



Buddhist Economics

How would conventional accounting change?

My particular 'take' on all this is as a teacher of Accounting and Finance. Accounting has long been implicated in maintaining the shareholder Value model. Two well-known management sayings are 'what you can measure you can manage' and 'what you measure is what you get'. So, the things accountants measure and report on have a big influence on business behaviour. Conventional accounting, rooted in Neoclassical Economics, is concerned with measuring profit and the variables that determine profit. 'Buddhist Accounting' must focus on providing new performance measurement systems, appropriate for the pursuit of wider social and environmental goals which are considered important in Buddhist Economics. This would require a much greater emphasis on accounting for Human capital and a reduced emphasis on accounting for financial capital. A Buddhist perspective would also greatly expand the concept of 'environmental impact' and hence the scope of environmental accounting.