Suffering, Identity, and the Economics of Religion: Implications for Subjective Wellbeing and the Good Life

By

Mukesh Eswaran*

Vancouver School of Economics, University of British Columbia

November 2023

ABSTRACT

This paper is on subjective wellbeing, more accurately the 'good life' in the sense of Aristotle. To account for the fact that suffering is an overwhelming fact of life, I acknowledge that it is intimately tied to our concept of self, our identity. I outline what may be deemed to be the common essence of all the major religions and what that core has to say about our identity, a view that seems to be consistent with emerging evidence in neuroscience. Identity from this perspective is very different from what we normally take our ourselves to be, and it is this fundamental misidentification that is the source of much of our suffering. This is the view of all the great spiritual traditions of the world, but perhaps most forcefully expressed in Buddhism. I then discuss what this implies for the important and burgeoning field of happiness studies. I also discuss how misguided applications of economic ideas to profoundly religious truths can result in distortions in what they intimate and thus perpetuate suffering.

Key Words: identity, self, suffering, wellbeing, public policy

JEL Classification Nos.: I31, D60, Z12, Z18

*Email: mukesh.eswaran@ubc.ca

I thank John Helliwell for comments on an earlier version of this paper.

1. Introduction

Few things blight the lives of humans as much as suffering. On the scale of human happiness measured in the burgeoning and important field of happiness studies, we may identify people in dire suffering as those in the bottom end of the distribution. Just as we agree that those in grave poverty on the scale of income and wealth deserve special remedial attention by way of policy, we may argue that those in deep suffering warrant special attention. Economics is one field among many that would claim to possess some means to alleviate suffering. For millennia, religions have claimed to offer a very different way out of suffering. And so, we may well wonder if the thriving subfield of the economics of religion, in particular, would offer insights that could inform public policy to alleviate suffering. This paper attempts to suggest an answer to this question.

This paper is ultimately about human wellbeing, and so it is important to specify what I mean by it. Aristotle (circa 330 BCE/1999) considered the question of wellbeing or our highest good (which he called *eudaimonia*) at length in his classic work *Nicomachean Ethics*. He argued that every action is directed towards some perceived good. These goods can be arranged in a hierarchy, and highest good he called wellbeing. But this is not happiness in the sense of material comforts, wealth, or pleasures that are measurable. He conceived of wellbeing as the supreme good—one that is complete in itself and, therefore, self-sufficient. Aristotle identified wellbeing as the leading of the "good life", which comprises continuously practicing the traditional virtues (courage, temperance, etc.) and contemplation. This good life is not only the goal but also its own means of achievement. The Aristotelean highest good is normally portrayed as wellbeing or flourishing in philosophy, though in other fields like economics and psychology wellbeing tends to be used synonymously with happiness (or subjective wellbeing, hereafter SWB). In this essay, I shall refer to 'wellbeing' as Aristotle's sense of the good life, and refer to the more restrictive contemporary use of it (SWB) as 'happiness'. They are both important. But since religion impinges more on the Aristotelean sense of the good life, as we shall see, that is the more relevant concept for this essay.

Despite the fact that the developed world has been on a secularization trend for many decades, religion remains an important aspect of much of the free world and it is still an important marker of individual identity. As such, it is a source of security and satisfaction to its adherents, offering hope for a life free from suffering.

In its positive analysis, economics rightly takes the religious beliefs of people as given. Engagement with what the putative essential truths the religions claim is neither necessary nor appropriate; economic analyses examine the consequences of religious beliefs but never directly engage with religion per se. When performing normative analyses, however, I believe economics needs to directly engage with the content of religion—but not to question the validity of its putative truths, which are outside the scope of economics. Rather, it is to gauge whether what people believe is consistent with what is prescribed in the religious tradition they subscribe to or much has been lost in its interpretation. I tentatively attempt to do this here—to the best of my knowledge, the first attempt in economics—and then investigate what this implies for wellbeing. In this, I have sought to be careful to temper my modern skeptical mind with the openness and deliberation required when approaching the claims of a mystical genius like a Buddha or a Christ. I believe that such an attempt is fruitful, but I leave the readers to gauge for themselves

Fortunately, when stripped of what I think are their outward trappings, all the major religious traditions of the world are seen to have a common core, which is contained in the mystical experiences that inform the religions. As a result, the attempt is not as difficult as it might first be deemed. I focus on what seems to me to be this common theme. On the basis of my investigation, it becomes apparent that the potential benefits that religion—the mystical aspect of religion, really—can confer on humanity are so great that, in comparison, even the most successful public policy as currently envisaged falls short of what may be construed today as the global optimum.[1] In this essay, I seek to justify this claim.

Economics has traditionally relied on economic growth to generate higher levels of happiness. The measurement of subjective wellbeing by psychologists and some economists in the past few decades has taken the empirical measurement of happiness to a more sophisticated level, focusing also on important determinants other than income [Helliwell and Barrington-Leigh (2010).] There are several measures of subjective wellbeing, some measuring how an individual

[1] This claim may seem to fly in the face of a vast amount of documented evidence of the pain and suffering caused by religions, which is why I am careful to mention that it is the *mystical* aspect of religion that I am referring to. We cannot possibly gloss over the tremendous amount of damage done by practiced religions as we see all around us and as rightly emphasized by writers like Dawkins (2006) and Hitchens (2007).

is feeling at a given moment in time and others measuring how individuals subjectively evaluate their own lives. Aristotle advocated that we use the best measure for the quality of an individual's life. So, between the two measures, the latter is probably the best and it corresponds to what economists call utility. By identifying the determinants of happiness, economists can do much to improve the lives of people. Frijters and Krekel (2021) argue that life satisfaction is the best measure available for combining these various factors that are important because this single measure has been arrived at by the relevant persons themselves. Some economists working in the area have argued that policy makers should utilize the results of their findings to maximize an aggregate measure of happiness or at least use them in policies.[2] Whether or not that is taken up, there is little doubt that the findings on SWB should inform policy makers.

SWB as defined by life evaluation is seen to increase with income in the short run, albeit with diminishing returns [Stevenson and Wolfers (2008), Jebb et al (2018), Kahneman and Deaton (2010), Killingsworth (2021)]. Emotional measures of happiness also show an increase with income, again at a diminishing rate [Kahneman and Deaton (2010), Jebb et al (2018)]. The bottom 20% of the population in terms of emotional happiness also shows satiation with respect to income after a point [Killingsworth et al (2023)]. The effect on SWB of income in the long run, however, seem to fade away [Easterlin (1974), Easterlin and O'Connor (2021)]. Recent work has been investigating a comprehensive list of the correlates of happiness. While income remains a very important determinant of happiness even after these variables are controlled for, the studies also reveal that social relations, marital status, health, corruption in the country, etc. are important, too [World Happiness Report (2023), Clark et al (2018)].

Perhaps more pertinent for this essay, in recent decades there has been an increase in mental illness in the world [WHO (2021)]. While some of this is for physiological reasons such as chemical imbalances in the body or due to genetic defects that show up only with increased longevity, a great deal of mental illness is due to depression, anxiety, loneliness, lack of purpose, which themselves lead to additional problems like drug addiction, alcoholism, and suicide. There is unquestionably a manifest increase in the suffering that we witness. Recently, even mental

[2] See, for example, Layard (2005), Diener et al (2009), Clark et al (2018), and, more recently, Frijters and Krekel (2021). On some of the difficulties with this approach, see Frey and Stutzer (2016), Sugden and Teng (2016).

illness in teens has been seen to be increasing dramatically, some of it associated causally with social media [Braghieri et al (2022)]. Fleche and Layard (2017) have found that in four OECD countries (Australia, Germany, UK, and USA), mental illness is more strongly correlated with being in misery (that is, roughly being in the bottom 10% of the life satisfaction distribution) than are unemployment and physical ill-health.

Some forms of mental illness, the suffering it creates, and, in general, all psychological suffering, I venture, are due in large measure to a factor that is totally ignored in public policy. Evidence from psychiatry reveals a strong correlation between difficulties in development of ego (or self-concept) and mental illness.[3] In other words, mental illness and identity are closely related. Identity is the elephant in the room that is ignored.[4] At the core of the world's great religious traditions, there is a bedrock notion of our identity. This is where religion enters the arena of the alleviation of suffering: through the door of identity. Policy measures and therapies typically take as given this elephant in the room and merely aim at putting some constraints on it so that we are a bit more comfortable, so that our SWB is somewhat higher. Neither medical practitioners nor policy makers ask whether the elephant even belongs there in the first place and whether it should be dislodged altogether. The core message of the major religions is that we should strive to undermine, if not dislodge, this elephant to maximize our wellbeing—not in some speculative after-life but here and now in this very life.[5] This is one of the issues I shall address in this essay.

As it turns out, to determine the means to alleviating suffering we have to investigate the nature of our identity. This is the core concept that our lives revolve around and the meaning we put on it in our lived experience. Identity is the lens through which we perceive the world, the subsequent reactions it elicits in us, our responses to these perceptions, and ultimately our wellbeing. The problem of suffering is intimately tied to the concept of identity. I discuss how economics invokes identity, usually tacitly and superficially, in its analysis. Its policy prescriptions based on this would have very limited effect in alleviating suffering. I then discuss

[3] See Noam (1998) on the link between ego development and mental illness. McAdams (1998) discusses the process of ego development and describes it insightfully as "selfing," that is, the process of creating a separate self, the 'me'.
[4] The psychologist Haidt (2006) used the analogy of an elephant being managed by a weak rider when discussing the ineffectiveness of the rational part of the brain relative to the emotional part. I invoke the image of an elephant as an even more primitive influence on human behavior.
[5] This, for example, is implied in the Mahayana Buddhist saying attributed to the Buddha, "Samsara is nirvana and nirvana is samsara." This is, the world (of suffering) is also the state of consciousness that is free of suffering.

the approach to identity in religion/spirituality that is espoused by its greatest proponents. I discuss what can be said about public policy from this point of view. I finally discuss how some economic policies can have consequences that are inimical to our wellbeing or the good life in the sense of Aristotle.

Before I proceed, I should mention one important clarification at the outset. Religion and spirituality are largely seen by the bulk of an increasingly secular population as merely sets of beliefs that can be accepted or not as matters of faith. When I invoke claims from religion here, I shall restrict myself strictly to statements that are not merely beliefs but can be verified through direct experience. In other words, the claims stand capable of being accepted or rejected on the basis of evidence, that is, they are *scientific statements* in the sense of Kuhn (1962). Furthermore, I shall only use statements that have been verified in the direct experience of countless individuals. Therefore, it is not reasonable to dismiss the input I point to from religion here as merely "other-worldly" speculations and mere matters of faith, which are neither here nor there. To do so would be to fall prey to a form of "scientific fundamentalism" that claims only (materialistic) science can be an avenue to truth. Science does not have a monopoly on truth; there are avenues to truth that are, as yet, unknown to science.[6] Where possible, I offer whatever neuroscientific evidence is emerging that substantiates the spiritual claims mentioned here.

2. Identity as Invoked in Economics

Contemporary western economies rely on markets to allocate resources and neoclassical economics takes its cue from the classic work of Adam Smith, *The Wealth of Nations*. There he argued that individuals left to maximize their own welfare in a market system would maximize the welfare of society as long as some conditions are satisfied, namely, the markets have to be perfectly competitive and externalities should be absent. Granted these two conditions, even the selfish maximization of one's own welfare to the exclusion of others would drive people as if by an Invisible Hand to bring about the maximum welfare of society through competitive markets. The fundamental theorems of welfare economics have formally enshrined Adam Smith's insight as a cornerstone of the discipline.

[6] A discussion of this issue is provided in Ch. 1 of Eswaran (2019).

In reality, of course, the ideal conditions required for the welfare theorems to hold are not satisfied (externalities and scale economies can make competition infeasible). Here the economist would have a social planner determine how to intervene in the market through public policy to minimize the damage so as to achieve a Pareto efficient outcome. Another expedient that is often used in normative economics is the maximization of a social welfare function, which presumes the utilities of different people comprising society are comparable and aggregates their utilities in some manner. But whichever criterion is used, economics takes as given an individual's preferences as represented by their own assessment as embodied in their utility function. It is this utility function that is used in the aggregation of the social welfare function.

Now an individual's utility is determined by who they take themselves to be. Implicitly embedded in the utility function is their identity, usually taken for granted and not even be questioned. This is obviously a crucial but unacknowledged ingredient of normative economics because who I take myself to be determines what goods, services, and values I place importance on and it is these preferences that my utility function represents. And this feeds into the social welfare function. Whatever the social welfare function deemed suitable, the economist would set about choosing public policy to generate the optimum in a decentralized equilibrium when the policies are implemented. If this function simply adds the utilities of the nation's citizens weighting them all equally, it would yield a measure of aggregate welfare that is sometimes called the gross national happiness.[7] But, of course, the weighting need not be uniform; it can also weight greatly unhappy people more heavily, for example.

The next section discusses the nature of the identity that underlies the individual utility functions that economists take as given in the normative exercises that determine public policies.

3. Identity: The Individual View

The identity I am referring to here in this essay is not what it has long been understood to be in psychology and sociology and, much more recently, in economics [Akerlof and Kranton (2000,

[7] In contrast to the gross national income, a widely used measure which only aggregates income in this manner.

2005)]. It is not merely a matter of whether one's identity comprises being a father or mother, a worker, a Canadian of European origin, a Christian, etc. These are important markers of identity to be sure and research is right in seeking to incorporate identity derived from occupation, ethnicity, religion, class, nationality, etc. into decision-making. But the identity I am alluding to here, and will discuss at length, is far more fundamental. It probably is the most primordial aspect of identity, which scholars in the social sciences (and the sciences) seem to totally ignore in their scholarship.

Irrespective of people's origin, ethnic identity, occupation, class, sexual orientation, likes, dislikes, etc., they invariably identify the subject "I" with a particular body and mind. And when they think, speak, or refer to themselves, they refer to the same body and mind as the object 'me'. This identification is at the heart of the approach to identity that is relevant here. All the traits listed above characterize the individual *after* they have adopted this core identification with one particular body and mind, a particular ego, a particular object they deem to be "the self". But this has become so instinctive, so innate, that we do not ever think about it. It is only after taking one's stand as a separate individual that other attributes like father/mother, teacher, white, Christian, Hindu, Sikh, etc. are added on as embellishments of that identity and become the particular characteristics of that ego or self.[8] These characteristics determine what goes into the person's utility function. To emphasize this fact, we may refer to this function as the egoistic utility function.

Separateness is the hallmark of the ego. It is utility functions of individuals who perceive themselves as separate individuals that economics takes as the primary datum for its analysis. We do sometimes allow for extended preferences by using other regarding preferences which put some weight on other individuals. But most of the exercises in positive economics find that purely egoistic preferences do very well in explaining the observed facts. This is a sad commentary on the state of human beings, perhaps, but this fact cannot be laid at the doorstep of economics. Positive economics simply tries to explain observed economic phenomena with the minimal set of assumptions, in accordance with the principle of Occam's razor. In theory,

[8] Note that the broad concept of ego as used here is not to be confused that of Freud.

economics is not necessarily wedded to the notion of purely egoistic preferences. But in practice, however, it is largely so because people are largely, but not entirely, egoistic.[9]

In its normative exercises, as noted, economics looks at welfare but typically takes the utilities of individuals as they themselves perceive them to be. So, the exercise becomes one of somehow maximizing the welfare of a society of egoistic individuals who takes themselves to be separate individuals, each tied to specific body and mind, an ego, a self that is their perceived identity. For the social planner to choose individual utility functions that differ from what people actually perceive themselves to be would be futile. For then the policies that follow would not be implementable in practice and would be sterile intellectual exercises. To maintain relevance to the real world, economists in their normative work are forced to adopt the perceived preferences of the people, unless they can be manipulated (a possibility I do not pursue here).

But what if our perceived identity is erroneous and that, in truth, our identity is truly nothing like what we take ourselves to be? This seems like a ludicrous question. We might respond with something like "How could I possibly be mistaken about who I am, what my identity is, when I have known myself all my life?" The fact that we believe we have had a particular identity all our lives, however, is not proof of its veracity. This is what Socrates was suggesting in his famous injunction, "Know thyself".[10] A deliberate investigation into this question seems to reveal that we are dead wrong in the assumption about our identity. And this, in fact, is the core claim of all the great religions of the world, even if not always stated so baldly. We shall discuss in the section after the next what this putative "true" identity is if it is not the egoistic sense of self. But I note this for the moment. If our perceived identity is erroneous, the welfare function that is maximized by, say, the benevolent social planner of the economist is the wrong objective function. Even in a first-best world, then, the maximized welfare of society's individuals may

[9] The qualification "not entirely" is important here. There is a literature in psychology that establishes the presence of other-regarding preferences. Fehh et al (2022), using Swiss data, show the presence of preferences for income redistribution based on considerable inequality aversion and altruism, relative to selfishness. Nature has undoubtedly hardwired some concern for others, but this concern is restricted to the "in-group" because that is what facilitated survival. In the 20th Century, for example, there were between 60 and 150 million deaths due to mass killings (depending on the precise definition), excluding deaths in wars [Valentino (2004)].
[10] This is an inscription at the entrance to Apollo's temple at Delphi, Greece.

fall far short of the true global optimum.[11] This misspecification would then be the most fundamental limitation of economics in raising human wellbeing.

Psychologists and neuroscientists are gradually arriving at an understanding of how the sense of self arises. A particularly clear exposition is found in the recent paper by Letheby and Gerrans (2017). Essentially, the brain constructs a model to predict situations based on past experiences, with various modules specializing in various areas—the bodily sensations, the sensations received from the world outside the body, etc. There is a hierarchy of such modules and the ego is constructed by the brain as the overseer of these predictive modules. The sense of self seems to lend coherence to the life story of an individual, based on experiences. This notion of self evolves and develops during the course of one's lifetime [Noam (1998)]. Ultimately, however, the sense of self is an illusion because it is an artificial contrivance of the brain. If one searches for it, one never finds the ego or the self—it is more akin to the software of an operating system than any hardware.

The fictional nature of the self has been demonstrated by neuroscientists (see Gazzaniga (1998) for example).[12] This scientific evidence shows that, as surprising as it may seem, the identity we have assumed as a separate ego, a sense of 'me', is an illusion.[13] Evolution, through random tinkering, has contrived this illusion because it served to enhance the future prospects of a body's genes. Truth is not a priority of Darwin's natural selection; if illusion better serves that purpose, nature seems to embrace it.

A remarkable fact is that the illusory nature of self has been emphasized or implied in one way or another by the core teachings of all the great spiritual traditions of the world.[14] This discovery goes back at least two or three millennia. The most direct and emphatic of these is probably

[11] This will remain true even if there is a modicum of other-regrading preferences built into human nature.
[12] See Baggini (2012) for a readable account of this.
[13] In an interview, the reputed neuroscientist, Bruce Hood, said:
"Me is similarly constructed, though we may be more aware of the events that have shaped it over our lifetime. But neither is cast in stone and both are open to all manner of reinterpretation. As artists, illusionists, movie makers, and more recently experimental psychologists have repeatedly shown, conscious experience is highly manipulateable and context dependent. Our memories are also largely abstracted reinterpretations of events – we all hold distorted memories of past experiences." https://www.samharris.org/blog/the-illusion-of-the-self2
[14] This core is referred to as 'mysticism'. The reader can consult Underhill (1911) for a classic analysis of western mysticism and Huxley (1945) for a treatment that covers eastern traditions, too.

Buddhism, which categorically claims that our perceptions of self and of distinct selves is based on "profound cognitive illusions" [Garfield et al (2018, p. 294)]. Other religions like Hinduism, Sikhism, Christianity, and Islam also allude to the illusion of self in one way or another, but Buddhism goes further. The philosopher David Hume (1739, Part IV, Sec. VI), too, argued that there is no such thing as a self. In his view, the mind seems to see continuity in a series of what are actual independent events and weaves a sense of self to whom these experiences are happening.

I note here that there are profound differences between the direct *experience* of the illusion of self and the mere intellectual *inference*, or even the conviction, of it. In direct experience, the illusion of self is seen not merely as a theory but as a fact; it is lived experience. Intellectual inferences have very little influence on how we perceive the world from moment to moment. This is because we are limited in our capacity to impose an intellectual inference on our life and to continuously control our responses to our perceptions so that they are in conformity with our inference that self is an illusion. In the direct experience of the illusion of self, by contrast, the way we perceive the world is drastically changed and so the usual egoistic responses do not arise to anywhere near the same extent. As a result, the transformative nature of direct experience is incomparably greater. Those with a direct experience of the illusory nature of self are said to be 'enlightened' in the eastern spiritual traditions. In other words, enlightenment is the discovery by first-hand experience that what we have taken for our identity is an illusion. I discuss one of the most far-reaching consequences of enlightenment in the next section because it is very relevant to the rest of the paper.

4. Individual Identity and the Nature of Suffering

Adhering to the illusion of self, it is claimed (especially in Buddhism, though not exclusively), is the cause of all suffering. Before we proceed, I must clarify what is meant by the term suffering here. There is, first, the biological phenomenon of pain, which is an inevitable part of living and there is no escape from it. Pain is essentially a physical experience of unpleasantness, conditioned by evolution to signal that all is not well with the body. It is a call for attention. The bulk of the suffering we face as humans, however, is not physical pain but is psychological in nature. Suffering is the unhappiness stemming from events and emotions like disappointment, grief, anger, hate, rancor, the loss of a loved one, and the like. Spirituality informs us that this psychological form of suffering can be virtually eliminated. This is the Buddha's claim to having discovered the cure to end suffering.

All suffering invariably seems to pertain to matters related to an ego, either directly or indirectly through people connected with the self—one's own life, one's spouse, children, parents, family, etc. It arises when one's consciousness is so contracted in its focus that it is largely restricted to preoccupation with a single body/mind. Evolution seems to have contrived the creation of the illusory ego as the overseer of the body/mind, as noted, since natural selection favors the passing of genes embodied in more "successful" individuals. Here success is defined in terms of biological fitness, which measures how adept an individual is at garnering resources, attracting mates, and having children who will carry those genes into posterity. Therefore, the ego naturally is attracted by, and desires, an abundance of food, resources, power, mates—anything that prolongs an individual's reproductive life—that increase the chances of passing on their genes. This is the psychological root of desire.

The other side of the coin is that an ego is programmed to automatically fear, shun, or dislike anything that undermines an individual's reproductive success. Therefore, the ego is averse to scarcity, opposition, competition, absence of mates, threats from enemies, snakes, etc. This is the root psychological cause of aversion or fear. Events and entities that cater to one's likes/desires generate pleasure; events and entities that produce aversion/fear cause suffering. Desire and aversion are the two vehicles contrived by nature to implement the process of Darwinian natural selection. The economist Jeremy Bentham (1789), who wrote well before Darwin, was right in claiming that pleasure and pain are the two masters that drive human behavior.

More than two millennia ago, Buddhism and Hinduism identified desire and fear as the twin factors that characterize life. The ordinary egoistic life swings between the various dualities: gain/loss, honor/dishonor, friend/enemy, love/hate, success/failure, wealth/poverty and so on. It is impossible to embrace one side of a duality without eventually encountering the other. "Victory" is defined by its opposite, "Defeat", and so is dogged by the latter possibility. This is because the ego takes what essentially are neutral events and puts value judgements on them, depending on how it anticipates the events will impinge on its perceived welfare. So, by definition, when some entities or events are viewed as "good," others must be viewed as "bad" (dropping the rest that are deemed to be of no consequence either way).[15] Our own value judgement on something as "good" redounds on us when something else deemed "bad" by our own judgement befalls us.[16] Evolution has hardwired behaviors and preferences in us to serve its brutish end of propagating genes. The product of this process of natural selection in humans is the baggage that nature has handed us to live with.

A life of ego is what almost all of us live. Our whole life is typically one that is dedicated to our ego, our sense of self. All through the day, we are constantly formulating activities framed by our ego and pursuing goals articulated by it, as "my work, my goal, my plan, my salary, my bills, my girlfriend, my promotion, my wife's birthday, my kid's school meeting, etc." It is not an exaggeration to say that our sense of self is an idol we worship with unstinting devotion.

An egoistic life cannot possibly be free from suffering. The ego perceives itself as isolated entity in charge of an individual's fate as it sees it. In doing what it thinks is best for this body/mind in the struggle for survival, it is always on the look out for opportunities to enhance the individual's material welfare and avoid or protect against those deemed dangerous to its self-interest. This constant search for security while being buffeted by the events of life is the very definition of suffering. The extent of the suffering is determined by the extent to which we cater to our ego, and this is so irrespective of our material conditions. The richest billionaire can be among the unhappiest of humans; an impoverished Tibetan monk can be in a state of bliss. Since very few people strive to overcome their ego (or, rather, their belief in it), most of us are condemned to suffer in life—there seems to be no escape. Those whose ego development has suffered delays and impediments for various reasons also tend to develop mental illness [Noam (1998), Noam et al (2015)]. As mentioned, Fleche and Layard (2017) found that mental illness explains a substantial portion of the suffering (unhappiness) of those in misery. My point here is not that

[15] When survival depends on group behavior, as it does importantly, "good" and "bad' will automatically embody societal norms, too.
[16] This suggests an interpretation of the remark of Christ on not judging others: "Do not judge, or you too will be judged. For in the same way you judge others, you will be judged, and with the measure you use, it will be measured to you." [*Matthew* 7:1-2]

only those with mental illness suffer. Suffering is endemic to *all* egoistic individuals but is likely to be especially acute in people with maladaptive ego developments.

How does all this pertain to this paper? An economist's social planner, we have seen, will have to adopt the egoistic utility functions of individuals in normative analyses. All schemes, policies, and recommendations emerging from such analyses are contingent on the (usually tacit) assumption of these egoistic preferences. Therefore, anything that the social planner may come up with—even if characterized as the optimal solution, the best that economic policy could possibly hope to achieve—leaves untouched the core problem of suffering that is intrinsic to the egoistic human life.

This is not a limitation that dogs only the field of economics. The same issue plagues the sciences, law, and all the social sciences. All fields of intellectual pursuit take human nature as more or less given. It is true that in clinical psychology and psychotherapy there are genuine attempts at improving the emotional and mental wellbeing of individuals by bringing about a change in the sense of self. But these also take the egoistic life as a given; it is just a matter of channeling energies, thought patterns, and behaviors into ways that are more productive of happiness. They seek to produce a more comfortable ego to live with. Generally stated, just as economics is the study of egoism in economic activities and the economics of religion studies the role of ego in religious activities, psychology is the study of egoism in the field of psychological activities, etc.

The ordinary self-oriented life, as we have seen, is never free from the dualities and is always prone to suffering. In fact, it is hard to imagine a more complete form of slavery than that we unthinkingly subject ourselves to, day in and day out. It certainly does not seem to be so. "After all, I am following my own dictates and satisfying my own desires, my own goals, not those of someone else," we would counter. It seems so because we take our ego to be our identity, as the entity that correctly answers the question "Who am I?". As long as we believe this to be the case, the charge of slavery will seem meaningless. However, the charge could stand if, by some chance, we are mistaken that the ego is our identity. We most certainly exist, but what is it that we are? The evidence that the self is conjured up by the brain and is an illusion suggests that our presumed self is most certainly is *not* our identity.[17]

What then is our identity? Does knowledge of that give us a way out of suffering? The core spiritual insight of the major world religions informs us, directly or indirectly, that the discovery of our true identity frees us from suffering. Contrary to popular belief, this alternative life free from suffering is *in the here and now*, not in some speculative after-life. And this route requires us to understand that, hard as it may be to fathom, our ego is an identity that we have *constructed and assumed* and that is not our true identity. As argued above, Buddhism claims that what we take to be our self is nonexistent. This realization, deeply lived, it is claimed, frees one from suffering. To suffer, one needs a self that claims ownership of the suffering; there has to be a sense of 'me' that is suffering. If one deeply experiences through direct discovery that there is no "self," there can be no suffering.[18] The discovery in lived experience that our sense of self is illusory is enough to end suffering. But it does not tell us what our identity is; it only tells us what it is not. This is as far as Buddhism is willing to go. But other religions do not stop there. Spiritual adepts of major religions (other than Buddhism) assert from their direct lived experience what that identity is, and since that identity is not the ego, it too delivers us from suffering.

5. Identity: The View from Spiritual Traditions

It is now incumbent on me to briefly discuss what the spiritual traditions—whose core is based on direct mystical experience—insist on as our true identity. But first I once again alert the reader that, possibly contrary to what they may have previously thought about the matter, spiritual truths are not offered as speculations, logical inferences, or mere beliefs taken on faith. They are testable statements and, therefore, constitute scientific hypotheses. It is not a question of merely believing or not believing them; they can be verified by direct experience by anyone who satisfies the requisite conditions and, over the millennia, thousands have.

[17] Recall the famous observation of René Descartes (1637/1995) "I think, therefore, I am," with which he ascertained that the only thing he could be certain of was the fact that he exists.

[18] Buddhism also claims that there is no individual soul either, the soul being an individual essence that does not die. This claim of Buddhism, however, is not shared by the other great religions like Christianity, Hinduism, Sikhism, Islam, and Judaism.

On the issue of belief versus evidence is where the mystical heart of spiritual traditions differs from most of religion as practiced, which are usually matters of faith. Religion as practiced has been reduced to merely believing and perhaps performing certain rituals, respecting certain days as holy, etc. whereas what is called for in the pursuit of spiritual truth is active investigation and seeking until one discovers the putative fact for oneself and verifies it by one's own first-hand experience.[19] For experience is the sole test of all truth—which, after all, is why in economics we do our best to perform "controlled experiments" via regression analysis in econometrics or engage in randomized control trials in experimental or field work to discern what is true. Yet, when it comes to religion we automatically tend to assume that it is merely a matter of belief. Faith may possibly be a very useful aid in the process until verification, but after that point faith is no longer needed because one knows the truth as a directly lived experience.

Before discussing our true identity as espoused by some of the major spiritual traditions, I need to first talk about the nature of God as propounded by the acknowledged sages of these traditions.

First, we must draw a clear distinction between the concepts of subject and object as used here. An object, by definition, is an entity that we can see, touch, feel, taste, think, sense, or more generally perceive in any way. Computers, stars, the moon, a coffee mug, a neutron, etc. are objects. Likewise, thoughts and emotions are also deemed to be objects because they can be perceived. Perceived by what? Perceived by consciousness, by awareness.[20] When we say, "I saw a blue car," we normally attribute the act of seeing to the body we identify with. But the body is by itself inert; on its own, it cannot perceive anything. It is the consciousness associated with the body that registers the blue car. Likewise, with hearing, tasting, feeling, etc. The body itself is perceived by consciousness and, therefore, is not the subject that sees the blue car.

The subject that perceives all our experiences is actually *consciousness*. When we say "I," we think the "I" refers to our body, but it is really consciousness. And so it is with all experiences.

[19] Recall that Christ said, "Seek and you will find." [*Matthew* 7:7]
[20] This view is propounded most clearly in Advaita Vedanta, a branch of Hinduism. A clear modern-day exposition of Advaita is found in, for example, Spira (2008).

We may believe that it is the brain that perceives all objects, but this is an error. The brain itself is an object that can be perceived. We might think the "I" is the ego—most of us believe this to be true—but this is a very serious error of identification. Mysticism claims—and this is verifiable by anyone and so need not be taken on faith—it is consciousness that is the "I", whereas the ego or self is itself an object perceived by consciousness. Everything we perceive in this universe is an object; consciousness alone is the subject that perceives them.

We may believe, along with most scientists, that consciousness is a product of the brain, that when the brain becomes sophisticated enough, consciousness emerges from it, and that our consciousness is the possession of the body. Consciousness is presumed by many scientists to be a product of Darwinian evolution. However, there is not a shred of scientific evidence to show that the brain generates consciousness; there is only the completely unsubstantiated *belief* that it is so. In fact, some philosophers are coming around to the view that it is consciousness, not matter, is the fundamental substance of this universe.[21]

We may be skeptical of this claim that consciousness is preexisting and is not a product of Darwinian evolution. If that is so, we may wonder why it is that, consistent with the standard manner of Darwinian evolution, consciousness seems to be observed only in the higher mammals and not in all animal species. The answer is that consciousness may be preexisting but the detection and manifestation of consciousness requires sophisticated biological machinery. Consider a simple analogy. The eye of a dog perceives only in black and white, whereas the more sophisticated human eye perceives many colors. We would certainly not argue that the human eye created colors; we would all agree that the more sophisticated human eye is able to discern preexisting frequencies of the electromagnetic spectrum that the cruder dog's eye cannot. It is likewise with consciousness—the brain's architecture needs to be sufficiently sophisticated before it can manifest consciousness. This view regarding the preexistence of consciousness is relatively new to neuroscientists and philosophers. But it is not new to spirituality; in some spiritual traditions, it is at least a few millennia old.

[21] When neuroscientists detect brain signals, they are particular to mention that they only have measured the correlates of consciousness, never consciousness itself. The issue of the unknown origin of consciousness has been called "The Hard Problem of Consciousness" by the philosopher Chalmers (1995).

What are the characteristics of consciousness? Since consciousness is not an object, we cannot use any characteristics to define it. There is nothing concrete we can point to as consciousness. Yet, it is intimately known to us because we are all conscious beings. Consciousness has been compared by the enlightened Indian sage Ramana Maharshi to a screen that registers all the scenes and objects in an ongoing movie but is itself never noticed because it stays in the background. Likewise, consciousness is the context in which everything is experienced in our lives. We are so captivated by the contents of our experiences that we never notice the ever-present background context of consciousness that makes these experiences possible. Without consciousness, we could have no experiences and possess no knowledge.

With this background, we can now ask the question: What is the nature of God as revealed in spiritual experience? It has come down for millennia that God is the nature of consciousness. This is most directly stated in Hindu and Sikh scriptures. "Consciousness is Brahman," says the Hindu scripture, *Aitareya Upanishad*, where Brahman is the term used in Hinduism for the Ultimate Reality or the Absolute or God. The same assertion is made in Sikhism. The Sikh scripture, *Guru Granth Sahib* [441] says, "O my mind, you are the nature of divine consciousness. Recognize your own origin." Panesar (2017, p. 90) says, "According to Sikh philosophy, *parmatma* [the Ultimate Reality] is self-illuminated pure consciousness. This Consciousness is the ground of being, the ultimate reality whose infinite variety of manifestations are the world of phenomena." This claim is also present in Christianity, though stated somewhat differently. Christianity speaks in terms of Spirit or the Holy Ghost because these terms conjure up conscious entities that are not material in nature, and consciousness is non-material. In Buddhism, there is no talk of God but the term used is the Void. This Void contains everything and Hinduism refers to it as the Absolute; the Void and the Absolute are two different ways of expressing the same truth. The Absolute is referred to as *Ein Sof* in Judaism and *Waahid* in Islam. The non-material nature of the Absolute is why Judaism and Islam forbid the use of images.

Consciousness is seen to be without boundaries. This can be verified even in our own experience, too. There are no lines demarcating limits indicating that consciousness goes only so far and no further. If there were something beyond an alleged boundary, consciousness would be required to be aware of that—which would contradict the claim that consciousness is bounded. This aspect of consciousness is what is meant by statements in the scriptures claiming that God is infinite. The entire universe is an appearance in consciousness and, therefore, there is nowhere in the universe that God is not present. This is expressed by statements on God's presence or immanence in the universe.[22] That is, God is not residing in some far off heaven but is present here in everything, though transcending the entire universe.

Furthermore, consciousness is seen to be beyond time. In fact, time is itself seen as a concept in consciousness. This may seem very confusing and hard to fathom, but there is a way to get some understanding of it. Consciousness exists only in the present, in each instant. Try as we might, we cannot get our consciousness to reside in the past or in the future. When we dwell on the past, we are not really visiting the past; we are only conjuring up thoughts in the present about the past. Likewise, when we imagine the future, we are merely conjuring up thoughts in the present about an imagined future. We can never actually leave the present moment because consciousness never leaves the present. We see clearly then that the past and the future are mere concepts with no essential reality. Time is a concept that arises in consciousness. Thus, despite the fact that Jesus lived several millennia after Abraham, he could say as the Christ, "Before Abraham was, I AM." [*John* 8:58] The standard way of expressing this fact is by saying that God is eternal, going from everlasting to everlasting.[23] There is neither any beginning to the Absolute nor an end. "I am the Alpha and the Omega, the first and the last, the beginning and the end." [*Revelations* 22:13] In the *Bhagavad Gita*, a Hindu scripture, Krishna proclaims, "I am the origin and dissolution of the entire creation. There is nothing higher than me …Everything rests in me like pearls strung on a thread." (7:6-7) The Neoplatonic sage Plotinus (circa 260 CE) says that the Absolute is the one without a second, who is prior to thought and above all duality (Third Ennead, Eighth Tractate).

In summary: The nature of the Absolute is claimed by direct experience to be consciousness. It is said to be immanent in the universe and yet, not bound by space, transcends it and is said to be

[22] "If I go up to the heavens, you are there; if I make my bed in the depths, you are there." [*Psalm* 139:8]
[23] The infinity and eternity of God is expressed wonderfully by the mystic poet William Blake in his poem *Auguries of Innocence*: To see a world in a grain of sand / And a Heaven in a wild flower / Hold infinity in the palm of your hand / And eternity in an hour.

infinite. Not bound by time, the Absolute is said to be eternal. God is That-which-is (that is, the Truth); everything else borrows its existence from it. As St. Paul put it, "In him we live and move and have our being." [*Acts* 17:28] This truth is expressed in all the major religions of the world (barring Buddhism), though stated variously using concepts specific to the different cultures.

Now we come to a crucial question: What does all this have to do with us? A great deal. We have seen that our identity is really consciousness, not the ego or self that we normally assume it is. Since there is only one consciousness without a boundary, this suggests that our true identity shares the nature of the Absolute, That-which-is or the Truth. This is precisely what is asserted by spiritual adepts through direct experience. Again, this claim is stated most directly in Hinduism and Sikhism. The saying "Aham Brahmasmi", meaning "I am Brahman" is from the *Brihadaranyaka Upanishad* is considered one of the greatest declarations in Hindu scriptures. In Sikhism, the term "Sat Nam" means "Truth is the name of God". But it is also interpreted in practice as "Truth is my identity". Stated somewhat differently in Judaism, the Bible says that we are made in God's image [*Genesis* 1:26-27]. In Christianity, this same truth is stated by Christ as "I and the Father are one." [*John* 10:30] A very direct statement based on mystical experience is given by St. Catherine of Genoa, quoted in Underhill (1911, p. 397): "My me is God: nor do I know my selfhood except in God.".[24] We owe our existence and being to God, it is claimed. The discovery of this claim as a fact in lived experience rather than as a belief or a logical inference, as noted, is referred to in the eastern religions as 'enlightenment' or as 'being awakened' (that is, awakened from ignorance of our true identity).

In the next section, I address what it would mean to our wellbeing if we discover this fact as our true identity and make it our constant, lived experience.

6. Spiritual Identity and Freedom from Suffering

This discovery of our true nature is claimed by mystics of all religions to be our highest good,

[24] The 4th Century Christian monk, Evagrius of Pontus, too, was quite direct: "You want to know God? First know yourself." [Sinkewicz (2003, p. 230)]

the *summum bonum*. Sages down the millennia from different spiritual traditions, who have discovered this truth and have been established in it as their constant lived experience, attest to this. This discovery, of course, requires as its quintessential condition, the shedding of our belief that the ego is our identity, our being. The ego is an illusory entity that has conceptually separated itself from the whole and therefore is exposed to all the vagaries of life that confronts an individual being that is navigating a universe it perceives as hostile. It is subject to fear, violence, disappointment, hate, greed, deprivation, poverty, etc. Since the illusory sense of a self has been fashioned by nature through evolution, dislodging it is by no means an easy task. When this identity is shed, however, what was thought to be individual is now merged in consciousness with the all. In this perception, there is only unity; there are not two or more entities because everything is seen to derive its existence from the one Absolute. When there is only the Absolute, what is there to fear or desire? "Since there is nothing other than myself, what is there to fear?" say the *Brihadaryanaka Upanishad*. This state of being, which is free from all fear and desire is deemed to be happiness itself. It is described in Christianity as the peace that surpasses understanding [*Philippians* 4:7]. This peace of God may be deemed to be the discovery, to borrow a phrase attributed to Plotinus, of the Good, the Beautiful, and the True.

In Aristotle's view (see Book X of *Nicomachean Ethics*), contemplation (*theoria*) of our eternal and divine nature is the ultimate good. This is because contemplation is an activity that is self-sufficient—it does not need to rely on any other good—and because it can be practiced continuously. In his view, the activities done in the good life are free from self-interest and are undertaken for their own sake, that is, free from egoism. As I see it, the good life of Aristotle can be attained if one is in continual contemplation of the Absolute, which by definition is complete and self-sufficient.

One of the main reasons we live rooted in the egoistic state of consciousness is that we are constantly living in a conceptual world. Most of our thoughts pertain to the past or to the future. Past and future are the domain of the ego, which receives much less play in the present. This is because, in the present, we do not need to conceptualize. We can simply be aware of the present without thinking about it. Thinking does not offer contact with reality (That-which-is); it only offers us our representation of reality, a very different thing. The only way to access reality directly is to be aware without conceptualization, and that is possible only when we are rooted in the present. Various spiritual traditions prescribe different ways of glimpsing and getting established in the Absolute. The interested reader can consult Eswaran (2019) for a readable and scientific account of these.

About two decades ago, neuroscientists discovered that there is a part of the brain's neural circuitry, called the Default Mode Network (DMN), that becomes engaged when the mind is wandering as opposed to being focused on a task. A peculiar aspect of the DMN is that it is responsible for *self-referential* thoughts. Functioning in the default mode, therefore, is strongly connected to the self-concept and the mind is programmed to lapse into this mode as the default setting whenever it is not engaged in a specific task. Killingsworth and Gilbert (2010) find that this tends to happen throughout the day, irrespective to the activity. Seasoned meditators who practice staying in the present moment through various techniques are less prone to a wandering mind at other times (see also Brewer et al (2011)). More importantly, Killingsworth and Gilbert (2010) find that a wandering mind induces unhappiness. This is understandable, given what I have said above on the intimate connection between preoccupation with self and suffering.

Psychologists Dolan et al (2021) suggested a mechanism that determines how people feel on a day to day basis, which presumably is reflected in the emotional SWB index. Their point is that this feeling is determined by the amount of attention given to various stimuli, activities, and objects during the day. This idea rediscovers, in my view, what has been known for a long time in spiritual traditions, which have urged spiritual aspirants to carefully guard their attention. Gruber and Hungerman (2008) documented a decline in church attendance after the repeal of the so-called "blue laws" which protected workers from having to work on Sundays for religious reasons. But they also found a causal increase in drinking and drug use among former church-goers. The latter finding may be understood in the light of Dolan et al's (2021) theory. The repeal of blue laws lowered the cost of putting attention on pleasures, which in turn means that an egoistic mindset gets more entrenched. The attendant increase in unhappiness by this and a wandering mind would be expected to lead to an increase in drinking and drug consumption as compensation. Even from a secular point of view, perhaps the blue laws served a purpose that benefitted society. Left to itself, the default mode network of the brain seems to busy itself with ‘getting and spending’.[25] The findings of Gruber and Hungerman (2008), I believe, can be viewed as a vindication of old-fashioned spiritual counsels—informed by the evidence of experience, not by theoretical reasoning—cautioning against the straying of attention and the exposing of oneself to what used to be called temptations, but now probably better labeled as distractions. The unbridled catering to ego comes with the considerable cost of suffering.[26]

Are we completely ignorant of the state of egolessness in our egoistic lives? There are occasions in our waking hours when we do lose our awareness of ourselves as a separate entity. These are few and far between but nevertheless all of us may have experienced them at some time or other without paying attention to them. One instance is when we are in a state of “flow” [Csikszentmihalyi (1990)]. This could happen when we are so intensely absorbed in performing an activity that we completely lose track of self; the activity seems to be done in and through us rather than done *by* us as independent entities performing it. As another example, when we see something extraordinarily beautiful, we may lose track of ourselves in a state of awe. In such moments, even if fleeting, we are free of ego. In mystical traditions, when one’s adoration of God (say as represented by an image of Jesus or Krishna) becomes very intense—a state called Agape in Christianity—all notion of self is lost. [27] In a state of utter astonishment, the wandering-mind comes to rest and our experience of the moment becomes ego-free. These occasions where we lose track of self may offer a glimpse of the egoless state but, of course, they are a far cry from the state of being established in the consciousness where ego has been purged.

People who are established in the Absolute are free from prolonged sorrow. For it is the ego that suffers, and since these people are largely purged of the illusion of self there is “no one” to suffer. This is not to say that the rare people established in this truth never encounter sorrow or pain. Everything that happens to the bulk of humanity happens to them, too. They get sick, they get cancer and die of it, they can be cheated, or beaten, killed, etc. But behind all this, there is the constant experience of being one with the Absolute. Therefore, these untoward events that might

[25] "The world is too much with us; late and soon, / Getting and spending, we lay waste our powers." (William Wordsworth)

[26] The appropriate concept of cost here is not the usual opportunity cost in terms of money invoked in economics. Rather, it would be the broader notion of Henry David Thoreau (1854/1946) in *Walden*: “[T]he cost of a thing is the amount of what I will call life which is required to be exchanged for it, immediately or in the long run.”

[27] In Sikhism the expression ‘Wahe Guru!’ is meant to exclaim this wonder. The word Guru is a reference to the founder of Sikhism, Guru Nanak. The root word ‘Wah’ is an exclamation of astonishment, sheer wonder.

devastate others leave them relatively unscathed. Prolonged psychological suffering for them is no longer possible. Buddha declared this state of being, which is called Nirvana, to be the end of suffering. In my reckoning, this is what in the Bible is called heaven or salvation. Analogous terms exist in all the spiritual traditions. It is important to note the point that this is not the description of a state in some imagined after-life, as is commonly believed in western cultures. This is the description of the state of consciousness of these sages *here and now*. The alternative to a life of suffering is available in this very life and so is not a hypothetical future state of being. This life, I claim, would be the epitome of Aristotle's good life, wellbeing.

Does practiced religion lead to greater happiness or reduced suffering? There is some evidence to suggest that people who are religious tend to exhibit higher levels of subjective wellbeing in happiness studies [Layard et al (2012)]. Faith in God tends to center the ego somewhat and it feels more secure in life because it believes it has a powerfully ally in times of trouble. Faith may also relieve some anxiety about the after-life that people in the Judeo-Christian, Hindu, and Islamic religious traditions often subscribe to. But this sort of faith is self-centered in nature. Because it gives comfort to the ego, it is most certainly not going to lead to the death of ego and to the "peace that surpasses understanding". Yet, it can nevertheless lead to less suffering as the evidence from happiness studies shows. Economic analyses of religious behavior of this nature, however, must be conducted with the typical egoistic utility function but with a preference for religious activities. The discipline of economics is well-equipped for analyses of this kind, as the existing literature in the economics of religion shows.

Since practiced religion the world over is largely the manifestation of egoism in the domain of religion, as noted, economics is relevant to a vast range of religious activities, ranging from the time allocation to religious practice to the resource allocation for religious wars. To be sure, some religious practices are more conducive to happiness, individually and collectively, than others. But in any event, the associated level of happiness it brings about seems a far cry from the wellbeing that obtains from the lived experience of an absent ego, which is the ultimate goal espoused by the core of all the major religions/spiritual traditions. This contrast between the life of ego and the egoless life is metaphorically expressed in the Judeo-Christian tradition through such statements as those alluding to our current state being one of exile from heaven and that our true life in heaven is for eternity. But that heavenly life is not something that is to be obtained in an after-life; it is to be attained in this very life.

The view presented here can be reconciled with notions of hell, heaven, salvation, etc. that, I believe, are misinterpreted in the various practiced religions. A state of consciousness that is extremely contracted and is focused entirely on the individual may be interpreted as what is called hell. This is because the suffering associated with this psychological state of being is very intense. And a state of consciousness that is so expanded that the individual is perceived as an insignificant entity in the whole may be construed to be the state of heaven because it is free from suffering. Being established in the latter state as a lived experience could be said to be salvation. This, I believe, is the state in which St. Paul could say, "I live, yet not I but Christ lives in me." [*Galatians* 2:20] This view reconciles the eastern concept of enlightenment and the Christian notion of salvation. In my view, they are both pointing to the lived experience of a life purged of ego and, thus, free from suffering.

7. Does the Practice of Economics Reduce Psychological Suffering?

Economics has been extraordinarily successful in raising standards of living across the world. A staple finding in the empirical literature on happiness is that, all else constant, people in poverty tend to have lower subjective wellbeing [World Happiness Report (2012), Stevenson and Wolfers (2008)]. The utility of using rational thought to allocate resources most efficiently so as to increase incomes is undoubtedly of great value. But that is a well-understood aspect of the SWB literature and I do not wish to dwell on it here. In this brief section, I focus on whether the use of economics has any effect on psychological suffering.

Subjective wellbeing is frequently measured by the response to a question, with the responses being put on a suitable numerical scale. One set of questions pertains to an evaluation of one's lifetime's evaluation at a point in time. A typical question may be like, "All things considered, how satisfied are you with your life as a whole these days?" Another frequently used measure, which attempts to capture the emotional state of a person at a given point in time, asks the question, "How happy are you at the moment?" with the responses, again, coded on a numerical scale. Emotional wellbeing responds positively to income but, after a point, remains flat and ceases to be correlated with psychological suffering, especially for those in the bottom 20% of this happiness index [Kahneman and Deaton (2010), Jebb et al (2018), Killingsworth et al (2023)].

Research in economics has belatedly started analyzing issues pertaining to identity and how identity may impinge on choices and outcomes [Akerlof and Kranton (2000, 2005)]. The literature is addressing important issues pertaining to identity, to be sure. Nevertheless, the concept of identity in all academic studies in economics does not consider the core feature of self that generates suffering. One may object that, even if there are a rare few individuals who succeed in shedding the assumed identity of separativeness, it is unrealistic to expect that the bulk of the people comprising any society do so. Therefore, even if the end of suffering and the Aristotelean good life is achievable for a few in life, we cannot adopt that as the relevant norm for comparison. This is a valid objection. But here I wish to ask a more relevant question. Does the practice of economics tend to decrease suffering or, at least, put bounds on the unhappiness of humans? Could it actually thwart progress towards the good life or wellbeing?

Given what we have seen above, suffering is almost synonymous with self-centeredness. Greater preoccupation with self necessarily increases suffering. The happiness effects of the practice of economics applied to objective issues outside of oneself need not be any different from those of other disciplines. However, when the practice is applied to matters pertaining to oneself, there is danger that economics can decrease psychological wellbeing—unless one engages in the practice with a great deal of awareness. Consider the simple problem of wealth management. Analysis of the potential strategies one could use requires one to reside in a conceptual world just as one would in mathematics. At this level of detachment, economics would have no effect on one's suffering. However, if one ties one's happiness to how the asset will do and become preoccupied with it, it will inevitably entail suffering because our attachment to our asset will keep the ego alive and well. If there is already this attachment, the ego is involved even if someone else is managing the asset.

As another example, potentially more damaging to happiness, consider the strategic interactions in a game-theoretic setting familiar to economists. We set up a gaming scenario, say, in noncooperative setting by maximizing our own wellbeing where our actions impinge on the wellbeing of others and vice versa. In these scenarios, the goal is typically to strategically maximize our own utility function while accounting for the fact that others are behaving similarly. In these behaviors, the focus is squarely on ourselves as opposed to others, and this repeated behavior entrenches the proclivity for self-obsession.[28]

Strategic games implemented in real life are inherently seductive traps leading to self-absorption. How different this is from the attitude of, say, the psalmist when he says, "My eyes are ever on the Lord, for only he will release my feet from the snare." [*Psalm* 25:15] This is an example of how potentially strategic situations may, in principle, be met with responses that are not egoistic in nature. This attitude dislodges belief in the ego as the presumed rightful decision-maker in the running our lives. But doing this requires great faith and the courage to live with the uncertainty of the situation; the need for certainty and the proclivity to control outcomes is one of the most ingrained features of the ego.

My point is *not* that one should behave non-strategically when one is living in a strategic environment. A capitalist firm-owner who ignores strategic considerations, for example, may be courting disaster when facing strategic competitors. My point, rather, is that our contemporary lives lived out in a market system are prone to encouraging and entrenching egoism. Egoistic living inevitably leads to more suffering in the long run because its engagements are concerned with the exclusive welfare of a small part separated and cordoned off from the whole and the existence of such an entity can never be secure.

8. The Hazards of Religion-Based Public Policy

In western democracies, the church and the state are arguably separated. However, dominant religions do affect public policies substantively [Teitel (1993), Minkenberg (2002), Grzymala-

[28] Even in cooperative gaming situations, the players may jointly maximize their wellbeing, but again wellbeing as defined by their individual, egoistic utility functions. The ultimate goal is invariably to maximize the perceived value of an egoistic utility function, whether through cooperation or noncooperative action.

Busse (2016)]. The usual intervention of religion in the realm of public policy is divisive: what some religious groups gain comes at the expense of other religious and secular groups. The same occurs in reverse when changes are made in favor of secularism. It is hard to come up with examples of public policies involving religion that results in no losers. This is because practised religion, by its very nature, tends to separate; it separates those who share a set of beliefs from those who do not, and few things entrench a sense of identity as religion. Furthermore, economics specializes in the allocation of resources that are in the nature of "commodities". The good in religion and spirituality is somewhat special and does not lend itself to the application of off-the-shelf economics and, so, policies based on such analyses can be counter-productive from the point of view of Aristotelean wellbeing. The two subsections that follow offer examples of this.

8.1 Increased Competition in the Religious Marketplace

As an example of how economists have favored public policies pertaining to religion and their effects, I take the issue of competition in the religious market. Economists have long pushed for greater competition in the religious marketplace, drawing on Adam Smith's original insight [Smith (1776, V.i.g)]. In recent decades, some economists and sociologists (called rational choice theorists) have argued that the greater competition in America is the reason why religious participation is so much more vibrant in America compared to western Europe [Finke and Stark (1992), Stark and Finke (2000), Stark and Iannaccone (1994)]. As a consequence of this view, the dismantling of impediments to competition follows as a natural policy position, especially since freedom of religion is enshrined in the Constitution of the United States.

The post-World War II generations of Americans are unmoored from their traditional family-determined religion and denominations. Religion has become a freer choice and the religious marketplace, which has become highly pluralistic, offers a rich menu of choices. Given that, the various religions and denominations have to vigorously strive to attract adherents. Marketing tools and strategies have been employed to attract attention and hold on to the customers by suitably delivering a satisfying "experience" to them just as consumer products would [Einstein (2008)]. Rational choice theorists see the ensuing increased participation in religion as unambiguously beneficial and point to the vigorous competition as the main reason why American religiosity greatly exceeds that in Europe where there is less competition in the religious marketplace.[29]

Eswaran (2011) examined the question of whether competition in religion is necessarily a good thing in terms of the true goals of religion (encouraging piety). The theoretical model allowed for competition to increase, in order to incorporate the intuition of Adam Smith (1776). It also allowed for the possibility that religious denominations may dilute the message of the religion to their adherents, in order to capture the intuition of David Hume (1762) that there can be moral hazard when priests are not only the suppliers of a service (religious instruction) but are also the ones giving information about it. The paper shows that, in equilibrium, increased competition can actually reduce the piety of the population because denominations can dilute the message of the religion and encourage more monetary donations. In fact, a monopoly religion may better serve the population than a pluralized religious market, in accord with the intuition of Berger (1976) in his classic work. A policy of free markets in religion, as espoused by some economists and sociologists, may be a misguided one. There are aspects of religion that make it vulnerable to contamination that robs it of its essence and so religion cannot be treated as a typical consumer good. Recognizing Hume's (1762) view on religion, Adam Smith (1776) in fact had caveats to his view on the role of competition in religious markets, but these caveats are forgotten by the modern-day proponents of Smith's position.

Einstein (2008) gives an insightful account of how the tools of marketing and business have been recently adopted by religious organizations. She inquires whether, as a result of the use of these tools, increased religious market competition has transformed the practice of religion and whether this has been salutary. She concludes, "[I]t is safe to say that marketing religion likely has been a contributing factor in transforming religion into 'religion lite,' and yes, religion probably is being watered down, and, no, that may not necessarily be a good thing." (p. 14)

[29] Eswaran (2021) proposes an alternative theory, supported by some empirical evidence, for the American exceptionalism in religiosity. His view is that it is largely due to ethnic diversity in America powered by immigration from all over the world. After accounting for ethnic diversity, the correlation between religious market competition and religiosity turns out to be negative, not positive.

8.2 The Effect of Neoliberal Economics on Spirituality

In recent decades, there has been an ominous development in the application of economics to policy in religious matters. Starting in the early 1980s, neoliberal economics has swept across the OECD countries and has also made inroads into some emerging economies. Neoliberalism essentially espouses resource allocation by the market system, with minimal interference from the government by way of oversight and regulations. It also pursues the ideology that the market determines the remuneration to people and it should not be tampered with in order to fund a welfare state. As a result, welfare and income transfer programs are being whittled down and the income disparities between the rich and the poor are rising [Garland (2016)]. Individualism operating through markets is seen as the appropriate goal for governments to promote, with competitive markets being the "objective" arbiters of what is just.

Western democracies, which have been becoming increasingly secular, emphasize the separation of church and state. Surprisingly, a substantial part of Christianity—which is the dominant religion in the rich countries—has been taking on a more pro-market view. Walsh (2000, Ch. 1) gives an excellent survey of how the Christian Right in the United States came to adopt views that are aligned with those espoused by neoliberal economics. In the view of the Christian Right, the Fall—the ejection of Adam and Eve from the Garden of Eden—condemned humans to a world of scarcity, forcing them to compete for resources in their fallen state. Competition, which rewards people in accordance with what they work for, it is believed, then assumes a natural place in God's earth. "Christian Social Darwinists consistently argue that only *laissez-faire* capitalism can be reconciled with a fallen human nature" [Walsh (2000, p. 13)] Walsh goes on to illustrate how the Christian Right sees Adam Smith's Invisible Hand as the hand of God, wealth as a sign of grace, and poverty as either a punishment or a test. Furthermore, in this view the poor are deemed to be responsible of their own poverty and welfare programs can encourage more poverty and, therefore, charity is immoral.

One could view this interpretation of Christianity as a complete reversal of the teachings of Christ. Whether these views justify neoliberalism or neoliberalism has enticed a large segment of

Christians into adopting them cannot be easily discerned. Very likely, the bulk of the causality goes from neoliberalism to religion [Guest (2022), Mavelly (2020)].

My view of this particular interpretation of the Christian Right is that it takes what *seems to be* as a measure of what *ought to be*. There is certainly truth in the fact that, given the innate egoism of humans (called 'original sin' in Christianity), people are mostly interested in themselves. But humans also have a modicum of compassion and love for fellow humans. In fact, these latter traits put paid to the claim that egoism is all we are. These traits, rather, are intimations of a greater truth than our egoism, namely, a truth about our shared humanity through a common consciousness. To attempt to expunge these feelings of compassion and charity towards fellow humans and, instead, to harp stridently on our egoism is to ensure that we remain permanently in this state of divisiveness.

The Biblical tale about the banishment of Adam and Eve from the Garden of Eden, in any reasonable interpretation, is a metaphoric story of how we lost our perception of oneness and fell into division and strife. It is not intended to be a prescription for how we *should* act. Rather, it is only a prelude to a teaching that urges us to strive to come out of this state of consciousness and return to one in which we can "love our neighbor as oneself" [*Leviticus* 19:18, *Mark* 12:31]. I would reckon that it would be possible to implement this lofty commandment with any measure of success only if we are established in a state of oneness—a difficult achievement, to be sure, but we are nevertheless urged to strive for that high ideal.

Viewing neoliberal economics as the best response to scarcity and jettisoning compassion and generosity is not the only route we can take, nor even the most appropriate one. By emphasizing egoism, it hardens the very thing that is responsible for suffering. It is ultimately never going to free humanity from suffering and will most likely increase it. Even if neoliberal economics manages to increase the per capita GDP of countries, setting aside the visible and disruptive distributional consequences in terms of inequality, the benefits in terms of happiness peter out since life satisfaction is linear in the logarithm of the income and so exhibits diminishing returns to income, as is acknowledged in the SWB literature. More importantly however, there is only a weak negative correlation between suffering and income; the unhappiness of the bottom 20% of people on the life satisfaction scale –presumably those who suffer the most—stops declining beyond income levels of $100K [Killingsworth et al (2023)]. For religion to espouse public policy informed by neoliberal economics is woefully misguided given that the whole purpose of religion is to point to what is beyond the material world.

Teitel (1993) pointed out that the separation of church and state entails three contradictions: private and public, sacred and secular, belief and action. But in the view presented in my paper, the distinction within each contradiction is erased. Informed by direct, lived experience, a person's private beliefs spill over into all actions, and the distinction between sacred and secular is lost because actions are inspired by the perception of unity. So, who or what can be left out? Any public policy inspired by such a view will necessarily be inclusive.

Any such public policy, however, is something that can materialize only in the distant future. I have discussed here policies based on economics that are *not* conducive to a general increase in wellbeing and a reduction in suffering. What may be possible to do in the realm of religion, I believe, cannot be done collectively as a national policy when the population at large does not aspire for enlightenment in the spiritual sense. Therefore, there is no feasible public policy that follows from the mystical side of religion, though there certainly are practices at the individual level that can be practiced to improve wellbeing. But my point here is that we should not implement economic policies that put impediments in the way of attempting the good life. In the next subsection, I give a couple of examples of how an economic orientation and the market system do precisely that.

8.3 The Corruption of Virtues by Economics

There are two general traits and practices I discuss here that contribute to improved happiness and also wellbeing. One is gratitude and the other is love. These are best cultivated outside market transactions. An unquestioned reliance on economics and the market system to improve welfare can actually thwart the flourishing of these traits and practices for the good life.

In the past three or four decades, gratitude has been increasingly seen by psychologists to be important for one's welfare. There is a considerable amount of evidence on the positive correlation between gratitude and happiness and negative correlation between gratitude and mental illnesses like depression and anxiety [see Watkins (2017) for a review]. The causality can go in either direction. There are theories proposing causality from gratitude to happiness. The basic idea is that gratitude is a positive emotion that builds other positive emotions [Fredrickson (1998, 2004)]. One theory has it that gratitude broadens the positive thoughts and emotions and so improves SWB; another is that it improves relationships with others and that, too, improves SWB. There are no causal theories linking gratitude and mental illness that I am aware of.

My explanation differs from these and explains why gratitude not only improves SWB but also is more conducive to the good life of Aristotle, which is the main focus in this paper. The ego has been conditioned by evolution to focus on those aspects in an individual's current circumstances that are perceived to be potential threats to existence. This gives rise to fear or aversion, as we have seen, and these feelings manifest as the negative emotions. In other words, the ego brings about a contraction in consciousness that veils whatever else there may be present in the environment and one's life in order to focus on these real or imagined threats. By the recognition of the abundance in one's life, however small it may seem, gratitude expands consciousness and by that effect raises SWB. By undermining self-centeredness, gratitude brings about a dilution in the sense of being a separate individual. Since it is a spontaneous emotion, by its very nature gratitude in not calculating and, therefore, is an end in itself. This is precisely the kind of emotion that, when expressed is an action, is what Aristotle deemed sufficient in itself and does not seek some further benefit. Gratitude is thus most conducive to the good life.

This phenomenon is related to the basic problem of scarcity that lies at the heart of economics and virtually defines the discipline. Since the ego perceives resources only in the context of whether it belongs to 'me' or to the 'other', the notion of scarcity is immediate. Scarcity arises in response to the grasping sense of 'mine,' and, therefore, is a perceived reality that is a consequence of ego.[30] Scholars are finding that the mind is not preoccupied with what is abundant but with what is perceived as scarce now or was scarce in the past, and this is dubbed the "scarcity mindset".[31] Darwinian natural selection essentially programs a preoccupation with scarcity in the interest of gene propagation, and the conjured-up illusion of ego is the overseer charged with alerting the body/mind to this and fixing the problems of scarcity. This, I suggest, is a scientific explanation of the metaphoric story of Eden as a place of abundance, from which one is banished because of self-will and is condemned to toil in the struggle for existence. Gratitude releases one from this mindset, even if only temporarily. More frequent feelings and expressions of gratitude will naturally facilitate a better approach to a good life.

The way gratitude is perceived in markets, however, strips it of its essence. In present day markets, businesses have now become alert to the phenomenon of gratitude among customers and firms and have geared themselves to determining strategies to use that to advance business interests.[32] Of course, to be successful, businesses will have to bring about a Pareto-improvement for them and their clients. But any improvement that corporations can offer their clientele will only be in the nature of some material benefit. Customers will soon recognize that their gratitude is being strategically manipulated and this will draw them into self-centered gaming to avert that. As with all things when the profit motive enters the picture, gratitude becomes a commodity to be used as a means to an end. While this seems like a perfectly rational business strategy, nevertheless, gratitude in the hands of capitalism becomes inimical to achieving the good life.

This brings me to a discussion of another great spiritual avenue for the good life: love. Economists have been very reluctant to invoke this four-letter word until relatively recently [Frank (1988)]. The prevailing view had been that articulated by Robertson (1956), who urged economists to "economize on love". The logic of this was that love is too precious and scarce a commodity to be used up when self-interest would deliver the goods. A similar view on virtue was seconded by others like Arrow (1972) for the same reason. Sandel (2013) gives an insightful and general critique of the view on the putative scarcity of some 'virtues' and points out that it is

[30] The anonymous author of the 14th Century German classic *Theologia Germanica* had this to say about the Fall: "It is said that it was because Adam ate the apple that he was lost, or fell. I say, it was because of his claiming something for his own, and because of his 'I', 'mine', 'me', and the like." (p. 38, rendered in modern English)
[31] Evidence on the cognitive effects of this can be found in Shah et al (2012, 2019).
[32] See, for example, Raggio et al (2014).

based on two assumptions, which he shows are not valid. First, there is the assumption that the introduction of economic thinking has no effect on non-economic behavior (such as altruism) by altering its meaning. Second, it is assumed that virtue is a scarce commodity that gets depleted when used. Nevertheless, economists have been delving into the domain of love recently, armed with economic concepts and models. The few models there are useful but, in my view, are of very limited value in enhancing wellbeing in the sense relevant to this paper.

The essential difficulty with economists' approach to love is that it begins with the standard premise of egoistic preferences. The questions that get addressed then are those pertaining to the egoistic benefits of love because of its commitment nature and its contribution to economic efficiency [Frank (1988)] and the problems that might arise with the optimal provision of love [Zelder (2009)]. These, perhaps, are useful points in the realm of the usual egoistic life, but they fall short of the mark when it comes to the pursuit of the good life. The reason is that the assumed premise of economic analysis misses the essential aspect of love that singles it out. Love, by its very nature, tends to blur the distinction between 'self' and 'other'. It offers an escape hatch, as it were, from the prison of individuality that has so assiduously been shaped by natural selection over eons. When carried to the pitch, love completely erases the boundaries of individuality. At its peak, love is a kind of death: the death of self.[33] It is only at that point that we can truly treat our neighbour as ourselves. This seems achievable only when love is offered with no ulterior motive and where actions are done as ends in themselves.[34]

What passes for love is usually accompanied by possessiveness, jealousy, calculation, demand for reciprocity, etc.—basically manifestations of egoism and not love itself, which is on a higher plane altogether. The spiritual origin of love is rooted not in any sentiment or emotion, however refined, but in the common being that is shared in the Absolute. Love is the unconscious

[33] This is presumably why in Sufism it is said, "Die before you die." Being dead to self is also said to be the truest form of worship in Hinduism, Christianity, and Sikhism. For example, "They alone worship the Lord who are dead while yet alive," says the Sikh scripture [*Guru Granth Sahib*, 598].
[34] An example of this in romantic love, which I owe somewhat to Joseph Campbell, is provided in Gottfried's *Tristan and Isolte*. Tristan is willing to be permanently separated from his beloved Isolte through death and eternal damnation as punishment, preferring the death of self in his love for Isolte. This is an example of love that is completely devoid of egoistic possessiveness An example drawn from mystical love is that of the Sufi mystic, Rabia of Basra, who prayed: "O my Lord! If I worship you out of the fear of hell, burn me in hell, and if I worship you with the hope of paradise, exclude me from it, but if I worship you for your own sake, then withhold not from me your eternal beauty." [Quoted in O'Brien (1964, pp. 102-103)]

recognition of that oneness. But it is perverted when hijacked by egoism. This is one of the manifestations of a grasping mindset that seeks to appropriate love as 'mine'.

The perception of our oneness, our common identity in the Absolute, requires the unrelenting purging of the ego, according to the world's great spiritual traditions. To perceive no difference between oneself and others, we could say, *is* love. Since the Absolute, as consciousness, *is* the all, this fact is the basis of the claim 'God is love' that is made from direct lived experience in virtually all the great spiritual traditions (barring Buddhism, which talks about compassion instead[35]).

To truly love, we have to set aside self and engage without any self-serving motive. This is possible only with the death of selfhood, as Underhill (9011) points out.[36] Love as envisaged here is most conducive to wellbeing, and striving for this ideal *is* the good life in the sense of Aristotle. In fact, it could be construed as the consummation of the good life. What can we suggest as a general ethical rule for the good life, then? To prescribe a general rule of behavior based on love may invite incredulity, cynicism, and possibly derision from economists, who have been urged to economize on its use by substituting self-interest. Nevertheless, in agreement with Underhill (1911)[37], I believe the highest wisdom on this matter was suggested with incomparable insight by St. Augustine in a cryptic remark in his seventh homily on the first Epistle of John: "Love, and do what you will."[38] It might seem like this is a license for the ego to do whatever it wishes to, without any constraints. But it is not so. As we have seen, mystical love erases the distinction between 'me' and 'other'—which is why, I think, Christ could say, based on his lived experience of oneness, "Inasmuch as you have done it to your brethren, you have done it to me." [*Matthew* 24:40] This is a principle that necessarily includes everyone on par, and is one akin to that based on Agape, which is suggested by Lillie (1967).

[35] Though, at some level, this is a semantic distinction. Would we label as compassion or love a Mahayana Buddhist's vow to refuse Nirvana as long as there is a single remaining sentient being who is mired in suffering?
[36] As Underhill (1911, p. 199) puts it: "The detachment of the mystic …is a state of joyous humility in which he cries, "Nought I am, nought I have, nought I lack." To have arrived at this is to have escaped from the tyranny of selfhood: to be initiated into the purer air of that universe which knows but one rule of action---that which was laid down once for all by St. Augustine when he said, in the most memorable and misquoted of epigrams: 'Love, and do what you like.'"
[37] Rupert Spira seems to share this view; https://www.youtube.com/watch?v=YuGsv2Epquo
[38] Augustine, St. (circa 408 CE/1888, p. 504)

The approach of economists to love is unsatisfying because it begins with, and always remains within, the ambit of the very antithesis of love, namely, self-interest. Perhaps not self-interest in its crassest form, but self-interest tempered with some compassion and love that, at some level, continues to have an eye on reciprocity. Love is viewed as instrumental, as a means to an end that reverts back to self; it is not viewed as an end in itself.

9. Concluding Thoughts

In this paper, I have sought to identify the limitations of public policy in the domain of the economics of religion in order to improve SWB. I have argued that economic policies in this realm are more likely to thwart wellbeing in Aristotle's broader conception of it as the good life than to further it. The essential problem is that SWB is the perceived welfare of the ego, the self. Identification with self as one's being is the fundamental source of disharmony and suffering in our lives, according to the major spiritual traditions. The sense of self is an illusion conjured up by the brain for evolutionary reasons, and belief in it is the root cause of suffering. Put differently, the enormous cost of assuming an erroneous identity is suffering. So, maximization of SWB is not the right objective to pursue. Importantly, it tends to leave unaddressed the endemic problem of suffering that plagues human life.

To see the inimical role of self in improving wellbeing, we may observe why it generates what has been called Easterlin's paradox. Easterlin (1974) found that higher income in a country improves SWB but over time the SWB does not increase.[39] He identified social comparisons and adaptation as the two explanations for this. Both, I argue, are manifestations of the self. Social comparisons, not absolute income, determine our happiness because, by its very nature, the ego lives by comparisons. After all, natural selection propels an individual's genes into posterity only when its representation in the gene pool *surpasses* those of others. Wanting to do better than others is the modus operandi built into the functioning of the ego, though this can be somewhat

[39] The first part of the claim has been verified but the second part has been contested by Stevenson and Wolfers (2008)—though it does for the United States and Germany. See Layard et al (2012), Easterlin and O'Connor (2021) for a discussion of this issue. The finding does seem to hold for countries with sufficiently long data series. In any event, the effects at high income levels are trivial because of diminishing returns. It may be statistically significant, but I do not think its marginal contribution is really important beyond a point.

tempered by altruistic within-group other-regrading preferences (but offset by spiteful out-group preferences). Unhappiness is the spur used by nature to goad humans to do better. The other reason of adaptation is related: it occurs because the ego is always is looking for more. It quickly gets used to what it already has, regrets what it has lost, and strives for what it does not yet have.[40] As a result, increases in income end up making individuals no happier. In the U.S., Germany, and even China, for example, per capita GNP increased for decades at a stretch without an attendant increase in happiness [Clarke et al (2018)]. Happiness was never the goal of natural selection; increasing the representation of individual genes in posterity was.

This illustrates how the ego sabotages even the gift of economic progress and growth from increasing happiness. And this is not the only route through which it brings about a reversal. The same is true of status-seeking, which Frey and Stutzer (2016) discuss. They argue that attempts by the government to limit such activities will only divert them and they will show up in unexpected ways. In fact, Thorsten Veblen (1899) wrote extensively about status-seeking more than a century ago. This phenomenon was analyzed by Eaton and Eswaran (2003, 2009) to show how preferences that Veblen wrote about arise and how they erode the utility benefits of improvements in productivity, providing a theoretical explanation for Easterlin's paradox. Unfortunately, income is not the only factor for which social comparisons tend to wipe out the SWB benefits. It is found that even the direct happiness benefits of education largely get eroded through social comparisons, though some indirect effects remain [Clark et al (2018)].[41]

The general point I wish to make here is that it is the ego that robs us of happiness and wellbeing because it answers to a different master. One difficulty with SWB measures is that it is the *evaluations of the ego itself* that are used to assess happiness. Ironically, the thief's narrative is inadvertently being used to obtain cues on how to retrieve the loss of what is immensely valuable to us! This underlines the importance of considering our identity in a primordial sense and asking, "Whose happiness, exactly, is being maximized?"

[40] Here is John Keats's inspired rendition in *Ode to the Skylark* of his observation of this very fact: "We look before and after / and pine for what is not: / Our sincerest laughter / With some pain is fraught; / Our sweetest songs are those that tell of saddest thought."
[41] Helliwell and Putnam (2007), however, found that education increases trust and social engagement.

Fortunately, we don't have to resolve that question fully; only awareness of the issue is enough for policy. Nor do we have to wait until everyone in society has crossed the threshold of Nirvana. The findings of happiness studies identify many important factors that impinge on SWB but which are less prone to being sabotaged. Mental health problems, physical health issues, unemployment, loneliness, want of opportunities, are among these and there many more (as discussed in Clark et al (2018)). Not only do these factors reduce happiness, they also thwart the flourishing of the good life. Rather than looking at the aggregate measure for SWB as a guide to policy, I believe governments ought to focus on alleviating the misery produced specific ones that are less vulnerable to being undermined by the ego.

An urgent need for government intervention is revealed by the SWB work reported in Clark et al (2017) is that for mental health. Poverty, unemployment, living alone, physical and mental health problems all contribute to people being in misery. However, the authors find that the most efficacious and cost-effective to raising them out of misery is by devoting resources to eliminating anxiety and depression, the main components of mental illness. Since mental illness has a strong association with ego developments, as I have discussed, this empirical finding may be viewed as circumstantial evidence for my argument that our identity, our view of ourselves, requires more attention in wellbeing studies than it has received hitherto. This requires serious government intervention, and even more so in poorer countries, because good government tends to deliver better health care [Helliwell and Huang (2008)].

Economics contributes in important ways to an understanding of the effects of practiced religion in historical and current contexts. However, I would like to end this essay with an observation on how invoking economics in religion for policy can be misguided and can adversely impinge on wellbeing. A very disturbing trend in the past few decades has been that significant fractions of the religious people the world over have been recruiting economic concepts in interpreting some of the deeply mystical insights of their religions to align them with various ideologies (capitalism, neoliberal economics, nationalism, etc.). The realm of economics is most decidedly the material; the domain of experientially-verified religious truths is most definitely the non-material—spirituality is the stuff of consciousness. Insinuating the former into the latter corrupts some of the most elevated truths known to humanity, and reduces the sublime to the bathos.

These distorted religious ideas inform our morality to a considerable extent. Our morality in turn affects our political views and voting behavior in democracies.[42] Ultimately, religious views inevitably inform public policy when the values are widely shared. The cost to society of the misuse of economics in religion by glossing over the unique nature of the spiritual truths being communicated, therefore, is considerable. When expressed in terms of suffering and foregone opportunities for the good life, it is incalculable.

[42] See Enke (2020) for the mechanism on how morality translates into political voting behavior.

References

Akerlof, G.A. and R.E. Kranton (2000), "Economics and Identity," *Quarterly Journal of Economics*, 105(3), pp. 715-753.

Akerlof, G.A. and R.E. Kranton (2005), "Identity and the Economics of Organizations," *Journal of Economic Perspectives*, 19(1), pp. 9-32.

Aristotle (circa 330 BCE/1999), *Nicomachean Ethics*, trans. W.D. Ross, Batoche Books, Kitchener, Ont., Canada.

Arrow, K.J. (1972), "Gifts and Exchanges," *Philosophy & Public Affairs*, 1(4), pp. 343-362.

Augustine, St. (circa 408 CE/1888), *Homilies on the Gospel of John; Homilies on the First Epistle of John, Soliloquies*, (ed.) P. Schaff, Christian Literature Company, New York, USA.

Baggini, J. (2012), *The Ego Trick: In Search of the Self*, Granta Books, London, UK.

Bentham, J. (1789), *An Introduction to the Principles of Morals and Legislation*, Clarendon Press, Oxford, U.K.

Berger, P. (1967), *The Sacred Canopy: Elements of a Sociological Theory of Religion*, Doubleday, Garden City, N.J., USA.

Braghieri, L. et al (2022), "Social Media and Mental Health," *American Economic Review*, 112(11), pp. 3660-3693.

Brewer, J.A. (2011), "Meditation experience is associated with differences in default mode network activity and connectivity," *Proceedings of the National Academy of Sciences*, 108(50), pp. 20254-20259.

Chalmers, D.J. (1995), "Facing Up to the Problem of Consciousness," *Journal of Consciousness Studies*, 2(3), pp. 200-219.

Clark, A.E. et al (2017), "The Key Determinants of Happiness and Misery," Ch. 5 in *World Happiness Report 2017*, (eds.) Helliwell, J.F. et al, Sustainable Development Solutions Network, New York:, USA.

Clark, A.E. et al (2018), *The Origins of Happiness: The Science of Well-Being over the Life Course*, Princeton University Press, Princeton, N.J., USA.

Csikszentmihalyi, M. (1990), *Flow: The Psychology of Optimal Experience*, Harper & Row, New York, USA.

Dawkins, R. (2006), *The God Delusion*, Transworld Publishers, London, UK.

Descartes, R. (1637/1995), *A Discourse on Method*, trans. by J. Veitch, Project Gutenberg.

Diener, E. et al (2009), *Well-Being for Public Policy*, Oxford University Press, New York, USA.

Dolan, P. et al (2021), "The Welleye: A Conceptual Framework for Understanding and Promoting Wellbeing," *Frontiers in Psychology*, 12, Article 716572.

Easterlin, R. A. (1974), "Does Economic Growth Improve the Human Lot? Some Empirical Evidence," in *Nations and Households in Economic Growth*, (eds.) P. David and W. Melvin, pp. 89-125, Stanford University Press, Palo Alto, CA, USA.

Easterlin, R.A. and K.J. O'Connor (2021), The Easterlin Paradox, in *Handbook of Labor, Human Resources, and Population Economics*, (ed.) K.F. Zimmermann, Springer, Cham. https://doi.org/10.1007/978-3-319-57365-6_184-1

Eaton, B.C. and M. Eswaran (2003), "The evolution of preferences and competition: a rationalization of Veblen's theory of invidious comparisons," *Canadian Journal of Economics*, 36(4), pp. 832-859.

Eaton, B.C. and M. Eswaran (2009), "Well-Being and Affluence in the Presence of a Veblen Good," *Economic Journal*, 119, pp. 1088-1104.

Einstein, M. (2008), *Brands of Faith: Marketing Religion in a Commercial Age*, Routledge, New York.

Enke, B. (2020). "Moral Values and Voting," *Journal of Political Economy*, 128(10), pp. 3679-3729.

Eswaran, M. (2011), "Competition and Performance in the Marketplace for Religion: A Theoretical Perspective," *The B.E. Journal of Economic Analysis & Policy*, 11(1), (Contributions), Article 14. (35 pages)

Eswaran, M. (2019), *What is Truth? An Investigation into Christ's Unspoken Answer*, Amazon.com Digital Publication.

Eswaran, M. (2021), "Ethnic Identity in American History and America's Exceptional Religiosity: Theory and Some Evidence," *Journal of Economics, Management and Religion*, 2 (1).

Fehr, E. et al (2022), "Other-Regarding Preferences and Redistributive Politics," IZA Discussion Paper No. 15088.

Finke, R. and R. Stark (1992), *The Churching of America, 1776-1990*, Rutgers University Press, New Brunswick, NJ., USA.

Flèche, S. and R. Layard (2017), "Do More of Those in Misery Suffer from Poverty, Unemployment or Mental Illness?" *Kyklos*, 70(1), pp. 27-41.

Frank. R. (1988), *Passions within Reason: The Strategic Role of Emotions*, Norton, New York, USA.

Fredrickson, B.L. (1998), "What Good Are Positive Emotions?" *Review of General Psychology*, 2(3), pp. 300-319.

Fredrickson, B.L. (2004), "Gratitude, Like Other Positive Emotions, Broadens and Builds," in *The Psychology of Gratitude*, (eds.) Emmons, R. A. and M.E. McCullough, Oxford University Press, New York, USA.

Frey, B.S. and A. Stutzer (2016), "Policy Consequences of Happiness Research," *Policies for Happiness*, (ed.) S. Bartolini et al, Oxford University Press, New York, USA.

Frijters, P. and C. Krekel (2021), *A Handbook for Wellbeing Policy-Making History, Theory, Measurement, Implementation, and Examples*, Oxford University Press, Oxford, UK.

Garfield, J. et al (1998), "Episodic Memory and Oneness," in *The Oneness Hypothesis: Beyond the Boundary of Self*, (eds.) P.J. Ivanhoe et al, Columbia University Press, New York, USA.

Garland, D. (2016), *The Welfare State: A Very Short Introduction*, Oxford University Press, New York, USA.

Gazzaniga, N.S. (1998), *The Mind's Past*, University of California Press, Berkeley, USA.

Gruber, J. and D.H. Hungerman (2008), "The Church Versus the Mall: What Happens When Religion Faces Increased Secular Competition?" *Quarterly Journal of Economics*, 123, pp. 831-862.

Grzymala-Busse, A. (2016), "Weapons of the Meek: How Churches Influence Public Policy," *World Politics*, 68(1), pp. 1-36.

Guest, M. (2022), *Neoliberal Religion: Faith and Power in the Twenty-First Century*, Bloomsbury Academic, London.

Haidt, J. (2006), *The Happiness Hypothesis: Finding Modern Truth in Ancient Wisdom*, Basic Books, New York, USA.

Helliwell, J.F. and C.P. Barrington-Leigh (2010), "Viewpoint: Measuring and understanding subjective well-being," *Canadian Journal of Economics*,43(3), pp. 729-753.

Helliwell, J.F. and H. Huang (2008), "How's Your Government? International Evidence Linking Good Government and Well-Being," *British Journal of Political Science*, 38(4), pp. 595-619.

Helliwell, J.F. and R.D. Putnam (2007), "Education and Social Capital," *Eastern Economic Journal*, 33(1), pp. 1-19.

Hitchens, C. (2007), *god is Not Great*, Atlantic Books, London, UK.

Hume, D. (1739), *A Treatise on Human Nature*, (ed.) L.A. Selby-Bigge, Clarendon Press, Oxford, U.K., 1896.

Hume, D. (1762), *The History of England from the Invasion of Julius Caesar to the Revolution in 1688*, Jones & Co., London, 1828.

Huxley, A. (1945), *The Perennial Philosophy*, Harper & Brothers, New York, USA.

Jebb, A.T. et al (2018), "Happiness, income satiation and turning points around the world," *Nature Human Behaviour*, 2, pp. 33-38.

Kahneman, D. and A, Deaton (2010), "High income improves evaluation of life but not emotional well-being," *Proceedings of the National Academy of Sciences*, 107(38), pp. 16489-16493.

Killingsworth, M.A. (2021), "Experienced well-being rises with income, even above $75,000 per year," *Proceedings of the National Academy of Sciences*, 118(4), https://doi.org/10.1073/pnas.2016976118.

Killingsworth, M.A. and D.T. Gilbert (2010), "A Wandering Mind Is an Unhappy Mind," *Science* 330 (6006), p. 932, doi: 10.1126/science.1192439

Killingsworth, M.A. et al (2023), "Income and emotional well-being: A conflict resolved," *Proceedings of the National Academy of Sciences*, 120(10), https://doi.org/10.1073/pnas.2208661120.

Kuhn, T.S. (1962), *The Structure of Scientific Revolutions*, University of Chicago Press, Chicago, USA.

Layard, R. (2005), *Happiness: Lessons from a New Science*, Allen Lane, London, UK.

Layard, R. et al (2012), "The Causes of Happiness and Misery," Ch. 3 in *World Happiness Report* (2012), (eds.) J.F. Helliwell et al, The Earth Institute, Columbia University, New York, USA.

Letheby, C. and P. Gerrans (2017), "Self unbound: ego dissolution in psychedelic experience," *Neuroscience of Consciousness*, pp. 1-11.

Lillie, W. (1967), "Is There a Tenable Religious Theory of Ethics?" *Religious Studies*, 3(1), pp. 313-321.

Mavelly, L. (2020), "Neoliberalism as Religion: Sacralization of the Market and Post-truth Politics," *International Political Sociology*, 14(1), pp. 57-76.

McAdams, D.P. (1998), "Ego, Trait, Identity," *Personality Development: Theoretical, Empirical, and Clinical Investigations of Lovinger's Conception of Ego Development*, (eds.) P.M. Westenberg et al, Lawrence Erlbaum Associates, London, UK.

Minkenberg, M. (2002), "Religion and Public Policy: Institutional, Cultural, and Political Impact on the Shaping of Abortion Policies in Western Democracies," *Comparative Political Studies*, 35(2), pp. 221-247.

Noam, G. (1998), "Solving the Ego Development-Mental Health Riddle," *Personality Development: Theoretical, Empirical,and Clinical Investigations of Lovinger's Conception of Ego Development*, (eds.) P.M. Westenberg et al, Lawrence Erlbaum Associates, London, UK.

Noam, G. et al (2015), "Social Cognition, Psychological Symptoms, and Mental Health: The Model, Evidence, and Contribution of Ego Development," in *Developmental Psychopathology: Volume One: Theory and Method*, (eds.) D. Cicchetti and D.J. Cohen, John Wiley & Sons, https://doi.org/10.1002/9780470939383.ch19

O'Brien, E. (1964), *Varieties of Mystic Experience: An Anthology and Interpretation*, Holt, Rinehart and Winston, New York, USA.

Panesar, D.S. (2017), "Consciousness (Sikhism)," in *Sikhism*, Springer Netherlands, pp. 89-92, doi: 10.1007/978-94-024-0846-1_497

Plotinus (circa 260 CE), *The Six Enneads*, trans. by S. MacKenna and B.S. Page, available online at: http://classics.mit.edu/Plotinus/enneads.mb.txt

Raggio, R.D. et al (2014), "Gratitude in relationship marketing: Theoretical development and directions for future research," *European Journal of Marketing*, 48(1/2), pp. 2-24.

Robertson, D. H. (1956), "What Does the Economist Economize?" reprinted in D. H. Robertson, *Economic Commentaries*, Staples Press, London, pp. 147-54.

Sandel, M.J. (2013), "Market Reasoning as Moral Reasoning: Why Economists Should Re-engage with Political Philosophy," *The Journal of Economic Perspectives*, 27(4), Fall, pp. 121-140.

Shah, A. K. et al (2012), "Some consequences of having too little," *Science*, 338, pp. 682-685.

Shah, A.K. et al (2019), "An exercise in self-replication: Replicating Shah, Mullainathan, and Shafir (2012)," *Journal of Economic Psychology*, 75, 102127.

Sinkewicz, R.E. (2003), *Evagrius of Pontus: The Greek Ascetic Corpus*, Oxford University Press, New York, 2003

Smith, A. (1776), *An Inquiry into the Nature and Causes of the Wealth of Nations*, Liberty Classics, Indianapolis, 1981.

Spira, R. (2008), *The Transparency of Things: Contemplating the Nature of Experience*, Non Dual Press, Salisbury, UK.

Stark, R. and R. Finke (2000), *Acts of Faith: Explaining the Human Side of Religion*, University of California Press, Berkeley, USA.

Stark, R. and L. R. Iannaccone (1994), "A Supply-side Interpretation of the `Secularization' of Europe," *Journal for the Scientific Study of Religion*, 33, pp. 230- 52.

Stevenson, B. and J. Wolfers (2008), "Economic Growth and Subjective Well-Being: Reassessing the Easterlin Paradox," *Brookings Papers on Economic Activity*, pp. 1-87.

Sugden, R. and J. C.-Y. Teng (2016), "Is Happiness a Matter for Governments? A Millian Perspective on Richard Layard's 'New Science'," *Policies for Happiness*, (ed.) S. Bartolini et al, Oxford University Press, New York, USA.

Teitel, R. (1993), "Critique of Religion as Politics in the Public Sphere," *Cornell Law Review*, 78, pp. 747-821.

Theologia Germanica (circa 14th Century), trans. by S. Winkworth, Stuart & Watkins, London, 1966.

Thoreau, H.D. (1854/1946), *Walden, Or Life in the Woods*, Ch. 1, Dodd, Mead & company, New York, USA.

Underhill, E. (1911), *Mysticism: A Study in Nature and Development of Spiritual Consciousness*, Dutton, New York, USA.

Valentino, B.A. (2004), *Final Solutions: Mass Killings and Genocides in the 20th Century*, Cornell University Press, Ithaca, NY, USA.

Veblen, T. (1899), *The Theory of the Leisure Class: An Economic Study of Institutions*, Macmillan, New York, USA.

Walsh, A.D. (2000), *Religion, Economics, and Public Policy: Ironies, Tragedies, and Absurdities of the Contemporary Cultural Wars*, Praeger, London.

Watkins, P.C. (2004), "Gratitude and Subjective Well-Being," in *The Psychology of Gratitude*, (eds.) Emmons, R. A. and M.E. McCullough, Oxford University Press, New York, USA.

World Happiness Report (2023), (eds.) J.F. Helliwell et al, Sustainable Development Solutions Network.

WHO (2021), *World Health Organization*, Mental Health, https://www.who.int/health-topics/mental-health#tab=tab_3

Zelder, M. (2009) "The essential economics of love," *Teoria*, 29 (2), pp. 133-150.