously can—and arguably should—surpass all the artificial barriers and achieve the state of *perceiving things with a non-perception*.

Once the objects (the phenomena) are rid of their artificially attributed meanings, there is no reason for an individual to be absorbed, or occupied, by any of the subjective values. Consequently, after achieving the state of perceiving things with a non-perception, he obviously can—and arguably should—stand mentally with an unsupported self. That is, one is not occupied, absorbed, or constrained by any subjective values.<sup>14</sup>

## 2.2 Giving-with-unsupported-self

While the idea of non-perception-and-unsupported-self can be seen as a teaching about *personal* deeds, the idea of giving-with-unsupported-self can be seen as a summons concerning *interpersonal* interactions. On the surface, the idea of giving-with-unsupported-self can be separated into two parts: *giving* and *an unsupported self*. The idea of an unsupported self was explained above, and giving refers to the act of a person giving gifts to others. Therefore, the idea of giving-with-unsupported-self implies that the individual, in pursuit of Buddha's wisdom, not only achieves the state

of non-perception-and-unsupported-self but also carries out the act of giving towards others. And the givings are not givings by an absorbed self, but givings without the perception of giving. In addition to this straightforward interpretation, however, the idea of giving-with-unsupported-self contains several implications.

To begin with, it reflects that Buddha believes that, for a man or woman who sets out to seek the wisdom of Buddha, he or she, in addition to achieving the state of non-perception-and-unsupported-self for himself or herself, has a responsibility towards others. This responsibility can be strictly moral in nature, e.g., enlighten oneself and then enlighten others, or it can also be of the nature of cause and effect, e.g., fulfill the responsibility towards others so as to beget unlimited merit. Secondly, the responsibility towards others is expressed by the concept of *giving*. The idea of giving is obviously not restricted to monetary or material outlays, but covers a wide range of behaviors, including spreading Buddha's wisdom to others. Third, the idea of giving-with-unsupported-self refers to the state that an individual can perceive things with a non-perception. As such, when he is giving behaviorally, he is able to convince himself in his mind that he is in fact *not* giving. Strange as it may sound, this involves a mental process as well as a mental state of a certain kind: A person has to achieve the state of non-perception-and-unsupported-self first, and is able to give something (money and otherwise) to others, especially to those who are inferior to him materially or spiritually. In the process of carrying out the act of giving, the person can also persuade himself not to be absorbed by the thought that he is giving and therefore he should not be conceded. Fourth, the subject and the object of giving are in fact both *the giver* and *the receiver* simultaneously: When a person gives something to another individual, he also receives something from that individual at the same time—the individual gives him the abstract thing of receiving his kindness, or of accepting his giving. Therefore, when a person gives, he simultaneously receives. Since the meanings of things are situational, determined by the supporting conditions, it is thus not clear whether one gives more to others or receives more from others. As such, a person, when giving, has even less reason to feel conceded or self-righteous and has even more reason to be in the state of non-perception-and-unsupported-self. That is, one should be giving with an unsupported self!

At this point, two qualifications should be re-emphasized: First, the ideas of non-perception-and-unsupported-self and giving-with-unsupported-self are what I believe to reflect the central thoughts of *The Sutra*, but obviously this may not be a consensus. Secondly, whether the ideas of non-perception-and-unsupported-self and giving-with-unsupported-self are normative teachings or positive statements is not clear, but it is obviously an important as well as interesting question to be examined. This question will be dealt with in the following analysis.<sup>15</sup>

### 3. ECONOMIC INTERPRETATIONS OF *THE SUTRA*

We will now employ a few economic concepts to provide an economic interpretation of *The Sutra*, focusing on, but not limited to, the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self.

#### 3.1 Cost<sup>16</sup>

In economics the term of cost reflects the idea that when there are several alternatives, then, as one particular alternative is chosen, the highest value among the alternatives foregone would be the cost implicit in the choice. Concerning the contents of *The Sutra*, the issue of cost can be examined on two different levels. The first level deals with the direct, concrete meanings of cost. On this count, not only the concepts of both non-perception-and-unsupported-self and giving-with-unsupported-self are void of any element of cost, other contents of *The Sutra* are similarly void of the idea of cost.<sup>17</sup> When the concept of cost is understood on a second, abstract level, however, the

concepts of non-perception-and-unsupported-self and giving-with-unsupported-self contain rich and interesting implications concerning the idea of cost.

First, in interacting with the environment one faces, a person would, from learning and experiences in the past, gradually form certain (behavioral) rules. Underlying these rules is a value system that this individual adopts to guide his behavioral rules. When an individual chooses the rules, he would choose those that incur higher benefits and/or lower costs as implied by his value system. As such, if the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self can provide an individual with a set of behavioral rules that has a higher ratio of benefit to cost, then they certainly may be accepted by the individual and become his artificially constructed value system.<sup>18</sup> The dual concepts on the one hand imply a desertion of the superficial meanings of things that are implicit in an occupied self, and consequently they enable an individual to be released from the emotional fluctuations that come with those superficial meanings. On the other hand, the concepts bring an unlimited heap of merit for the individual who commits himself with giving with an unsupported self. Thus, after weighing, perhaps subconsciously, the benefits and costs involved, an individual may well accept the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self, and then employ these two concepts as the guiding principles for him.

Secondly, for each and every one of us, there are the inevitable dark periods of life, for instance, when becoming ill, seeing the loved ones getting senile, passing away, etc.; there are also the normal emotional fluctuations in daily life, for instance, when feeling sad, lost, bitter, angry, etc. Therefore, if a certain value system can help an individual surpass all these problems and bring him peace as well as merit spiritually, is it not a potentially attractive value system? Moreover, considered abstractly, the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self imply that an individual can rid himself of all the trivial value fragments of the lay world, but at the same time he can rely on an absolute reference framework defined by these two concepts. As such, this means that he is released from the numerous other values, and obtains a single value as his reference point to guide his behavior.<sup>19</sup> For some persons at least, the cost of maintaining this single value may well be lower than the cost of maintaining a complicated, ordinary value system. That is, for those who adopt the dual concepts, their costs in making decisions may well be (much) lower than those of the ordinary people.<sup>20</sup> As such, he who accepts the teachings of *The Sutra* is acting in a perfectly rational and self-interested way!<sup>21</sup>

### 3.2 Monetary Price and Other Values<sup>22</sup>

In economics the monetary price is only one of the various values studied by economists, and all the values are in essence spectrums reflecting an ordering of different magnitudes of the various values. In this respect, while a monetary price is not explicitly invoked, *The Sutra* is filled with discussions about values. To begin with, *The Sutra* is a record of the dialogue between Buddha and Subbuti, and the dialogue concerns the questions of how to control one's own thought and how to find peace in mind. As such, the various answers given by Buddha clearly reflect relative magnitudes of a certain value—for Buddha indicates a *correct*, or at least a better, way of leading one's own life.

In addition, in *The Sutra* the criterion of *the amount of merit implied* is repeatedly applied to assess different deeds.<sup>23</sup> This obviously implies that *merit* is a value that has a higher rank than most other values, and that the amounts of merit implied by different deeds can be compared to help determine one's proper behaviors. Furthermore, the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self are stated as the supreme guiding principles concerning an individual's self salvation and his attitude towards others; this certainly implies a value judgement. Finally, as is commonly understood about Buddhist thoughts, *The Sutra* does not put any weight on

material wealth, but instead emphasizes the abstract value of (spiritual) *merit*; this means that the monetary value (the wealth) has a lower rank. In fact, on several occasions in *The Sutra*, Buddha blatantly attributes a lower value to material wealth, but assigns *an unlimited heap of merit* to givings with an unsupported self.<sup>24</sup>

### 3.3 Relativity<sup>25</sup>

The idea of relativity implies the idea that the meanings of things are relative in nature, determined with respect to a reference point adopted by the individual involved.<sup>26</sup> The concepts of non-perception-and-unsupported-self and giving-with-unsupported-self can be interpreted from the idea of relativity acutely; let me start from the former concept first. As explained previously, the basis of behaviors is the relative differences in either a person's cognition or the meanings he assigns towards the phenomena he faces. And since it is the individual who goes through the cognitive process and assigns meanings accordingly, it is clear that the meanings assigned would be influenced by the factors of both time and place as perceived by him. As such, the meanings of all things are conditional, relative in nature.<sup>27</sup> Therefore, if an individual can accept this interpretation about the external world, i.e., perceiving things with a non-perception, then, logically speaking, he can reach the state of standing with an unsupported self internally.

We can use an imaginative example to illustrate the reasoning. Think of a long buffet table that has dozens of dishes of various delicacies. *If*, after going through the process of perceiving and assigning meanings, an individual comes to the conclusion that, for him, all the dishes are *exactly the same*, then the meanings of his subsequent behavior would be very limited, or non-interesting, if there is any. This shows that unless there is a *relative* difference among things, the (choice) behavior of man as commonly understood would lose (most of) its meanings. The idea of non-perception-and-unsupported-self can be interpreted as an individual, after convincing himself subjectively that the meanings of all things are superficial, conditional, and thus *relative*, reaches the state in which he perceives the dishes on the table as *all the same*!<sup>28</sup>

Now the concept of giving-with-unsupported-self. Interpreting the concept from the idea of relativity contains several steps in reasoning. To begin with, the concept, as compared with the concept of non-perception-and-unsupported-self, is a summons about an individual's deeds towards others. Thus, if the highest value preached in *The Sutra* is self salvation, or self enlightenment, then reaching the state of non-perception-and-unsupported-self is already reaching the pinnacle. From the contents of *The Sutra*, however, it is clear that Buddha in fact puts (the value of) giving-with-unsupported-self above (the value of) non-perception-and-unsupported-self. Furthermore, only after having achieved the state of non-perception-and-unsupported-self can an advancement towards the state of giving-with-unsupported-self become possible.<sup>29</sup> Therefore, relatively speaking, the merit implied by giving-with-unsupported-self is larger quantitatively (or higher qualitatively) than the merit implied by non-perception-and-unsupported-self.<sup>30</sup>

Next, concerning an act of giving, it obviously means that the act would bring beneficial result to the recipient. Moreover, that the giving is beneficial is not only a subjective judgement of the giver, it must also be an objective description; that is, it must be beneficial as judged by the recipient. If this is not the case, with the former condition satisfied but the latter condition un-fulfilled, then the giving may be a self-righteous act or an act of building one's own happiness upon the sufferings of others. This obviously contradicts the idea of an unsupported (an unoccupied, a detached) self; therefore, the giving must be objectively increasing the recipient's welfare.

Underlying this interpretation of the concept of giving-with-unsupported-self, several conditions have to be satisfied: First, the giving must be beneficial to the recipient objectively. Secondly, the person who does the giving must be able to judge, by employing an objective standard, whether his own act would be beneficial to the recipient.

Third, the person who gives can maintain a mental as well as a spiritual state of an unsupported self. On the back of these three conditions, however, there are a few other prerequisites: The person who gives must, from his past behaviors, have accumulated sufficient experiences, so that he can perceive, differentiate, and make judgements concerning the costs and benefits of a giving that accrue to the recipient. Further-more, he must keep adding new materials to the data set in his mind, so as to keep up with the changing environment. More importantly, when he performs an act of giving (material-wise or spreading the wisdom of Buddha), he must consciously and simultaneously maintain two concepts in his mind—that he is giving something which is beneficial to the recipient and that he is spiritually standing with an unsupported self. Since these two concepts are conflictory, they must be kept on different levels conceptually—while doing the act of giving with a normal perception, one must convince oneself that one is standing with an unsupported self, i.e., standing with a non-perception. Alternatively put, the idea of giving-with-unsupported-self involves two levels of the mental state: On the lower level, it is giving with a (normal) perception; on the higher level, it is perceiving the act of giving with a non-perception. This in essence explains why *The Sutra* puts non-perception-and-unsupported-self on a lower rank, merit-wise, and puts giving-with-unsupported-self on a higher rank, since the latter concept is more difficult to be realized, behaviorally speaking.

In short, the interpretations about the concept of giving-with-unsupported-self can all be made from the idea of relativity: the subjective meaning of giving as relative to its objective meaning, the relative ordering of non-perception-and-unsupported-self with respect to giving-with-unsupported-self, and the relative nature of giving with an occupied self as opposed to that with an unsupported (unoccupied) self. Therefore, interpreting *The Sutra* from the idea of relativity arguably penetrates the words and gets to the heart of *The Sutra*.<sup>31</sup>

### 3.4 $1 + 1 > 2$ ?<sup>32</sup>

The criterion of whether one plus one is greater than two (hereafter  $1 + 1 > 2$ ?) can be used narrowly to evaluate the allocation of economic resources, but it can also be employed more generally to assess results of non-economic, interpersonal interactions. Regardless of being used in the narrow or in the general sense, the idea that  $1 + 1 > 2$  obviously implies a process of continuously generating and accumulating resources (values). Interpreting the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self from this perspective, I need to go through a series of steps in reasoning.

On an elementary level, since  $1 + 1 > 2$ ? refers to an assessment about interpersonal interactions and since of the two core concepts of *The Sutra* one is concerned with a single individual, therefore the emphasis here will be on the relationship between  $1 + 1 > 2$ ? and the other concept. Specifically, given that the concept of giving-with-unsupported-self implies that the giving generates beneficial result to the recipient and brings a heap of merit to the giver, it obviously satisfies the criterion of  $1 + 1 > 2$ ?. A slight difference, however, is to be noted. A normal transaction is understood to be beneficial to both parties as perceived by them and involving decisions on both sides, but the idea of giving-with-unsupported-self in contrast stresses mainly the subjective act (the giving) of an individual.

On a more abstract level, however, there is a subtle but important difference between the idea of  $1 + 1 > 2$  in economics and the idea of giving-with-unsupported-self in *The Sutra*. In economics, the idea of  $1 + 1 > 2$  has two implications. First, it means that once the separate, but numerous, transactions are considered as a whole, they would bring about more transactions subsequently. Over time, wealth would be produced and accumulated. Secondly, concurrent with the process of producing and accumulating wealth, a process involving both refinement and stratification also takes place.<sup>33</sup> Thus, both the width and depth of the stock of resources will increase over time.<sup>34</sup>

In comparison, the concept of giving-with-unsupported-self is relatively vague in its implications. First, conceptually speaking, once an individual accepts the summons of non-perception-and-unsupported-self, the only possible aim for him in giving is to beget the accompanying merit promised by Buddha. And since giving in the form of spreading the wisdom of Buddha brings about more merit for the individual than other forms of giving (transferring money or goods), therefore the concept of giving-with-unsupported-self implies that the individual is not likely to engage in *productive* activities as commonly understood.<sup>35</sup> As such, the merit of a society may increase, but in addition to this, other resources (values) are not likely to increase and accumulate; neither would a process of stratification in values be likely to occur.<sup>36</sup> Secondly, the result of  $1 + 1 > 2$  brought about by economic activities implies that more and more tangible resources are produced and accumulated. This would include resources that can be expressed in monetary terms as well as the values that are supported by the material wealth, such as arts, music, literature, etc. In contrast, the heap of merit brought about by giving-with-unsupported-self is in essence a subjective feeling (perception) that cannot be objectively verified or measured.<sup>37</sup> Therefore, while the idea of giving-with-unsupported-self satisfies the criterion of  $1 + 1 > 2$ , it does not produce any observable, tangible substances, and as such it cannot be utilized to generate more observable, tangible resources. Nevertheless, even if the idea of giving-with-unsupported-self does not bring about an increment or a refinement of tangible resources, it does not follow that the situation it brings about is inferior, rudimentary, or primitive, as compared with the situation brought about by the economic  $1 + 1 > 2$ . For while  $1 + 1 > 2$  *normally* implies a process of resources accumulating and refining, it also implies a value judgement in itself; that is, it is being used as the criterion of judgement whether resources are accumulating and refining. But since the ultimate value in *The Sutra* is the *merit*, therefore the merit brought about by giving-with-unsupported-self certainly surpasses all other values, including the value of resources accumulating and refining. Consequently, in a society occupied by individuals having achieved the state of giving-with-unsupported-self, material and other (for instance, the technological) conditions may not be complicated or refined, but it nevertheless has heaps of merit. And according to *The Sutra*, merit is the supreme value.<sup>38</sup>

## 4. RELATED ISSUES

After interpreting *The Sutra* from the economic perspective, a few important issues are worth of examining. These issues go beyond the essentially textual interpretations of the previous section, and are to be analyzed on a different, presumably higher, level.<sup>39</sup> By examining these issues, we will be able to gain a more complete picture of *The Sutra*. In addition, I will try to illustrate, along the following analysis, the potential problems of *The Sutra*'s thoughts.

### 4.1 The Perception of Non-perception?

The first issue concerns whether the two concepts of non-perception-and-unsupported-self and giving-with-unsupported-self imply subtly that there is a supported (occupied) self. The issue can be examined from several aspects: First, according to *The Sutra*, the state of non-perception-and-unsupported-self is superior to the state of perception-and-supported-self; and the state of giving-with-unsupported-self, being based on non-perception-and-unsupported-self, is superior to the state of non-perception-and-unsupported-self. But since the motivation behind giving-with-unsupported-self is to beget a *heap of merit*, therefore the ultimate goal of a Buddhist is the pursuit of one's own merit. Using economic terms, this means that a devotee of Buddha's wisdom is also a *homo economics* in pursuit of his utility. The only difference is that the utility of merit is likely to be different from the utility of consuming bread and milk.

Secondly, the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self imply a relative ordering of different states, and they also imply a pursuit of merit. Consequently, to accept the concepts is to accept the value implicit in these two concepts; but to accept a certain value is to be *occupied*, or *supported*, by the perception of this value. That is, when an individual rids himself of the perceptions of the ordinary, superficial meanings of the lay world, he is at the same time becoming occupied by the perception of an abstract concept—the concept of *perceiving with a non-perception*!<sup>40</sup> Obviously, the occupied self of this kind is very different from the occupied self when one is unenlightened, different in terms of his external behaviors as well his internal mental state. Third, continuing this argument; the pursuit of non-perception-and-unsupported-self and giving-with-unsupported-self is also the pursuit of a certain value, and the pursuit of a certain value is in turn a form of attachment, a kind of perception, and a state of being occupied. In fact, unless a person can, as described in the last section, be completely indifferent to all the dishes on the buffet table *and* rid himself of this very thought of indifference, there must be the issue of being occupied with a perception.<sup>41</sup> This statement can be verified easily. With the idea of perception-and-supported-self and the idea of non-perception-and-unsupported-self as two end-points, we can conceive and define a spectrum. There are countless points between the two extremes that can be said to represent different degrees of non-perception-and-unsupported-self.<sup>42</sup> As such, when a lay person starts from the perception-and-supported-self end of the spectrum and moves towards the other end, it is clear that the person is occupied by pursuing a goal (to reach the other end) in this very process. Once he reaches the other end of non-perception-and-unsupported-self, however, he becomes occupied by the thought (a perception) of staying at the state of non-perception-and-unsupported-self—a different kind of being occupied. Consequently, while the idea of non-perception-and-unsupported-self has certain attractive aspects, as indicated above, but logically speaking it contains an inherent inconsistency; this arguably constitutes the first potential weakness of *The Sutra*'s thoughts.<sup>43</sup>

## 4.2 The Nature of a Value System

The second issue relates to the nature of the value system as defined by the two concepts of *The Sutra*. It was pointed out above that the two concepts imply the idea of *relativity*: Compared to the complicated as well as the fetishly detailed value systems of the unenlightened lay people, the value system implied by *The Sutra*'s two concepts has a *relatively* simple structure—forsake being occupied by the superficial meanings of everything, and carry out givings with an unsupported self. This is easy to understand, since the meanings of all things are assigned by man, and are therefore conditional, relative in nature. Moreover, relative to other deeds, giving begets a heap of merit, and therefore is worth of pursuing. The idea of relativity, however, can be developed further.

First, a person's abilities in perceiving, differentiating, analyzing, reasoning, and assigning meaning towards the things he faces are obviously influenced by the particular environment he is in and by his past experiences. Therefore, to appreciate the meanings of non-perception-and-unsupported-self and giving-with-unsupported-self, one must have certain mental capabilities as well as some basic experiences in life. That is to say, an understanding of the two concepts cannot come from a vacuum, but must be based on certain conditions. Alternatively put, even though the value system as reflected by the dual concepts is different from other worldly value systems, it is nevertheless developed in the human society. If there are no other value systems, it would in fact be difficult to appreciate the uniqueness of the value system as implied by the dual concepts of *The Sutra*.

Secondly, when facing the inevitable ups and downs in life, an individual employing any of the other value systems would respond with emotional fluctuations of various sorts. In contrast, the value system of non-perception-and-

unsupported-self and giving-with-unsupported-self would respond in an entirely different manner. After achieving the state of non-perception-and-unsupported-self—persuade and convince oneself that the dishes on the buffet table are all the same—one’s mind is as calm as the surface of a still water, waveless, as there is no reason have to fluctuations. Furthermore, giving-with-unsupported-self begets a heap of merit. Therefore, in contrast to the emotional fluctuations of other value systems, the world of *The Sutra* is an enduring tranquility. For a person situating at a given point in time and space, if the (net) benefit of accepting the value system of *The Sutra* is greater as compared with maintaining other value systems, he may well give up his old value system and shift to the new, presumably better, value system. That is, for people who face more problems in life and/or who eagerly hope to have a peaceful mind (for instances, people who face adverse financial situations, who are in bad physical conditions, or who are hit by traumas), they are more likely to accept the value system of *The Sutra*. In fact, this last observation implies a testable hypothesis that can be empirically verified. In particular, since life is comparatively unbearable when material conditions are poor,<sup>44</sup> it is important that one finds a way to make life more bearable, and employing a world view that enables one to surpass the emotional fluctuations is obviously a possible solution. Seen in this light, the popularity in the South-East Asia of Buddhism in general and *The Sutra* in particular is understandable, for this area has been under-developed historically, therefore by accepting the teachings of *The Sutra*, life would become easier for the Buddhist followers.<sup>45</sup>

Third, while the two concepts of *The Sutra* reflect an occupied thought in a certain sense, it certainly does not prevent them from being accepted to replace other value systems. To be a value system that can be employed and counted on (to be occupied with), it does not have to be logically consistent to the full extent, and neither does it have to be completely compatible with reality.<sup>46</sup> Therefore, subjectively speaking, a person can advance gradually towards the state of non-perception-and-unsupported-self and giving-with-unsupported-self internally; but when the process is pursued to the limit, can he reach *exactly* the state of non-perception-and-unsupported-self and giving-with-unsupported-self? This is obviously an interesting question both logically and intellectually, but for a person engaged, or immersed, in such a pursuit, the question may not be particularly, or practically, relevant.<sup>47</sup>

Finally, while *The Sutra* provides the enlightening concepts of non-perception-and-unsupported-self and giving-with-unsupported-self, the spreading of these concepts is to be carried out by suitable persons and by suitable means. What are the suitable means? And who are the suitable persons? The more enlightened ones? In answering all these questions, it is obvious that criteria of the lay world have to be employed inevitably. That is, an operational scale that can measure quantities and/or qualities has to be employed. But this simply means that a state of perceiving with perceptions has to be maintained, and that the lay value systems used in perceiving things have to be maintained as well. This echoes the observation made previously: The concepts of non-perception-and-unsupported-self and giving-with-unsupported-self in *The Sutra* are constructed on the basis of the experiences, meanings, and values of the lay world; they cannot be self-supporting and independent of the lay world. As such, this aspect of *The Sutra* may be seen as its second potential weakness.<sup>48</sup>

### 4.3 The Impact of The Sutra

What is the likely impact of (the value system of) *The Sutra* on an individual or on a society? This is an empirical question, but some conjectures are possible. We will focus on the impact on a society first, and then consider the situation for an individual.

Consider an average society that, for some unknown reasons, a few individuals become the disciples of *The Sutra* by chance. They not only accept the concepts of non-perception-and-unsupported-self and giving-with-unsupported-

self, but realize quite successfully those two concepts in both their words and their deeds. In particular, these few individuals have some characteristics in their outlook and behavior. First, since they accept the concept of non-perception-and-unsupported-self, their minds are in the state of tranquility, and therefore they look calm and in peace. Secondly, since they have the insight of non-perception-and-unsupported-self, their ability in perceiving things is better than others. Third, they carry out givings towards others continuously, both materially and spiritually. For the rest of the society, these few individuals exert a positive influence (generate positive externality); since these disciples of *The Sutra* provide a clear and positive reference point, others would like to interact with them. As these few individuals are accepted and positively accorded with, some other individuals may aggressively or passively become disciples of *The Sutra* also. Therefore, starting from an epsilon of individuals, the number of the disciples would gradually increase.

The trend would continue, but some counterforces would start to appear. First, the concept of non-perception-and-unsupported-self implies that an individual, being unoccupied, is in essence indifferent to the things and situations he faces, therefore, the disciples would (or may) become easy targets of being arbitrated; that is, to be taken advantage of by non-disciples. Secondly, the concept of non-perception-and-unsupported-self implies that a disciple seeks mental calmness and gives up material pursuit; that is, he looks for spiritual and not sensational satisfactions. But there are people who put sensational satisfactions on a higher priority, and would therefore refuse to accept the teachings of *The Sutra*. Finally, when the number of the disciples of *The Sutra* increases, the conflicts, tensions, and strifes would inevitably start to surface between and among the disciples; this would certainly weaken the force of expansion. Consequently, all these three factors would put a brake on the expansion. The final situation is likely to be this: the disciples are a certain percentage of the population, and the rest are non-disciples (the lay people). When the situation between these two groups becomes stable, an equilibrium can be said to exist.<sup>49</sup>

For a single individual, the reasoning is essentially the same. If an individual is seen as a little society, then a certain portion of this society (this individual) may be guided, or ruled, by *The Sutra*, and the rest would remain intact. Alternatively put, an individual may employ the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self to face some situations and to deal with some problems he faces. As such, the teachings of *The Sutra* can be seen as one of the tools of the person's tool box, to be utilized along with other tools.

Combining the analyses on the society level and on the individual level, a prediction follows naturally. A society is composed of three groups: a (tiny) group of devoted disciples of *The Sutra*, a majority group of people who accept *The Sutra* to different degrees, and a (tiny) group of people who are totally against *The Sutra*. The percentages of these three groups are obviously affected by many factors, but, conceptually speaking, the structure seems to be consistent with the structures of most of the societies we know.

#### **4.4 Positive versus Normative**

Next, the distinction between positive analysis and normative analysis. In economics, most discussions are arguably positive in nature. Holding the position of a disinterested observer, economists try to offer a plausible explanation about the observed facts; this is the positive part. The normative part comes in when the positive analysis implies a particular suggestion. For instance, if a consumer can increase his utility by using cost-benefit analysis, then he *should* adopt the analytical framework and follow its prescriptions; this is the normative part.

Concerning *The Sutra*, the positive part is the concept of non-perception-and-unsupported-self. Specifically, since the meanings of all the things are perceptions of a supported, or occupied, self, therefore the correct way is to understand that the meanings of all things are relative in nature, and to perceive things with a non-perception. And

when perceiving things in this way, the self becomes an unsupported, or unoccupied, self; this is the positive part. Based on the concept of non-perception-and-unsupported-self, an enlightened person *should* try to enlighten others; this is the normative part.

In summary, just like economics, *The Sutra* contains both the positive part and the normative part. There is a difference, however. While the normative implication of economics is to pursue the ultimate goal of increasing the wealth of a society,<sup>50</sup> the normative implication of *The Sutra* is to pursue the ultimate goal of enlightening all members of the society. Issues concerning the utilization of (material) resources and the accumulation of (material) wealth are irrelevant to *The Sutra*!

#### 4.5 Spontaneous versus Artificial

The final issue is also related to the impact of economics and *The Sutra*. According to the basic assumption of economics, the rational, self-interested human beings all (clearly) know what their interests are. Therefore, even without the advice of economists, they would, through interpersonal interactions and market transactions, try to advance their interests. As such, in either the market or non-market activities, a spontaneous order would gradually appear. With the help, or advice, of economists, the general public might be able to solve the public goods problems more effectively, and thus improve the efficiency of resource utilizations. But the economists would (could) only make a slight difference—if everybody believes the (one-handed) economists, the GNP of each country might increase a few percentage points!

In contrast, a society with or without *The Sutra* would make a significant difference, at least spiritually. Without *The Sutra*, the general public is not likely to extract the concepts of non-perception-and-unsupported-self and giving-with-unsupported-self by themselves; as such, this would be an unenlightened world. With *The Sutra* and with its being accepted by the general public, however, the situation would be entirely different. The concepts of non-perception-and-unsupported-self and giving-with-unsupported-self would bring about a fundamental change of the general public mentally, spiritually, and behaviorally. As such, the enlightened world would be drastically different from the unenlightened one.<sup>51</sup>

In short, if there is no economics (economists), the world would function normally; if *The Sutra* does not exist, the world would function normally also—except that it would function in a worldly manner!

### 5. CONCLUSION

In this paper, I analyzed *The Sutra* from the economic perspective and illustrated its potential attractiveness and its likely weaknesses. This exercise reflects clearly the idea the economics implies a particular world view and it can be employed to understand as well as to appreciate other world views; but many interesting issues remain unexplored. For instance, I did not explore the historical background of *The Sutra* in detail, neither did I analyze in depth through what channels *The Sutra* had come to affect the daily lives of a sizable population, especially in Asia and India. In addition, in various occasions the term *I* is used in *The Sutra*, but what is the relationship between the concept of *I* and the concept of non-perception-and-unsupported-self? Are there potential conflicts? Furthermore, *Zen* seems to be quite popular among the Japanese enterprises, and therefore a reconciliation between something similar to non-perception-and-unsupported-self and the seemingly opposite idea of profit motives seems possible. But what is the underlying reasoning to provide the necessary bridge between the two? Similarly, when an enlightened individual wants to spread the teachings of *The Sutra*, the means employed are based on the concept of non-perception-and-unsupported-self or on

the value systems of the unenlightened? On a different level, can we employ the analytical framework in this paper and successfully interpret treatises of other schools of thought? These questions are intellectually both interesting and challenging, and further studies seem to promise fruitful rewards.

Finally, if I want to use one sentence to capture the spirit of *The Sutra*, the following seems appropriate: All in all, “man is the measure of all things!”<sup>52</sup>

## NOTES

1. For instance, the May 1996 issue of *American Economic Review Papers and Proceedings* contained papers from a panel discussion on “Linkages between Economics and Religion,” and the *Journal of Institutional and Theoretical Economics* recently published a special section (vol. 150, no. 4, 1994) and a special issue (vol. 153, no. 1, 1997) on a similar theme.
2. For instance, Taylor (1995, p. 6) stated: “Economics is a way of thinking;” the title of the first chapter of Frank (1991) is “Thinking Like an Economist;” Medema (1994, p. 148) stated: “Economics has now become a view of the world.”
3. Tai (1969) offered a comparison of the teachings of Christianity and Buddhism, and *The Sutra* was used as a summary of the Buddhist thoughts. He stated, at p. 90, that “The Chaledonian Creed is accepted by almost all groups of Christianity; so has The Diamond Sutra in Buddhistic circles.” See also Conze (1958), Lin (1995), and Hsu (1997) about the importance of *The Sutra*. Angnew and Fan (1997, p. 31) suggested that it is “the earliest known [printed] book,” a statement also mentioned in Conze (1958, p. 72).
4. In this paper, I rely on both the English and the Chinese translations of *The Sutra*. The difficulties of interpreting religious texts are also discussed in Miller (1993) and Iannaccone (1994).
5. Tai (1969) is a rare exception; he employed concepts and symbols of set theory in his analysis. For beginners and/or non-Buddhists, Conze (1958), Hua (1974), Lin (1995), and Hsu (1997) are good introductions of *The Sutra*.
6. The emphases placed on the analytical approach and the subject matter may be different among economists, but essentially they all employ, to various degrees, the rational choice analytical framework; see, for instance, Iannaccone (1992), Greif (1994), Kuran (1997), and Miller (1993).
7. Alternatively put, to understand economics only an intellectual ability is needed, but to understand *The Sutra* certain mental as well as physical activities might be needed. Specifically, Conze (1958, p. 18) observed: “It cannot be the purpose of a commentary to convey directly to the reader the spiritual experiences which a Sutra describes. These only reveal themselves to persistent mediation.”
8. Interestingly, contrary to what might be expected, these four concepts are rarely mentioned in *The Sutra*. More precisely, the concept of previous life is mentioned twice, the concept of future life is mentioned once, and the concepts of heaven and hell are not mentioned at all. See Conze (1958, pp. 54, 56, 58). But even when the concepts are mentioned, they are not related to the central thoughts of *The Sutra*. This reflects that *The Sutra*’s thoughts are more of a philosophical world view than those of a religious summons *per se*.
9. The Chinese translation contains less than 5400 words, but the English translation is slightly longer; see Conze (1958), Hua (1974), and Hsu (1997).
10. Non-perception-and-unsupported-self and giving-with-unsupported-self are summary terms taken from the texts of *The Sutra*. The term non-perception is found, for instance, in “That which is perception of a being, a soul or a person, that is indeed no perception. And why? Because the Buddhas, the Lords have left all perceptions behind.”

Conze (1958, p. 53) The idea of an *unsupported self* is expressed as “no perception of a self takes place,” and “the great being should produce an unsupported thought, i.e., a thought which is nowhere supported.” Conze (1958, pp. 33, 47–48) The term *giving with an unsupported self* is expressed as “who gives a gift should not be supported by a thing, nor should he be supported anywhere,” and “the heap of merit of ... who unsupported gives a gift is not easy to measure.” Conze (1958, pp. 26–27) Alternatively, the terms of *no perception* and *unsupported self* are translated as “no mark” and “not dwell anywhere,” respectively, in Hua (1974, pp. 90, 41).

11. While most commentaries of *The Sutra* argued that non-perception-and-unsupported-self is a central theme of *The Sutra*, Hsu (1997) specifically indicated that both this concept and the concept of giving-with-unsupported-self are the central thoughts of *The Sutra*.
12. The idea of a *perception* does not have to be limited to that which concerns external phenomena; it can also be involved in internal mental activities. But focusing on the external phenomena here makes the reasoning easier to follow.
13. See Posner (1995, chapter 24) and Piore (1995, chapter 4) for relevant discussions of this argument. An alternative and weaker expression is the following: For those phenomena that social scientists are interested in, their meanings are assigned by human beings.
14. Concerning the concept of non-perception-and-unsupported-self, Hsu (1997, p. 38) stated, “Buddhism believes: The essence of all beings in the Universe is existing in its totality and fullness; it is neither right nor wrong, neither virtues nor vicious, and neither a perception nor emptiness. Therefore, there is no need, by using either words or concepts, to rectify, to nullify, or even to define it, and it is also impossible to employ words or concepts, which are of a temporal and limited nature, to limit the essence.” Alternatively, Conze (1958, p. 48) observed: “In this context it is sufficient to say that the *thought* which the Bodhisattva should *produce*, or raise, is a completely free thought, which depends on no object or motive. It is the white heat of wisdom intent on the luminous transparency of the Void.” (italics was boldface in original) In addition, Kolm (1986) used the term “no self” to denote the idea of an unsupported self.
15. Concerning the concept of giving-with-unsupported-self, Hsu (1997, p. 25) explained in the following way: “Not to be giving with an perception of sight-objects. Sight-objects are the outlook of external matters as well as the internal concepts and images. ... When giving, there is no such an idea as being giving, no differentiating among the recipients, and no sight of the things being given.” Alternatively, Conze (1958, pp. 27–28) stated: “The attitude which, in the practice of virtue, ignores all ‘things’ and ‘signs,’ can be described as completely disinterested. ... For *merit* is the indispensable condition for all further spiritual progress. Nevertheless, to aim at merit is to diminish it. *And why?* Because giving, etc., when accompanied by wrong metaphysical views assuming the reality of gift, giver and reward, produces only limited results. But if it aims at emptiness alone, then the reward becomes truly infinite.” (italics was boldface in original)
16. Buchanan (1969) provided a good discussion about the origin, the evolution, as well as the implications of the concept of cost.
17. Of course, an alternative interpretation is available. The idea of non-perception-and-unsupported-self is a summons; with respect to accepting this summons, not accepting this summons can be interpreted as the implicit cost. However, unless the implications of not accepting the summons can be identified further—for instance, it would incur demerit—otherwise it is difficult to argue that the idea of non-perception-and-unsupported-self implies a cost as normally understood in economics.

18. The idea that adopting a rule may reduce behavioral costs is widely discussed in the economic literature; see, for example, Frank (1988), North (1990), and Simon (1982).
19. Non-perception-and-unsupported-self and giving-with-unsupported-self are arguably two concepts, but for a disciple of Buddhism they are simply the raft (a Buddhist metaphor) by which one can reach the other side of the river and become a Buddha himself. Therefore, pursuing the ultimate goal of crossing the river can be seen as a single value.
20. The binary system (0, 1) used by most, if not all, computers offers a fitting example. As an alternative example, consider two possible guiding principles for a salesperson: One is that “the customers are always right,” and the other is that “some customers are right and some customers are wrong.” It is obvious that the former principle implies lower decision making costs for a salesperson, and presumably it also generates higher benefits for him.
21. This is not meant to be a universal statement; some people might consider having ups and downs as more satisfactory, for the downs make the ups sweeter.
22. Okun (1969) is a classic in discussing the tension between efficiency (implicitly defined in price) and equality (a certain value). For a more recent discussion of the potential conflict among different values, see Young (1994) and Elster (1992, 1996).
23. Two examples: First, “What do you think, Subbuti, if a son or daughter ... had filled this world system of 1000 million worlds with the seven precious things, and then gave it as a gift to the ... Fully Enlightened Ones, would they on the strength of that beget a great heap of merit? Subbuti replied: Great, O Lord, Great, O Well-Gone, would that heap of merit be!”, and secondly, “But if a son or daughter ... had taken from this discourse on dharma [the ultimate reality] but one stanza of four lines, and were to demonstrate and illuminate it to others, then they would on the strength of that beget a still greater heap of merit, immeasurable and incalculable.” Conze (1958, pp. 39–40)
24. See the second quotation of the last footnote.
25. While the concept of relativity is not widely discussed in the economic literature, its importance in human theorizing has nevertheless been identified. For instance, Herms (1997, p. 189) stated: “This relativity of all reflection (and of all theorizing for that matter) was already acknowledged ... It was elaborated ... as a principle of all philosophic and scientific work.” The discussion of relative prices in North (1990), the discussion about the nature of phenomenology in Piore (1995, chapter 4), and the benchmark approach as adopted by Coase, discussed in Hsiung (2000), are also relevant.
26. For an alternative discussion about the concept of relativity, see Gellner (1985) and Margolis (1991).
27. Thus, a relative (monetary) *price* is only an example of the relative *values*.
28. A similar thought is reflected in expressions like “Hence the Tathagata [an alternative title of the Buddha] is to be seen from no-marks as marks,” and “This dharma which the Tathapata has fully known or demonstrated—it cannot be grasped, it cannot be talked about, it is neither a dharma nor a no-dharma.” Conze (1958, pp. 28, 36)
29. This implies that, even before the state of non-perception-and-unsupported-self is reached, the act of giving is commendable, except that the givings of this nature are *not* giving-with-unsupported-self. In addition, this also implies that, when one advances from the state of non-perception-and-unsupported-self and reaches the state of giving-with-unsupported-self, the former state has merged into the latter and there is now only one state.
30. But an interesting question that is not answered in *The Sutra* is the following: The merit as implied by *giving-with-unsupported-self* is greater or less than the merit as implied by *non-perception-and-unsupported-self*?

31. Interestingly, in an article about the thoughts of *The Platform Sutra of the Sixth Patriarch*, Ven. Sheng-yen (1990, p. 330) expressed a similar viewpoint: “Even when I talk about monism, it still involves duality. For not only ‘two’ is opposed to each other, ‘one’ also involves opposition, for a lonely one cannot be established nor is it possible for it to appear. ... If I speak of ‘one,’ the concepts of ‘two’ and ‘many’ must be in the background.”
32. The spirit of *The Wealth of Nations* is arguably an inquiry of how a society can reap the fruits of  $1 + 1 > 2$  over time. The term of *mutual gains from trade* cannot fully capture the idea in *The Sutra* that I want to explore. In both Smith (1776) and North (1990), the discussions are mainly centered on material wealth, and the criterion of  $1 + 1 > 2$  ? is implicitly employed. But it should be clear that the criterion of  $1 + 1 > 2$  ? can be applied to other (abstract) values as well.
33. The concepts of *division of labour* and *specialization* are relevant here, though I do not explicitly bring them in.
34. Concerning the various aspects of the development process, see the discussion in North (1990) about the nature of institutional development.
35. Spreading the wisdom of Buddha can certainly be argued to be a *productive* activity, but it is also obvious that this kind of productive activity would only bring about more activities of the same nature. The discussion of Kuran (1997, pp. 49–53) is relevant here.
36. It is true that in reality, there has not existed a society consisting of individuals who had all achieved the state of non-perception-and-unsupported-self and giving-with-unsupported-self, therefore the argument here is only a logical statement and does not have much empirical support.
37. In *The Sutra*, the term of *merit* appears in many occasions, and the magnitudes of merit implied by different deeds are compared. The exact contents of merit, however, are never clearly indicated in *The Sutra*. Elsewhere, the term is generally explained as *a form of asset*, bestowed in the next life (or future lives) of an individual; see, for instance, Hsu (1997) and Lin (1995). Thus, if an individual accumulates more merit during this life, then he will enjoy a better future life (or lives). But the question to be pursued further is this: What is the meaning of *a better future life*?
38. This idea seems to be found in other religions as well. For instance, Kuran (1996, p. 438) observed: “the main purpose of Islamic economics is not to improve economic performance.”
39. A caveat is that the opinions to be expressed in the following are not meant to be a quixotic stab against a strawman.
40. Alternatively put, one form of cost-benefit considerations replaces, or crowds out, other forms of cost-benefit considerations.
41. Tai (1969, p. 102) suggested a metaphor for the concept of non-perception-and-unsupported-self: “To forget that I have forgotten.” This refers to the idea of perceiving with a non-perception *about* the idea of perceiving with a non-perception; it is consistent with our argument here.
42. There is a famous story in *The Platform Sutra of the Sixth Patriarch* that is relevant here. When the Fifth Patriarch is getting senile, he announces one day that his successor would be the one who can come up with a verse that best reflects the appreciation of Buddha’s wisdom. The head monk Shen-hsiu comes up with the following:  

The body is the Bodhi [the ultimate enlightenment] tree,  
The mind is lie a clear mirror.  
And all the times we must strive to polish it,  
And must not let the dust collect.

Hui-neng, an obscure monk of the lowest rank, comes up with the following verse:

Bodhi originally has no tree,  
The mirror also has no stand,  
Buddha nature is always clean and pure;  
Where is there room for dust?

Upon learning of this latter verse, the Fifth Patriarch chooses Hui-neng as his successor, presumably because he believes that Hui-neng's verse has a higher reading on the spectrum of spiritual enlightenment.

43. Kolm (1986, p. 263) had an interesting observation: "Buddhist ontology somewhat resembles the snake that catches its own tail, gulps it down and disappears by swallowing itself; if it cannot go right to the end, its apparent self may at any rate diminish drastically in length."
44. See Oswald (1997) and Frank (1997) for empirical evidence.
45. Empirical evidence contrary to our suggestion is found in Stark, Iannaccone & Finke (1996), but it is not clear that their data cover all religions and over long periods of time. Further works are needed before a definite conclusion can be reached on this issue. See also the discussion in Hardin (1997).
46. Think of the guiding principle of a salesperson that the customers are always right. For some salespersons, relying on this guiding principle alone may be enough to deal with most, if not all, of the important things in life.
47. Viewed from an alternative angle, the two concepts can be grasped on different levels. On an elementary level, the concept of non-perception-and-unsupported-self can be purely an interpretation towards the external phenomena, i.e., a world view. On a higher level, the two concepts may become a mental state that an individual hopes to achieve emotionally and/or spiritually.
48. In fact, the emphasis of merit in *The Sutra* amply reflects this point. In the lay value systems, *merit* is connoted with the ideas of the good, the positive, the bright, etc. Therefore, the idea of merit can be seen as a tool conceptually, to be employed to serve a function, and to be deserted after the function is served. For the potential disciples, they can pursue their ultimate goal of enlightenment with the help of the concept of merit.
49. The reasoning here is similar to that in Frank (1988) concerning the composition of honest versus dishonest populations in a society.
50. This is the underlying theme of Smith (1776).
51. The description here is a very simplified one, for important as well as interesting problems concerning the transitional process are not raised. For instance, economics can be taught in schools, but *The Sutra* (or other Buddhist treatises, or other religions) is not likely to have the same access. As such, what is the proper way to spread the wisdom of Buddha? In addition, there are numerous practical problems faced by an unenlightened society, e.g., the abortion issue, whether married homosexuals can adopt a child, what is the proper speed limit, etc., and while economics has an analytical framework to deal with (not necessarily to solve) these problems, *The Sutra* (or other Buddhist treatises, or other religions) does not seem to have a corresponding analytical framework. Kuran (1994, 1996) expressed a similar viewpoint.
52. By Protagoras, quoted in Posner (1995, p. 527).

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