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BUDDHISM IN THE BLOCKCHAIN AGE: AN ETHICAL ANALYSIS OF CRYPTOCURRENCY

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ABSTRACT

Like all religious traditions, Buddhism must continually respond to emerging technologies while remaining grounded in its ethical and philosophical foundations. One such technology is cryptocurrency—a decentralized, blockchain-based financial innovation that has reshaped economic life by reducing reliance on traditional banking systems, enhancing user privacy, and offering a hedge against inflation and state-based monetary control. Its adoption has grown rapidly, including among Buddhist communities, where it is used in a variety of ways: as a medium of exchange, as an investment vehicle, and as a means of generating income through mining. For many practitioners, cryptocurrency represents a new and complex challenge in aligning financial management with Buddhist ethical values. For example, critics point to its environmental footprint, its association with illicit trade and financial crime, and its speculative nature, which some argue parallels gambling—an activity explicitly discouraged in Buddhist precepts. This article examines the ethics of cryptocurrency from multiple Buddhist perspectives, drawing on canonical sources such as the Pāli Nikāyas, monastic codes (Vinaya), and recent interpretations by contemporary Buddhist teachers and scholars. It also engages with relevant secular critiques to contextualize Buddhist concerns. The article concludes by proposing a normative framework to assist both lay practitioners and members of the monastic sangha in evaluating the ethical permissibility of engaging with cryptocurrency, guided by key principles such as non-harming, right livelihood, and mindful consumption.

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INTRODUCTION

In the aftermath of the 2008 financial crisis, a figure using the name (or pseudonym) “Satoshi Nakamoto” introduced Bitcoin—a radically new form of money. Unlike traditional currencies, Bitcoin is not backed by precious metals like gold, nor is it regulated by fiat through central banks such as the Federal Reserve or the Bank of England. Its value is determined solely by what users believe it is worth.¹ Moreover, while conventional payments are processed through intermediaries like Visa or PayPal, Bitcoin functions as a peer-to-peer (P2P) payment system, operating more like digital cash.² If Bitcoin has no central authority, no bank to safeguard funds, and no intermediary to guarantee transactions, what ensures its reliability? The answer lies in blockchain technology—a decentralized, public digital ledger that records all transactions in cryptographically secured blocks. Because any changes must be approved by the entire network of users, fraud risks such as double-spending or unauthorized creation of currency are significantly reduced.³

Since Bitcoin’s inception, thousands of similar digital currencies—collectively known as cryptocurrencies—have emerged. As of 2025, there are over 17,000 cryptocurrencies with a combined market value of \$1.32 trillion.⁴ People engage with Bitcoin in various ways. The most common is investment: exchanging fiat currency for cryptocurrency in the hope that its value will rise. When first introduced, Bitcoin traded for around \$0.10. Today, one Bitcoin is valued at over \$100,000, making it one of the fastest-growing assets of the past decade.⁵ A second use is as a means of payment. Companies like Adidas, H&M, Domino’s Pizza, Norwegian Air, and Spotify accept Bitcoin for goods and services.⁶ The appeal lies in lower transaction costs, as most cryptocurrencies bypass traditional banking fees. While crypto transactions currently represent a small fraction of global payments, they are projected to grow, reaching \$38 billion in volume by 2030.⁷ A third, more technical form of engagement is Bitcoin mining—the process through which new Bitcoins are created. Miners use high-powered computers to verify transactions and maintain the blockchain’s integrity. Arslanian⁸ likens miners to auditors verifying financial records. For their efforts, miners receive newly minted Bitcoin, allocated randomly among those who solve a block.

¹ Satoshi Nakamoto, “Bitcoin: A Peer-to-Peer Electronic Cash System,” Accessed May 24, 2025, <https://bitcoin.org/bitcoin.pdf>.

² Andrew M. Bailey, Bradley Rettler, and Craig Warmke, *Resistance Money: A Philosophical Case for Bitcoin* (New York: Routledge, 2024).

³ Henri Arslanian, *The Book of Crypto: The Complete Guide to Understanding Bitcoin, Cryptocurrencies and Digital Assets* (Cham: Palgrave Macmillan, 2022).

⁴ Fabilo Duarte, “How Many Cryptocurrencies are there in 2025?” *Exploding Topics*, Accessed May 24, 2025, <https://explodingtopics.com/blog/number-of-cryptocurrencies>.

⁵ Valor Smart, “Bitcoin vs Traditional Assets,” *Smart Valor*, Accessed May 24, 2025, <https://smartvalor.com/sv/news/bitcoin-traditional-assets>.

⁶ Santiago Bedoya Pardo, “Study uncovers which industries accept cryptocurrency as payment option. International Accounting Bulletin,” *International Accounting Bulletin*, Accessed 24-05-2025, <https://www.internationalaccountingbulletin.com/news/study-uncovers-which-industries-accept-cryptocurrency-as-payment-option/?cf-view>

⁷ Worldpay, “10 Years of Cash, Cards and Crypto: Worldpay’s Global Payments Report Tracks a Decade of Transformation,” *Worldpay*, Accessed May 24, 2025, <https://corporate.worldpay.com/news-releases/news-release-details/10-years-cash-cards-and-crypto-worldpays-global-payments-report>.

⁸ Henri Arslanian, *The Book of Crypto: The Complete Guide to Understanding Bitcoin, Cryptocurrencies and Digital Assets* (Cham: Palgrave Macmillan, 2022), 55.

Cryptocurrency is no longer the domain of technologists and investors alone; religious communities are increasingly involved as well.⁹ Within Buddhism, cryptocurrency donations are now accepted as a form of *dāna* (generosity). The Dagom Geden Kunkyob Ling Monastery, part of the Gelug school of Tibetan Buddhism, accepts Bitcoin donations, citing tax advantages for donors.¹⁰ Other Buddhist organizations accepting cryptocurrency include the Buddhist Digital Resource Center,¹¹ Nalanda Bodhi International,¹² Thubten Norbu Ling Buddhist Center,¹³ and the Dhamma Sukha Meditation Center.¹⁴ However, not all groups are supportive. The English Sangha Trust, which oversees Thai Forest Tradition monasteries in the UK, refuses crypto donations due to “environmental and other ethical concerns” after consulting the monastic community.¹⁵

Beyond donations, Buddhists across the world are engaging with cryptocurrency through investment and mining. The government of Bhutan—guided by Buddhist values and its “gross national happiness” policy—has embraced Bitcoin mining. By using surplus hydropower during summer months, Bhutan can mine cryptocurrency with renewable energy.¹⁶ Still, not all Buddhist-majority nations agree. Nepal has banned cryptocurrency outright, while Thailand and Cambodia allow crypto purchases but do not recognize it as legal tender.¹⁷

An online Buddhist community that goes by the name of the “Lotos Network” have even proposed an alternative cryptocurrency to Bitcoin which they argue is rooted in Buddhist ethics. They envision a blockchain-based system using “Karma Tokens” to support a global Buddhist economy.¹⁸ Their whitepaper¹⁹ proposes that Karma Tokens could be used for teacher payments, monastery donations, or as rewards for meditation and study among other things. Proponents argue that the token’s transparency could prevent

⁹ Robert Stevens, “Christ Coin, Shekel Coin, HalalChain: Why blockchain is embracing religion,” *Decrypt*, 2019, Accessed May 24, 2025, <https://decrypt.co/5133/religion-christ-coin-shekel-coin-halal-chain-blockchain-crypto-startups>.

¹⁰ Dagom Geden Kunkyob Ling Monastery, “WAYS TO GIVE,” *Dagom Geden Kunkyob Ling A Buddhist Monastery*, Accessed May 24, 2025, <https://dgklbuddhistmonastery.org/ways-to-give1>.

¹¹ Buddhist Digital Resource Center (BDRC), “Donate Cryptocurrency to the Buddhist Digital Resource Center,” *Buddhist Digital Resource Center*, Accessed May 24, 2025, <https://www.bdrc.io/donate-cryptocurrency-to-the-bdrc/?cookie-state-change=1746523613030>.

¹² Nalanda Bodhi International, “Donate,” *Nalanda Bodhi International*, Accessed May 24, 2025, <https://nalandabodhi.org/donate/>.

¹³ TNLSF, “Giving,” *Thubten Norbu Ling Buddhist Center*, Accessed May 24, 2025, <https://tnlsf.org/giving/>.

¹⁴ Dhamma Sukha, “Recurring & Other Ways to Donate,” *Dhamma Sukha Meditation Center*, Accessed May 24, 2025, <https://www.dhammasukha.org/support-us>.

¹⁵ Amaravati Buddhist Monastery, “Donations,” *AMARAVATI*, Accessed May 24, 2025, <https://amaravati.org/support/donations/#will-or-bequest-f7848496-1281-4f10-b6c7-5fdea5f136bd>.

¹⁶ Sarah Shamim, “Can Bitcoin Save Bhutan’s Struggling Economy?” *Al Jazeera*, Accessed May 24, 2025, <https://www.aljazeera.com/economy/2025/4/14/bitcoin-king-why-is-bhutan-betting-on-crypto>.

¹⁷ Library of Congress, “Regulation of Cryptocurrency Around the World” (Washington, DC: Library of Congress, 2021), Accessed May 24, 2025, <https://www.loc.gov/item/2021687419/>.

¹⁸ Hannah Gould and Holly Walters, “Bad Buddhists, Good Robots: Techno-Salvationist Designs for Nirvana,” *Journal of Global Buddhism* 21 (2020): 277–94.

¹⁹ Lotos Network, “Lotos Network Decentralized Religion: A Complete Buddhist Ecosystem on the Ethereum Blockchain” (Google Docs, 2017), accessed May 24, 2025, <https://docs.google.com/document/d/1srn1n2cC9t8ualpKjC-a0ptkbhga7oxqqnr1LpKRQ8/edit?tab=t.0>.

corruption and misuse of funds.²⁰ However, cryptocurrency is not without risk. In recent years, scams targeting Buddhist communities have emerged. One of the largest of its kind involved the fugitive Zhimin Qian, who purportedly defrauded over 128,000 people of £5 billion, claiming she would “reincarnate as a bodhisattva” and build Europe’s largest Buddhist temple.²¹ In 2017, a suspected pyramid scheme in Uttaradit, Thailand, targeted temple-goers with fake Bitcoin investment offers.²²

These examples illustrate both the growing use of cryptocurrency within Buddhist communities and the serious ethical questions it raises. Despite its increasing relevance, there has been little scholarly analysis of cryptocurrency from a Buddhist ethical perspective. This paper aims to address that gap by proposing a Buddhist ethical framework for evaluating the use of cryptocurrency. Drawing on primary sources such as the sutras and relevant commentaries, this study adopts a global Buddhist approach, not limited to any one tradition or geography.

The remainder of the paper is structured as follows: Section 2 offers an overview of “Buddhist Economics” and situates this study within existing literature, distinguishing between descriptive and normative approaches. Section 3 explores contemporary Buddhist engagement with cryptocurrency and the reasons given for its use. Section 4 examines ethical critiques of cryptocurrency from secular sources and evaluates them in light of Buddhist ethics. Finally, Section 5 proposes a framework for ethical engagement with cryptocurrency at three main levels: payment, investment, and mining.

BUDDHIST ECONOMICS

The *Pāṭimokkha*—the code of monastic discipline found in the *Vinaya Piṭaka*—prohibits monks and nuns from handling money or engaging in financial transactions directly.²³ Nonetheless, the basic needs of life such as food and shelter necessitate some form of economic exchange. For monks and nuns, this often takes the form of voluntary donations from lay followers, given in return for merit, religious services, or education by the monastery or temple. Lay practitioners, by contrast, participate more directly in economic life—holding jobs, running businesses, taking and offering loans, investing, and navigating the fluctuations of broader economic systems.

The term “Buddhist Economics” refers to forms of economic thought and behaviour that align with Buddhist ethical and philosophical principles. Deriving ethical guidance on economic matters from Buddhist teachings presents challenges. The Buddha spoke relatively little on financial issues, and where explicit instructions are found—such as in the *Vinaya*—they primarily apply to monastics. In today’s world, the complexities of economic life, as well as the emergence of innovations like cryptocurrency and blockchain, present questions that traditional texts do not directly address.

²⁰ Ibid, 288.

²¹ Eri Sugiura, Emma Olcott, and Wu Ding, “Accused Crypto Laundering Mastermind Dreamt of Being a Buddhist Goddess,” *Financial Times*, Accessed May 24, 2025, <https://www.ft.com/content/60dd70f3-04f7-48fe-94ba-a34969ad75ac>.

²² King-oua Laohong, “Bitcoin scam hits temples,” *Bangkok Post*, Accessed May 24, 2025, <https://www.bangkok-post.com/thailand/general/1273151/bitcoin-scam-hits-temples>.

²³ Thanissaro Bhikkhu, *Bhikkhu Pāṭimokkha: The Bhikkhus’ Code of Discipline*, trans by Thanissaro Bhikkhu (Access to Insight BCBS Edition, 2007), Accessed May 24, 2025, <https://www.accesstoinsight.org/tipitaka/vin/sv/bhikkhu-pati.html>.

Scholars of Buddhist Economics typically adopt either *descriptive* or *normative* approaches.²⁴ Descriptive studies examine how Buddhists actually engage in economic activity, while normative works attempt to establish how they *should* engage, based on ethical teachings.

The modern conversation around Buddhist Economics arguably began with E. F. Schumacher's seminal essay *Buddhist Economics*.²⁵ Schumacher proposed that Buddhist values could inform the development of an ethical, sustainable economic system—not just for Buddhists, but for society at large. Drawing from the Noble Eightfold Path, particularly the principle of “Right Livelihood,” he argued that economics cannot be separated from spiritual practice. Regarding material wealth, Schumacher observed: “It is not wealth that stands in the way of liberation but the attachment to wealth; not the enjoyment of pleasurable things but the craving for them.”²⁶ He advocated for a Middle Way approach to economic life—one that maximizes well-being while minimizing unnecessary consumption.

In *Buddhist Economics: A Middle Way for the Market Place*,²⁷ the Thai monk and scholar P. A. Payutto expanded this vision, offering a detailed critique of Western economic theory. He argued that it neglects human spiritual needs and fails to account for ethical consequences. Payutto identified two key principles for Buddhist economic engagement. The first, aligned with Schumacher, is moderation in consumption (*bhojane mattaññutā*). This involves mindfulness in the act of consumption and a recognition that the purpose of material goods is to support health and happiness—not indulgence. This principle, he emphasized, applies not only to monastics but to all Buddhists. The second principle is that economic activity—both production and consumption—must avoid causing harm, whether to oneself, others, or the environment.²⁸

Recent normative work on Buddhist Economics has focused on specific issues and traditions. David Loy²⁹ examines economic globalization through the lens of Buddhist teachings, addressing the entanglement of money, sex, and war. Laszlo Zsolnai's edited volume *Ethical Principles and Economic Transformation: A Buddhist Approach*³⁰ brings together a variety of topics, including relational economics, sustainable consumption, and leadership ethics. Sander Tideman,³¹ drawing from decades of conversations with the Dalai Lama, offers a “triple value” ethical framework rooted in Tibetan Buddhism, connecting businesses, customers, and society. Joel Magnuson³² integrates Buddhist and Western

²⁴ Emma Williams-Oerberg, “Special Focus: Buddhism and Economics,” *Journal of Global Buddhism* 20 (2019).

²⁵ E. F. Schumacher, “Buddhist Economics,” in *Small Is Beautiful: Economics as if People Mattered* (New York: Harper & Row, 1975), 56-66.

²⁶ *Ibid.*, 57.

²⁷ P. A. Payutto, *Buddhist Economics: A Middle Way for the Marketplace*, trans. Dhammavijaya (J. B.) (Bangkok: Wat Nyanavesakavan, 2016; originally published 1988).

²⁸ *Ibid.*, 33–36.

²⁹ David R. Loy, *Money, Sex, War, Karma: Notes for a Buddhist Revolution* (Somerville, MA: Wisdom Publications, 2008).

³⁰ Laszlo Zsolnai, *Ethical Principles and Economic Transformation: A Buddhist Approach* (Springer, 2011).

³¹ Sander Tideman, *Business as an Instrument for Social Change: In Conversation with the Dalai Lama* (Sheffield, UK: Greenleaf Publishing, 2016).

³² Joel Magnuson, *The Dharma and Socially Engaged Buddhist Economics* (Cham, Switzerland: Palgrave Macmillan, 2020).

(especially Pragmatist) thought to develop guidelines for socially engaged Buddhist institutions. More recently, Poramest Boonsri³³ proposed a Buddhist-inspired price model that incorporates factors such as karma and happiness into economic valuation.

Descriptive studies, on the other hand, provide empirical insight into how Buddhist communities engage with economic life. A key contribution is Gregory Schopen's *Buddhist Monks and Business Matters*,³⁴ which uses archaeological evidence and close textual analysis of the *Mūlasarvāstivāda Vinaya* to reveal how monks in ancient India participated in financial activities. He suggests it was common for monks to pay taxes,³⁵ lend money with interest, and manage properties owned by wealthy laypeople.

Other empirical studies include Phrabaidikasuphot Ketnakorn's research on 368 monks in Northeast Thailand, which explores the concept of "sufficiency economy" in monastic life.³⁶ Similarly, Pyi Phyo Kyaw³⁷ interviewed lay Buddhists in Myanmar about applying "Right Livelihood" to their work. She found that while many follow the ethical guidelines laid out in the sutras, others rely on *dāna* and meditative practices to reconcile potentially harmful aspects of their professions.

Further descriptive approaches are found in the special issue of the *Journal of Global Buddhism*,³⁸ which includes studies on merit economies, spiritual materialism, and the commodification of Buddhist objects. The volume *Monks, Money and Morality*,³⁹ edited by Christoph Brumann, Saskia Abrahms-Kavunenko, and Beata Świtek, presents case studies from diverse Buddhist traditions across regions including Japan, Thailand, Tibet, Russia, China, and Sri Lanka.

This study contributes to the normative branch of Buddhist Economics by developing an ethical framework for Buddhist engagement with cryptocurrency. Specifically, it will address three primary areas: (i) the use of cryptocurrency for purchasing goods and services, (ii) investing in cryptocurrency for profit, and (iii) cryptocurrency mining as a form of labor.

Two strategies will guide this inquiry. First, I will analyze existing Buddhist reflections on cryptocurrency to identify ethical concerns and guiding principles already in circulation. Second, I will examine secular ethical arguments—both supportive and critical of cryptocurrency—and compare them with primary Buddhist sources to determine whether similar principles can be found within Buddhist ethics.

³³ Poramest Boonsri, "The Genesis of Quantitative Buddhist Economics," *Journal of International Buddhist Studies* 14 (2023): 1–20.

³⁴ Gregory Schopen, *Buddhist Monks and Buddhist Matters* (Honolulu: University of Hawaii Press, 2004).

³⁵ Ibid, 3, 6 and 21.

³⁶ Phrabaidikasuphot Ketnakorn, "The Participatory Roles of Monks in Driving the Sufficiency Economy in the Northeastern Region," *Journal of International Buddhist Studies* 8 (2017): 62–81.

³⁷ Pyi Phyo Kyaw, "In the Midst of Imperfections: Burmese Buddhists and Business Ethics," *Journal of Buddhist Ethics* 24 (2017): 287–339.

³⁸ Emma Williams-Oerberg, "Special Focus: Buddhism and Economics," *Journal of Global Buddhism* 20 (2019).

³⁹ Christoph Brumann, Saskia Abrahms-Kavunenko, and Beata Świtek, *Monks, Money, and Morality* (London: Bloomsbury, 2020).

THREE BUDDHIST ENCOUNTERS WITH CRYPTOCURRENCY

Given that cryptocurrency became publicly available in 2008, it is perhaps surprising that so little has been written about its ethics from a Buddhist perspective. Nevertheless, this hasn't prevented Buddhists followers and practitioners from diverse traditions from engaging with cryptocurrency in various ways. While informal discussion can be found in blogs and online forums, formal academic reflection remains scarce. This section examines three notable encounters with cryptocurrency: the Lotos Network,⁴⁰ Maurits Kwee's⁴¹ proposal for a "Buddhist Bitcoin," and Ajahn Nisabho's⁴² dharma talk on the "Currency of Joy."

1. The Lotos Network

In 2017, a group of Buddhists proposed the Lotos Network, an online community centered around a shared cryptocurrency—"Karma Tokens"—hosted on the Ethereum blockchain.⁴³ Hannah Gould and Holly Walters⁴⁴ analyze this initiative within the framework of what they term "technosalvationism"—the use of technology to resolve moral and spiritual failings. According to their study, the Lotos Network was founded to address two key challenges in contemporary Buddhism: corruption and religious persecution.⁴⁵

Corruption, broadly understood as the abuse of power for personal benefit, is antithetical to Buddhist ethics. As the Basel Institute notes, corruption may originate from individuals or institutions and need not be exclusively financial.⁴⁶ Unfortunately, Buddhist institutions have not been immune, with cases involving embezzlement,⁴⁷ theft,⁴⁸ human trafficking,⁴⁹ and sexual abuse.⁵⁰ Such incidents not only violate core Buddhist precepts but also erode trust in the sangha and jeopardize the reciprocal relationship between monastics and laypeople.

⁴⁰ Lotos Network, "Lotos Network Decentralized Religion: A Complete Buddhist Ecosystem on the Ethereum Blockchain" (Google Docs, 2017), accessed May 24, 2025, <https://docs.google.com/document/d/1srn1n2cC9t8ualpKjC-a0ptkbhga7oxqqknr1LpKRQ8/edit?tab=t.0>.

⁴¹ Maurits Kwee, "What If Buddhists Lead the World?" *Buddhist Approach to Global Leadership and Shared Responsibilities for Sustainable Societies*, ed. Thich Nhat Tu and Thich Duc Thien (Hanoi: Religion Publisher, 2019), 151-75.

⁴² Ajahn Nisabho, "Buddhism, Bitcoin and the Currency of Joy," Filmed April 17, 2021, Video, 2:12-3:00, <https://www.youtube.com/watch?v=kh8VV8I3CFc>.

⁴³ Ibid.

⁴⁴ Hannah Gould and Holly Walters, "Bad Buddhists, Good Robots: Techno-Salvationist Designs for Nirvana," *Journal of Global Buddhism* 21 (2020): 277-94.

⁴⁵ Ibid, 287.

⁴⁶ Basel Institute on Governance, "What is Corruption?" *Basel Institute on Governance*, Accessed 24-05-2025, <https://baselgovernance.org/what-is-corruption>.

⁴⁷ Patcharawalai Sanyanusin, "Pitfalls on the path toward enlightenment," *Bangkok Post*, Accessed May 24, 2024, <https://www.bangkokpost.com/opinion/opinion/1487390/pitfalls-on-the-path-toward-enlightenment>.

⁴⁸ Lauren Day and Mat Henry, "In Thailand, Misbehaving Monks Are Trashing Buddhism's Reputation," *ABC News*, Accessed May 24, 2025, <https://www.abc.net.au/news/2024-08-08/thailand-misbehaving-monks-foreign-correspondent/104184056>.

⁴⁹ Koh Ewe, "Buddhist Monks Keep Getting Arrested for Corruption, Murder and Drug Trafficking," *Vice*, Accessed May 24, 2025, <https://www.vice.com/en/article/buddhist-monks-arrested-thailand/>.

⁵⁰ Jamie Doward, "Buddhist, teacher, predator: dark secrets of the Triratna guru," *The Guardian*, Accessed 24-05-2025, <https://www.theguardian.com/world/2019/jul/21/sangharakshita-guru-triratna-buddhist-dark-secrets>.

The ethical foundations are clear. The Five Precepts—observed by lay practitioners—prohibit both stealing and lying, while the Vinaya, the monastic code, contains stricter prohibitions. For instance, the *Pāṭimokkha Vinaya* forbids monks from accepting or dealing in gold, silver, or monetary exchange.⁵¹ Nonetheless, in practice, monastics often rely on lay stewards or monastery trusts to manage finances. As Thanissaro explains, “money can be made available for the use of a bhikkhu but not given to him.”⁵² These arrangements attempt to preserve ethical purity while adapting to practical realities.

The Lotos Network’s solution to corruption lies in the transparency and immutability of blockchain technology. Because blockchain ledgers are publicly accessible and distributed across many machines, it becomes exceedingly difficult to tamper with records or misappropriate donations.⁵³ Unlike conventional banking systems, where transactions can be obscured, cryptocurrency offers verifiable and traceable pathways for funds. However, as critics note, this may only reduce—not eliminate—the risk of wrongdoing. For instance, in 2025, the Dubai-based crypto exchange Bybit, built on the same Ethereum blockchain as Karma Tokens, was hacked, resulting in a \$1.5 billion theft.⁵⁴

Nigel Crawhall⁵⁵ suggests that corrupt behaviour is often driven by *triviṣa* (the three poisons) of greed, hatred, and delusion—the same afflictions the Buddha taught must be uprooted for liberation. Even with secure cryptocurrency systems in place, an individual who possesses these character traits may still misuse it for personal ends. While blockchain may make corruption more difficult, it cannot cure the deeper problem of moral failure.

The Lotos Network also claims that cryptocurrency can shield Buddhists from persecution. Religious discrimination remains a persistent issue worldwide, and Buddhist history offers sobering examples, such as the marginalization and repression of Buddhists under South Vietnam’s President Ngô Đình Diệm whose pro-Christian policies deprived Buddhists of equal land, tax benefits, and freedom of expression.⁵⁶ In such contexts, blockchain’s encrypted transactions could potentially protect donors’ identities and offer a layer of anonymity.

However, using these transactions only provided partial protections. Public Buddhist practices—chanting, meditation, temple visits, monastic robes—make anonymity difficult. Even digital privacy is limited; blockchain’s so-called “pseudonymity” can be broken with sophisticated tracking tools⁵⁷ and many

⁵¹ Thanissaro Bhikkhu, “Bhikkhu Pāṭimokkha: The Bhikkhus’ Code of Discipline,” trans, Thanissaro Bhikkhu, *Access to Insight* BCBS Edition, 2007, Accessed May 24, 2025, <https://www.accesstoinight.org/tipitaka/vin/sv/bhikkhu-pati.html>.

⁵² Ibid.

⁵³ Hannah Gould and Holly Walters, “Bad Buddhists, Good Robots: Techno-Salvationist Designs for Nirvana,” *Journal of Global Buddhism* 21 (2020): 288.

⁵⁴ Faarea Masud, “Cryptocurrency theft of £1.1bn could be biggest ever,” *BBC News*, Accessed May 24, 2025, <https://www.bbc.com/news/articles/cx2844nvwx8o>.

⁵⁵ Nigel Crawhall, “Corruption: A Buddhist perspective on causes, impacts and solutions,” *International Network of Engaged Buddhists*, Accessed May 24, 2025, <https://www.inebnetwork.org/corruption-a-buddhist-perspective-on-causes-impacts-and-solutions/>.

⁵⁶ Avro Manhattan, *Vietnam: Why Did We Go? The Religious Begins of an Unholy War* (Chino, CA: Chick Publications, 1984), 78.

⁵⁷ Claus Dierksmeier and Peter Seele, “Cryptocurrencies and Business Ethics,” *Journal of Business Ethics* 152 (2018): 1–14.

governments are now requiring crypto exchanges to share user data. Thus, while blockchain may obscure some transactions, it offers only modest protection from systemic persecution.

Finally, the Lotos Network proposes a more novel use for Karma Tokens: as a way to track and reward spiritual progress. Rather than mining coins through computing power, practitioners would “mine karma” by engaging in meditation and other Buddhist activities. These tokens could then be exchanged for practice-related goods like books or classes.⁵⁸

This incentive-based model has drawn strong criticism for clashing with core Buddhist teachings. According to the Second Noble Truth *taṇhā* (attachment) is the cause of suffering. Using financial rewards as a motivation risks reinforcing precisely the craving Buddhism seeks to transcend. Chögyam Trungpa famously warned against “spiritual materialism”—the ego’s attempt to appropriate spirituality for personal gain. “Ego is constantly attempting to acquire and apply the teachings of spirituality for its own benefit,” he writes.⁵⁹

Nonetheless, one might interpret the Lotos model more generously through the Mahāyāna concept of *upāya-kausālya*, or skillful means. In the Lotus Sūtra’s “burning house” parable, the Buddha uses enticing metaphors to lure sentient beings toward safety—knowing that these initial teachings may not be ultimate truths but are useful steps on the path.⁶⁰ From this angle, offering Karma Tokens could be seen as a provisional tool to engage lay Buddhists who are just beginning their journey. So long as practitioners are not attached to these incentives, and eventually transcend them, the approach may still align with Buddhist aims.

2. Maurits Kwee’s “Buddhist Bitcoin”

A contrasting argument for Buddhist engagement with cryptocurrency comes from Maurits Kwee,⁶¹ a Buddhist psychotherapist and founder of “Relational Buddhism” (2012). In his 2019 article, Kwee asks: *How should Buddhists govern the world?* His answer includes promoting mental health—but more surprisingly, it also includes replacing fiat currency with a decentralized alternative. He proposes the creation of a “Buddhist Bitcoin” to achieve what he calls “financial liberation,” a currency usable across borders and in remote areas.⁶²

⁵⁸ Hannah Gould and Holly Walters, “Bad Buddhists, Good Robots: Techno-Salvationist Designs for Nirvana,” *Journal of Global Buddhism* 21 (2020): 290.

⁵⁹ Chögyam Trungpa, *Cutting Through Spiritual Materialism* (Boston: Shambhala, 2002), 13.

⁶⁰ Paul Williams, *Mahāyāna Buddhism: The Doctrinal Foundations* (London: Routledge, 1989), 148.

⁶¹ Maurits Kwee, “What If Buddhists Lead the World?” *Buddhist Approach to Global Leadership and Shared Responsibilities for Sustainable Societies*, ed. Thich Nhat Tu and Thich Duc Thien (Hanoi: Religion Publisher, 2019), 151-75.

⁶² *Ibid.*, 152.

To understand this proposal, one must first examine Kwee's critique of fiat money. He argues that central banks and governments create money "from thin air" through processes like quantitative easing, thereby indebting the state and, by extension, its citizens. As of 2025, the U.S. national debt exceeds \$32 trillion—roughly \$106,000 per citizen.⁶³ Kwee views this structure as morally problematic:

"Governments issue treasury bonds and for the amount issued, banks are legally allowed to create fiat money from thin air by lending. How can governments and the innocent tax-paying citizen become liberated from this hijacked position, and how can Buddhism help to free Buddhist and other commoners from being slaves of debt?"⁶⁴

Buddhist texts support the idea that debt leads to suffering. The *Ina Sutta* states plainly: "Getting into debt is suffering in the world for one who partakes of sensuality."⁶⁵ More symbolically, debt is often used in Buddhist literature as a metaphor for *samsāra*—the cycle of rebirth driven by karma. As Alex Caring-Lobel notes, moral or spiritual debt cannot truly be repaid; it is only transcended through enlightenment.⁶⁶ Moreover, monks and nuns are typically required to settle any financial debts before ordaining.⁶⁷

While it may be argued that national debt differs from personal debt, in that most citizens are not directly responsible for repaying it, its consequences are nonetheless real. Inflation, higher interest rates, and decreased public investment affect everyone. From this perspective, a Buddhist government might indeed have ethical reasons to avoid unsustainable debt.

Kwee argues that cryptocurrency offers a solution. Bitcoin, for instance, has a fixed maximum supply of 21 million tokens, enforced through an algorithm that slows issuance over time. This inherent scarcity, combined with blockchain's transparency and decentralization, makes it far more difficult for governments to inflate the currency. Kwee's view echoes that of others, such as Dave Birnbaum, who contends:

"Unlike fiat, bitcoin's fixed supply imposes natural constraints on government spending, forcing policymakers to operate within the bounds of solvency. Reckless deficit spending, forever wars, and currency debasement would become relics of the fiat past."⁶⁸

⁶³ PGPF, "What is the National Debt Today?," *Peter G. Peterson Foundation*, Accessed May 24, 2025, https://www.pgpf.org/national-debt-clock/?gad_source=1&gad_campaignid=17473447126&gclid=EAlaIqObChMIobG-zPKpjQM-V29QWBR2oTwWnEAAYASAAEgLJ0_D_BwE.

⁶⁴ Ibid, 168.

⁶⁵ Thanissaro Bhikkhu, "Ina Sutta: Debt," trans, Thanissaro Bhikkhu (1998), *Access to Insight* (BCBS Edition), Accessed May 24, 2025, <https://www.accesstosight.org/ati/tipitaka/an/an06/an06.045.than.html#:~:text=Getting%20into%20debt%20is%20suffering%20in%20the%20world%20for%20one,this%20is%20getting%20into%20debt>.

⁶⁶ Alex Caring-Lobel, "Buddhism and Debt," *Tikkun* 30 (2015): 35–38.

⁶⁷ Wat Pah Nanachat, "Joining," *Wat Pah Nanachat*, Accessed May 24, 2025, <https://www.watpahnachat.org/joining>.

⁶⁸ David Birnbaum, "Can Bitcoin Solve the Sovereign Debt Crisis?" *Forbes*, Accessed May 24, 2025, <https://www.forbes.com/sites/davidbirnbaum/2024/11/21/can-bitcoin-solve-the-sovereign-debt-crisis/>.

However, this position is not without criticism. Ben Ritz⁶⁹ argues that the U.S. national debt dwarfs the total market capitalization of Bitcoin, which currently stands at about \$1.3 trillion. Even if the U.S. government acquired all existing Bitcoin, it would cover only a fraction of its debt. To make Bitcoin a viable state currency would require either expanding its capitalization or creating a new government-backed cryptocurrency—both highly speculative and disruptive strategies. Riz concludes that the more prudent path lies in conventional methods: reducing spending or increasing taxes.

Even from a Buddhist standpoint, this conservative approach may seem more aligned with the Middle Way—avoiding extremes and minimizing risk. While Kwee’s call for “Buddhist Bitcoin” is ambitious and visionary, it is not clear that it offers a safer or more compassionate solution to national debt than established fiscal reforms.

3. *Ajahn Nisabho and the “Currency of Joy”*

On May 3rd, 2025, Ajahn Nisabho—a monk at Clear Mountain Monastery in Seattle—delivered a dharma talk titled “*Buddhism, Bitcoin, and the Currency of Joy*.” In it, he used the rise of cryptocurrency as an entry point to explore Buddhist teachings on happiness and suffering. He began by noting a common belief among Bitcoin proponents: that unlike fiat currency, Bitcoin cannot be devalued through inflation.

“Fiat currency... is subject to the control of central banks. And when the central banks decide to print large amounts, then inflation occurs... which... depreciates the value of everyone’s currency... Something like Bitcoin... doesn’t devalue, because it can’t be printed in that way, or multiplied in the same sense.”⁷⁰

This argument echoes the reasoning offered by Maurits Kwee in support of cryptocurrency. Yet Ajahn Nisabho ultimately reaches a very different conclusion. He questions the assumption that Bitcoin is stable or immune to loss of value, pointing out that what is considered valuable is shaped by human perception—and perception, like all conditioned phenomena, is impermanent.

To illustrate this, Nisabho reflects on the nature of happiness. A certain amount of money may buy an ice cream today, and the happiness derived from that purchase becomes the measure of its “value.” But in time, our preferences change, and the same purchase no longer satisfies. Just as our desires evolve, so too do our judgments about what is valuable. From a Buddhist perspective, the idea of a stable store of value is fundamentally flawed: both happiness and economic worth are subject to *anicca*, or impermanence.

This insight can be extended. While Bitcoin’s supply may be algorithmically capped at 21 million, the system that enforces this cap—its code, network, and governance—exists within conditions that may change. There is no metaphysical guarantee that its rules will never be altered. Furthermore, cryptocurrencies rely on vast technological infrastructures and energy supplies, making them vulnerable to systemic collapse due to natural or manmade disasters. If those conditions cease to exist, Bitcoin would too. In this way, both

⁶⁹ Ben Ritz, “No, Bitcoin Won’t Solve Our National Debt,” *Forbes*, Accessed May 24, 2024, <https://www.forbes.com/sites/benritz/2024/07/31/no-bitcoin-wont-solve-our-national-debt/>.

⁷⁰ Ajahn Nisabho, “Buddhism, Bitcoin and the Currency of Joy,” Filmed April 17, 2021, Video, 2:12-3:00, <https://www.youtube.com/watch?v=kh8VV8I3CFc>.

fiat and cryptocurrencies are ultimately impermanent, contingent systems—none can be the basis for lasting security or happiness.

For Ajahn Nisabho, the real issue lies not in which currency is “better,” but in how we relate to value itself. Instead of placing our faith in unstable systems—whether dollars or digital tokens—he suggests we invest in what is truly enduring:

“Something has been cultivated in the heart that is a currency that will not depreciate, that cannot be stolen, and that remains valuable... no matter what other things happen in the world, or what Elon Musk says about Bitcoin or this or that. And that’s a currency one can hold to, and a true value.”⁷¹

This “currency of joy” refers to the inner wealth generated through mindfulness, compassion, and wisdom—qualities that, in Buddhist thought, provide real and lasting freedom from suffering. Unlike external assets, these inner qualities are not subject to market forces, social trends, or economic manipulation. Nisabho thus shifts the discussion from economics to ethics, from scarcity to sufficiency, and from accumulation to renunciation.

OTHER ETHICAL CONSIDERATIONS

1. Privacy and Anonymity in Cryptocurrency

One frequently cited advantage of cryptocurrency is its enhanced privacy and anonymity in financial transactions. Unlike credit card payments, which leave data trails accessible to banks and governments, cryptocurrency transactions—secured through advanced cryptographic techniques on the blockchain—make it significantly harder to identify individual buyers and sellers. In many societies, especially in the West, privacy is considered a fundamental personal good. One common justification for this stems from the idea of “property rights,” a tradition linked to the philosopher John Locke (1632–1704). According to Locke, because individuals own themselves, they also own the products of their labor.⁷² From this perspective, personal information is part of the self and thus should not be collected or shared without consent.

This metaphysical justification for privacy, rooted in self-ownership, does not align with Buddhist thought. The Buddha’s teaching of *anattā* (non-self) challenges the very notion of ownership of the body or self. According to this view, what we conventionally call the self is merely a temporary aggregation of five skandhas—form, feeling, perception, volition, and consciousness—all of which are impermanent and not under personal control. As the *Pañcavaggi Sutta* explains:

“Form, monks, is not self. If form were the self, then this form would not lead to affliction... But because form is not self, it leads to affliction...”⁷³

⁷¹ Ibid.

⁷² Jeremy Waldron, “Property and Ownership,” in *The Stanford Encyclopedia of Philosophy*, ed. Edward N. Zalta, Accessed May 24, 2025, <https://plato.stanford.edu/archives/sum2020/entries/property>.

⁷³ Thanissaro Bhikkhu, “Pañcavaggi Sutta: Five Brethren,” trans, Thanissaro Bhikkhu (1993), *Access to Insight* (BCBS Edition), Accessed May 24, 2025, <https://www.accesstoinsight.org/tipitaka/sn/sn22/sn22.059.than.html>.

The Buddha applies the same reasoning to the remaining skandhas. This suggests that if privacy is to be ethically meaningful for Buddhists, it must be justified on grounds other than self-ownership. One alternative is offered by Soraj Hongladarom,⁷⁴ who argues that privacy is valuable not because of metaphysical rights but for pragmatic reasons. Drawing on the *Cūḷamālukya Sutta*, he likens the Buddhist approach to the parable of the man struck by an arrow. Rather than speculating about the arrow's origin or design, the immediate concern is to remove it and tend to the wound. Similarly, the question for Buddhists is not whether privacy is an inherent good, but what benefits it brings in practical terms.

Hongladarom suggests that the value of privacy depends on context. For instance, monks and nuns require privacy for meditation, which is why monastic schedules include designated private time. While many temples are open to the public, secluded areas are maintained to allow for uninterrupted spiritual practice. Here, privacy serves a functional role in supporting mindfulness and concentration.

However, this form of privacy differs from the financial anonymity offered by cryptocurrencies. Monks and nuns, according to the *Vinaya Piṭaka*, are prohibited from handling money or engaging in commerce. Financial transactions are typically managed by lay volunteers. Given this, it is unclear what benefits transactional anonymity might offer to monastics. For lay Buddhists, greater privacy in financial dealings might still hold some pragmatic value—such as avoiding surveillance or discrimination—but it is not clear whether it further supports ethical or spiritual development.

2. Environmental Concerns

A persistent criticism of cryptocurrency—particularly blockchain-based systems like Bitcoin—is its excessive energy consumption and associated contribution to climate change. Bitcoin alone is estimated to consume around 127 terawatt-hours (TWh) of electricity per year—more than the entire annual energy use of Norway.⁷⁵ This high demand arises from the need to maintain a decentralized ledger, with thousands of computers continuously verifying and updating transactions. In contrast, traditional financial systems require far less energy, often storing transaction data on centralized servers, and physical currency uses energy only during its initial production.

From an ethical standpoint, this raises serious concerns about resource efficiency and environmental degradation, especially when the energy is sourced from fossil fuels. In addition to energy, the distributed nature of the blockchain puts pressure on the environment in terms of resources to maintain computing hardware. In this context, cryptocurrency appears to be less environmentally responsible than conventional money. While the Buddha did not directly address climate change—a phenomenon unknown in his time—his teachings offer ethical principles relevant to environmental care. In the *Nipāta Sutta*, the Buddha proclaims:

“Let him neither kill, nor cause to be killed any living being, or let him approve others killing, after having refrained from hurting all creatures, both those that are strong and those that tremble in the world.”⁷⁶

⁷⁴ Soraj Hongladarom, *A Buddhist Theory of Privacy* (Cham: Springer, 2015).

⁷⁵ John Schmidt, “Why Does Bitcoin Use So Much Energy?” *Forbes Advisor*, Accessed May 24, 2024, <https://www.forbes.com/advisor/investing/cryptocurrency/bitcoins-energy-usage-explained/>.

⁷⁶ Damien Keown, *Buddhist Ethics: A Very Short Introduction* (Oxford: Oxford University Press, 2005), 41.

This passage implies that ethical responsibility extends not only to direct harm but also to indirect harm and complicity through inaction. Given that climate change contributes to extreme weather, habitat destruction, and the death of countless living beings, knowingly supporting systems that worsen environmental harm could be seen as incompatible with Buddhist ethics.

The status of plants and trees in Buddhist cosmology is less clear—they are not listed among the six realms of rebirth, suggesting that they are not sentient in the same way animals and humans are. Nonetheless, Damien Keown notes that the Buddha is portrayed as avoiding harm not only to animals but also to seeds and plants.⁷⁷ Moreover, the doctrine of *pratītya samutpāda* (dependent origination) teaches that all things are interconnected and mutually dependent. In ecological terms, this underscores our reliance on plant life for food, shelter, and oxygen—without which human and animal life cannot be sustained.

If cryptocurrency demonstrably causes greater environmental harm than conventional forms of money, Buddhists have strong reason to question its use. However, it is important to recognize that the problem lies not in cryptocurrency per se, but in how the necessary energy is generated. If cryptocurrencies could be powered entirely by renewable energy, many of these ethical concerns would be alleviated.

In fact, there is a growing movement within the crypto space to develop energy-efficient and environmentally sustainable alternatives. Emerging cryptocurrencies like Chia, IOTA, Cardano, Nano, SolarCoin, and Bitgreen aim to reduce or eliminate carbon emissions by using less energy-intensive consensus mechanisms or relying on renewable sources.⁷⁸ If such technologies can become viable and retain the core benefits of cryptocurrency—such as decentralization, privacy, and borderless access—they may present an ethically acceptable path forward for Buddhists concerned with environmental sustainability.

3. *Crypto Speculation and Gambling*

Although cryptocurrencies like Bitcoin were initially designed as decentralized payment systems, the majority of users now engage with them primarily as speculative investments. The dramatic rise in Bitcoin's value explains this shift: when it was first traded in 2010, a single Bitcoin cost around \$0.10. At the time of writing, the price has surged to over \$100,000. The hope of similar windfalls has driven the proliferation of thousands of alternative cryptocurrencies. While strategic buying and selling can yield substantial profits, this raises important ethical questions—particularly for Buddhists—about whether such speculation is a right livelihood.

A helpful comparison might be made with investing in the stock market. Traditional investment channels, such as buying shares in a company, typically serve a productive function: they provide businesses with capital to innovate, expand, and improve services. Investors may then benefit through dividends or appreciation in share value. The *Sigalovada Sutta* offers guidance for lay Buddhists on responsible financial management, advising that a portion of income be reinvested into one's business.⁷⁹ This could be seen as supporting productive investment.

⁷⁷ Ibid,

⁷⁸ Lobos Andrew, "The Environmental Impact of Cryptocurrency," Harvard GRC, Accessed July 4, 2025, <https://insights.grcglobalgroup.com/the-environmental-impact-of-cryptocurrency/>

⁷⁹ Narada Thera, trans., "*Sigalovada Sutta: The Discourse to Sigala*," *Access to Insight*, Accessed May 24, 2025, <https://www.accesstoinight.org/tipitaka/dn/dn.31.0.nara.html>.

However, not all investments are ethically equal. Ethical investing typically avoids supporting companies involved in activities harmful to individuals or the environment, such as tobacco, alcohol, or fossil fuels. In the *Vanijja Sutta*, the Buddha identifies five forms of livelihood that are ethically unacceptable:

“Monks, a lay follower should not engage in five types of business. Which five? Business in weapons, business in human beings, business in meat, business in intoxicants, and business in poison.”⁸⁰

Although investing in a business or company that engages with these trades is not the same as working for that company, one could argue that by providing it with capital, one is assisting in facilitating its actions and therefore this could be seen as problematic from a Buddhist perspective. Inspired by Mahāyāna thought, David Bubna-Litic⁸¹ argues that Buddhists should invest with the intention and compassion of a *bodhisattva*—ensuring their actions do not cause harm and are guided by the intention to liberate all beings. In some cases, even Buddhist-oriented businesses, such as pilgrimage companies operating tours to Mount Emei in China sell shares to fund expansion⁸²—further demonstrating how investment can support religious or spiritual aims when approached mindfully.

But how does cryptocurrency fit into this ethical landscape? Michael Conklin and Ruben Ceballos argue that crypto investing is more ethically problematic than investing in stocks. Beyond environmental concerns, they contend that cryptocurrency offers minimal social utility:

“Due to its decentralized structure, Bitcoin does not directly hire workers, create jobs, or result in the creation of new products. Not only does investing a dollar in a cryptocurrency result in one less dollar that can be invested in the stock market, but by contributing to the performance of cryptocurrencies, stocks become a less attractive investment to other investors by comparison, thus further reducing the societal benefits.”⁸³

Their critique is echoed by traditional investors like Warren Buffett, who argue that cryptocurrencies lack intrinsic value and produce nothing.⁸⁴ Their price is determined solely by market sentiment—what others are willing to pay—making them highly speculative. This has led some to suggest that crypto speculation more closely resembles gambling than investing. Supporting this view are testimonies from former cryptocurrency traders who have suffered addiction-like behavior patterns similar to gambling disorders and have sought similar forms of psychological treatment.⁸⁵

⁸⁰ Thanissaro Bhikkhu, “Vanijja Sutta: Business (Wrong Livelihood),” trans, Thanissaro Bhikkhu (2001), *Access to Insight* (BCBS Edition), Accessed May 24, 2025, <https://www.accesstoinight.org/tipitaka/an/an05/an05.177.than.html>.

⁸¹ David Bubna-Litic, “Buddhism Returns to the Marketplace,” in *Contemporary Buddhist Ethics*, ed, Damien Keown (London: Routledge, 2000), 174–198.

⁸² Kin Cheung, “Merit, Karma, and Exchange: Chinese Buddhist Mountain Tourism Company Listings on the Stock Market,” *Journal of the American Academy of Religion* 89 (2021): 931–955.

⁸³ Michael Conklin and Ruben Ceballos, “The Ethics of Investing in Cryptocurrencies,” *The Florida State University Business Review* 21 (2021): 79.

⁸⁴ Sydney Lake, “Warren Buffett’s Berkshire Hathaway Takes a Sip of the Crypto ‘Rat Poison’ He Once Said He Would Never Go Near,” *Fortune*, Accessed May 24, 2025, <https://fortune.com/2025/01/22/warren-buffett-berkshire-hathaway-changes-stance-on-crypto/>.

⁸⁵ Rob Davies, “‘Trading is gambling, no doubt about it’ – how cryptocurrency dealing fuels addiction,” *The Guardian*, Accessed May 24, 2025, <https://www.theguardian.com/technology/2022/jan/15/trading-is-gambling-no-doubt-about-it-how-cryptocurrency-dealing-fuels-addiction>.

This raises further ethical questions, particularly for Buddhist organizations accepting crypto donations, and for states like Bhutan that have invested a significant portion of their national wealth in Bitcoin. While the *Sigalovada Sutta* speaks primarily to ethical business practices, cryptocurrency is difficult to classify as a business in the traditional sense. However, what matters ethically in Buddhism is not only the method of wealth generation but also the intention behind it and the use of the resulting resources. If the profits from cryptocurrency are used for the benefit of others—such as maintaining temples, supporting monastic communities, or funding public goods—then the ethical evaluation may shift. In Bhutan’s case, for example, the government used \$100 million worth of Bitcoin proceeds to double public sector salaries in 2023, aiming to retain skilled graduates who were otherwise leaving the country for better opportunities abroad.⁸⁶

Thus, while cryptocurrency speculation carries risks—especially when driven by greed or addiction—it may be ethically defensible from a Buddhist perspective if undertaken with wholesome intentions and used in ways that serve the broader community. The key lies in ensuring that both the means and ends of wealth creation align with Buddhist values of non-harming, generosity, and wise livelihood.

AN ETHICAL FRAMEWORK FOR CRYPTOCURRENCY

This section brings together the case studies, teachings, and reflections from earlier discussions to propose a preliminary ethical framework for evaluating cryptocurrency through the lens of Buddhist ethics. This framework is not meant to be definitive, for two key reasons: first, Buddhism itself encompasses diverse traditions with varying interpretations of ethical conduct—particularly between Theravāda and Mahāyāna lineages. Second, cryptocurrency, as a rapidly evolving technology, may present new ethical challenges or solutions in the future. For example, concerns about environmental impact may diminish with technological progress, while new risks might emerge as blockchain and related technologies develop.

Despite these uncertainties, the framework below aims to assist both lay Buddhists and monastics in reflecting on the ethical dimensions of cryptocurrency and making more informed decisions about their level of engagement.

I will examine the three primary uses of cryptocurrency—as a payment system, as a form of investment, and through mining—and assess each from a Buddhist ethical perspective.

1. Cryptocurrency as a Payment System

According to the *Vinaya Piṭaka*, Buddhist monastics are forbidden from handling money, whether fiat or digital. However, cryptocurrency still affects the monastic community indirectly, as some monasteries and temples now accept crypto donations. A key benefit often cited is the elimination of intermediaries, potentially allowing donations to be transferred more efficiently. Yet other alleged benefits—such as preventing corruption or offering financial privacy—are less convincing. As seen in case studies, corruption can persist regardless of the medium, as long as greed, hatred, and delusion (the *three poisons*) remain present. Likewise, privacy may not offer much protection for Buddhists facing persecution, and it is not typically emphasized as a spiritual value given the importance of transparency and ethical conduct.

⁸⁶ Sarah Shamim, “Can Bitcoin Save Bhutan’s Struggling Economy?” *Al Jazeera*, Accessed May 24, 2025, <https://www.aljazeera.com/economy/2025/4/14/bitcoin-king-why-is-bhutan-betting-on-crypto>.

Proposals to replace national fiat currencies with cryptocurrency to manage public debt also seem impractical. National debts are complex economic realities, and the fixed supply of cryptocurrency tokens is not governed by natural law—new coins or forks can always be introduced, undermining claims of scarcity.

On the downside, the most pressing ethical concern for Buddhists is the environmental cost of cryptocurrency transactions, including high energy usage and demand for raw materials in computing hardware. These concerns can be mitigated by using cryptocurrencies that rely on renewable energy or energy-efficient mechanisms. Additionally, cryptocurrency is sometimes used for illicit trade, but this in itself does not make the technology unethical—just as cash is not inherently unethical, despite its misuse.

Verdict: Cryptocurrency can be considered an acceptable payment method for lay Buddhists and as a form of donation to temples or monasteries—*provided* the environmental costs of generating and sustaining the network are no greater than those of traditional financial systems.

2. Cryptocurrency as a Form of Investment

Most people acquire cryptocurrency not to use it as currency, but in hopes that its value will rise. The Buddha advised householders on the ethical use of wealth, recommending that one-quarter be given to charity, half reinvested in business, and the remainder saved. While cryptocurrency is not a business in the conventional sense—it does not produce jobs, services, or useful products—it may still be viewed as a form of saving.

However, intention matters. If investment is driven by greed, it risks becoming a form of unwholesome craving, potentially leading to debt, stress, or even addictive behavior akin to gambling. This has been well-documented in cases where traders experience compulsive tendencies similar to those of problem gamblers.⁸⁷ Conversely, when undertaken mindfully, with the intention of generating funds for constructive purposes (such as temple maintenance or public welfare), investment can be ethically justified.

Verdict: Cryptocurrency investment is ethically permissible for Buddhists, *if* motivated by wholesome intentions and *if* any profits are used responsibly and beneficially, rather than feeding greed or personal indulgence.

3. Cryptocurrency Mining

Mining involves using computational power to solve cryptographic puzzles, thereby securing the blockchain. Those who successfully complete these tasks may receive cryptocurrency tokens as a reward. From a Buddhist standpoint, the ethical question is whether this constitutes right livelihood.

One real-world example is Bhutan, where surplus energy from hydropower is used to mine Bitcoin. Mining itself does not violate any of the *five trades to be avoided*—namely, in weapons, human beings,

⁸⁷ Rob Davies, “‘Trading is gambling, no doubt about it’ – how cryptocurrency dealing fuels addiction,” *The Guardian*, Accessed May 24, 2025, <https://www.theguardian.com/technology/2022/jan/15/trading-is-gambling-no-doubt-about-it-how-cryptocurrency-dealing-fuels-addiction>.

meat, intoxicants, or poison.⁸⁸ The main concern again is environmental, which can be mitigated through renewable energy, as in Bhutan's case.

Another concern is the fairness of the mining reward system. Only the first miner to solve a block receives payment, while others, despite contributing computational resources and energy, may receive nothing. From the Buddhist perspective, particularly in the *Sigālovāda Sutta*, ethical employment requires that workers be provided with "food and wages."⁸⁹ The current proof-of-work model may fail to meet this standard, suggesting it may not qualify as fair or ethical employment.

Verdict: Cryptocurrency mining is ethically acceptable for Buddhists *if* powered by renewable energy and *if* miners are fairly compensated. Current proof-of-work models that reward only the fastest miner raise ethical concerns and are misaligned with Buddhist principles of equitable labor.

CONCLUSION

Although cryptocurrency is a relatively recent innovation, it has already found traction among Buddhists in three primary domains: as a means of payment, a vehicle for investment, and a source of income through crypto mining. Where academic Buddhist engagement with cryptocurrency exists, it has often been cautiously optimistic. Yet many of the arguments in its favor—such as its potential to reduce corruption, enhance privacy, or alleviate national debt—do not withstand close ethical scrutiny. In particular, the environmental costs of cryptocurrency are significant, and its contribution to climate change may indirectly cause suffering, contradicting core Buddhist commitments to minimize harm.

Nonetheless, this does not mean cryptocurrency is inherently incompatible with Buddhist ethics. When used responsibly, it may serve valuable functions. If powered by sustainable energy and ethically sourced materials, environmental harm can be mitigated. As a donation method, cryptocurrency can reduce inefficiencies by eliminating intermediary banking fees. As a form of investment or wealth generation through mining, it can align with Buddhist principles—provided it is approached with right intention, mindful restraint, and used in ways that promote well-being rather than greed.

ABBREVIATIONS

AN *Anguttara Nikaya*

⁸⁸ AN 5.177.

⁸⁹ Narada Thera, trans., "Sigalovada Sutta: The Discourse to Sigala," *Access to Insight*, Accessed May 24, 2025, <https://www.accesstoinight.org/tipitaka/dn/dn.31.0.nara.html>.

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