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**Gross National Happiness (GNH):
Its Assumptions and Applications in Bhutan**

Corrigendum

The dates of the session *should read* as above.

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First session
15-17 December 2008
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**Gross National Happiness (GNH):
Its Assumptions and Applications in Bhutan¹**

Introduction

1. Gross National Happiness (GNH) was promulgated as Bhutan's philosophy of economic and social development by the Fourth King of Bhutan as soon as he came to the throne in 1972 (Thinley, 2007). It refers to a set of social and economic interventions that evaluate societal change in terms of the collective happiness of people and that lead to the adoption of policies aimed at that objective. Premised on the belief that all human beings aspire to happiness in one way or another, the concept promotes collective happiness of the society as the ultimate goal of development.
2. GNH emphasizes the importance of happiness as a function of meeting both the mental and physical needs of individuals. Unlike GDP-based economic models, the philosophy of Gross National Happiness considers economic growth as one of the means towards achieving happiness and not as the ultimate objective of development. Thus, while the GDP-based economic model promotes limitless material growth for the excessive comfort of our body, GNH offers a holistic paradigm within which the mind receives equal attention.
3. While GNH recognizes the importance of individual happiness, it emphasizes that happiness must be realized as a collective or societal goal and not be defined as an individualized or competitive good.

¹ This document was contributed by Mr. Kuenga Tshering, Director, National Statistical Bureau, Bhutan. It has been reproduced without formal editing. The views expressed are those of the authors and do not necessarily reflect the views of the United Nations.

4. Development initiatives based on GNH values are not restricted to the present population of any given society; it includes future generations and other societies, indeed all sentient beings. GNH emphasizes that our current pursuit of development should not cause misery to future generations, other societies, or to other sentient beings, as understood in the Buddhist concept.

Operationalization of GNH

5. The philosophy of GNH is based on four main pillars – i) equitable and sustainable socio-economic development, ii) preservation and promotion of its culture, iii) conservation of environment, and iv) promotion of good governance. Operation of each of these pillars to Bhutan's policy making is briefly discussed below:

- i. ***Equitable and sustainable socio-economic development:*** Gross National Happiness emphasizes the importance of sustainable and equitable development. Establishment and delivery of health, education, agriculture and other economic services are guided by these two conditions of sustainability and equity.

Equity has been at the core of Bhutan's development approach. Despite the forbidding features of our geography and the scattered nature of our population distribution and hence, the extremely high cost of socio-economic service delivery, the benefits of development – both quantitatively and qualitatively – have been distributed evenly across all sections of our society.

- ii. ***Preservation and promotion of culture:*** GNH recognizes that the moral and ethical framework for our thoughts and actions are shaped by culture. This pillar aims at strengthening the institutions of family and community; the spirit of voluntarism, tolerance and cooperation; the virtues of compassion, altruism, honour and dignity, all of whose active promotion may be a contributing factor to Bhutan's low crime rate.

Culture also provides a framework where an individual's or society's psychological and emotional needs are addressed. By preserving local, regional, and national festivals, the government attends to these needs and provides a forum for maintaining social networks and promoting the conviviality of public culture.

Bhutan treasures the extended family network as the most sustainable form of social safety net. Aware of the possibilities of family disintegration or nuclearization, the government makes conscious efforts to revive and nourish the traditions and practices that bond families and keep communities resilient and thriving.

- iii. ***Conservation of environment:*** Our environmental policy is predicated on the Buddhist perspective that human beings and nature not only live symbiotically but are inseparable from each other. According to this perspective, nature is a partner in

existence; a provider of sustenance, comfort and beauty; and home to millions of life forms that possibly would have been our parents, friends, siblings, etc. in our timeless existence. Environmental preservation, therefore, is a way of life in Bhutan. Currently, 72% of the country's area is under forest cover, 26% of the area is declared as protected areas, and the state has decreed to maintain 60% of its area under forest cover for all times to come.

Environmental cost is an essential ingredient of evaluating new development projects in Bhutan. Policy makers express such concerns and abide by them not just to prevent environmental disasters in Bhutan but also in neighboring countries that share Bhutan's resources whose movements disregard political boundaries. Through its functioning as an active carbon sink, the benefits of forests of Bhutan extend far beyond itself and South Asia.

- iv. ***Good Governance:*** In order for any state to materialize a public good such as collective happiness, it must attune its system of governance towards it. Recognizing that the underlying idea of human happiness within the concept of GNH is the capacity to make choices for oneself, Bhutan has pursued a number of policies to facilitate the capacity to make choices. In line with these policies, the Royal Government since 1981 initiated the process of decentralization whereby districts and blocks were given the responsibility to develop their own development plans and also implement them. Bhutan launched parliamentary democracy 2008, becoming the youngest democratic country in the world. All this was initiated from the country's leader – His Majesty the King. Thus, fostering people's capacity to make choices through various decentralization programs has been one of the prominent efforts of the government towards promoting GNH.

GNH Index

6. While these pillars have guided policy so far, it is not very clear how the ideas or values of GNH have been and will continue to be transformed into practical plans and policies. There are no indicators to gauge the progress of the country in terms of GNH values or principles. So, in another effort to translate the vision of GNH into concrete policy outcomes, the Royal Government of Bhutan has initiated research on GNH indicators with the intent that they become the basis for planning, monitoring and evaluating Bhutanese policy. It is believed that such indicators, as an aid to democratic institutions of governance, will establish reciprocal feedback and collaboration between the people's aspirations for happiness and the state's provision of conditions for its attainment. A set of nine indicators have been chosen. They are:

- i. Psychological well-being;
- ii. Health of the population;
- iii. Education;
- iv. Time use and balance;
- v. Community vitality;
- vi. Cultural diversity and resilience;
- vii. Ecological diversity and resilience;
- viii. Living standard; and
- ix. Good governance.

7. There are plans for these nine indicators to be converted into a composite index. At this stage, however, the development of indicators to gauge GNH policy progress is a work under process. A survey based on these indicators has been completed and researchers are currently in the process of analyzing the data and fine-tuning potential models. While the concept and implementation of GNH continue to evolve, concrete steps, such as the plans for a GNH Index, will continue to build potential and relevance of the concept to everyday socio-economic decision-making.

References

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