

GROSS NATIONAL HAPPINESS
AND
DEVELOPMENT



Edited by
Karma Ura & Karma Galay

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The Centre for Bhutan Studies

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AND
DEVELOPMENT

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**(Proceedings of the First International Seminar on Operationalization of
Gross National Happiness)**

EDITED BY

KARMA URA & KARMA GALAY

GROSS NATIONAL HAPPINESS AND DEVELOPMENT

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Preface

His Majesty King Jigme Singye Wangchuck, the Fourth King of Bhutan, first enunciated the principles of the philosophy of Gross National Happiness, using this specific terminology in the late 1980s; the concept itself, however, is very old in the local parlance. Under his leadership, and the leadership of his predecessors, Bhutan had embarked upon a process of change and modernization that was beginning to have both intended and unintended impact on the lives of the people of Bhutan and on their society and culture. Bhutan first opened itself to the outside world in the early 1960s, and the introduction of new ideas and institutions picked up pace in since the late 1970.

His Majesty, who came to the throne in 1974, enthusiastically supported the processes that had been set in motion by his father, the Third King. By the mid-1980s, however, it became obvious that some reflection, some reconsideration of objectives, was necessary as the process continued lest Bhutan and its system of values succumb completely to definitions by external factors. Consequently, he began to speak about a specific Bhutanese path to development in pursuit of values that were consonant with Bhutan's culture, institutions and spiritual values, rather than values that were defined by factors external to Bhutanese society and culture. This reflection was the genesis of the concept of Gross National Happiness.

His Majesty capsuled the idea of GNH in the expression "Gross National Happiness is more important than Gross National Product." This was a challenge to the discourse of orthodox developmental theory as it was formulated at any given moment, because it called for a shift of attention away from development in purely material terms to an emphasis on development in terms of an objective that material development served rather than serving as an end in itself. The increase of Gross National Product had become the purpose and the measure of economic development, His Majesty suggested, and the costs that achieving that objective might entail were not being taken into account in the formulation of real policy on the ground, so to speak. By positing Gross National Happiness as the objective of economic development, the processes of economic development would not be negated or deflected but, rather, would be refashioned in light of this making explicit of what was often an implicit, but forgotten, purpose.

Bhutanese government leaders discussed gross National Happiness in various contexts in the years after His Majesty first announced it. Such instances excited considerable international interest in the concept, and that itself was a challenge demanding further thought.

The philosophy of Gross National Happiness provided a framework within which to think about the Bhutanese national project of development, but with time it became obvious that the idea itself needed further

development in four directions. First, it required theoretical elaboration. What were the philosophical roots of Gross National Happiness in Buddhism? Is it a purely Buddhist concept, or is it reflected – perhaps a better word would be ‘refracted’ -- in other systems of thought as well? Does it have not only broad philosophical but also moral implications for cultures and societies outside of Bhutan? Second, it requires theoretical specification for application in various areas of collective human activity – economic, social, cultural, as well as spiritual. What does Gross National Happiness mean for these domains of human activity? How is our thinking about these fields to be refashioned in terms of the GNH idea? For example, how does a GNH economy differ from the theoretical formulation of other economic constructs? Third, how is GNH to be applied in terms of governance? How does GNH inform broad policy decisions, including not only the establishment of policy priorities but also the allocation of scarce resources to actualize those priorities? Fourth, how is GNH to be applied in action? How should specific policies be formulated, or changed, to reflect the objectives of Gross National Happiness? Education, the environment, town planning, land and water use, these are only examples of policy areas. How should, or does, GNH impact on civil society and its institutions? What are the implications of GNH for decentralization and devolution?

Gross National Happiness has been one of the Centre for Bhutan Studies’ themes for research. Already in July 1999 it published Gross National Happiness (Thimphu: The Centre for Bhutan Studies, 1999), a collection of essays by Bhutanese and non-Bhutanese authors issued in commemoration of the Silver Jubilee of the coronation of His Majesty King Jigme Singye Wangchuck. These preliminary essays opened up the discussion of Gross National on a broader, more international, scale than had previously been possible.

In January 2001, the first international seminar on GNH was held in Zeist, The Netherlands. Organized around the theme “GNH – As Challenged by the Concept of Decent Society”, participants came from Bhutan, The Netherlands, Germany, the United States, and other countries.

The Centre for Bhutan Studies, in November 2002, proposed holding an international seminar on GNH in Bhutan itself. The Centre's Governing Council approved the proposal, and organization began in the Winter and Spring of 2003, with a call for papers. The seminar itself took place in Thimphu, Bhutan, from February 18 to February 20, 2004. It was the first such seminar ever held in the Kingdom.

The proposal for the seminar suggested three purposes or objectives:

1. To promote the concept of GNH abroad and to create an environment in which exchange of concepts and information about practice could take place.

2. To involve policy makers in the discussion of GNH, with special concern for the link between the concept of GNH and the development of actual policy.
3. To develop and explore mechanisms for the operationalisation of GNH and for practical indicators

There were 82 formally registered participants from eighteen different countries in Asia, Europe and North and South America (conditions beyond our control prevented participants from other areas from joining in our deliberations). About 400 people attended each daylong session. Not only officers of the government, scholars, and individuals drawn from various parts of Bhutanese society attended. Most significantly, many students also attended, suggesting the importance of this subject for the younger generation of Bhutanese.

The seminar opened on Wednesday, February 18, and Lyonpo Jigmi Y. Thinley, the Prime Minister of Bhutan, delivered the keynote address. The Prime Minister's address pointed the way for the discussions that would follow. The conference met for three full days. At the end of the third day, a report of the proceedings was delivered orally to His Royal Highness, Dasho Jigme Khesar Namgyal Wangchuck, the Crown Prince of Bhutan, and he gave the concluding address, in which he looked not only at the present but emphasized that much work had yet to be done in the future. Sessions were chaired by Bhutanese and foreign guests. Some of the most valuable discussions, however, took place outside of the formal sessions, in the halls, the garden of the Banquet Hall where the seminar was housed in Thimphu, in receptions and over meals. These discussions were not recorded, but they contributed in no small way to the success of the seminar and to the development of the on-going GNH inquiry.

Both the formal papers and the discussions that they initiated suggested that while everyone subscribed to the great principle of Gross National Happiness, the concept meant different things to different participants. Mainly this was a matter of emphasis. One group emphasized happiness itself as the objective of GNH. Another emphasized GNH as leading to the context in which happiness may develop but not explicitly to happiness itself. Some discussed happiness as a personal matter and defined it as such; some described happiness as a social condition that may be conducive to personal happiness but does not guarantee it. Finally, there were those who emphasized Buddhism as the underlying foundation of Gross National Happiness and those who considered Gross National Happiness to be consonant with Buddhism and inspired by, but not necessarily synonymous with, it. These, and even other perspectives too, can be found in the papers in these two volumes, which include almost all the papers from the conference. Regrettably, not all the papers presented could be published, and we trust their authors will understand the

constraints of space under which we are working. The fact that they could not be published does not in any way diminishes their importance or the contributions they and their authors have made to our thinking. These papers are available on the Internet at this address: www.BhutanStudies.org.bt.

The conference papers are being published in a single volume, divided into two parts. The first, Gross National Happiness: Social and Economic Development, contains papers that, by and large, concern issues of operationalisation of GNH, social and economic development, measurement, and related topics. The second part, Gross National Happiness: Buddhism and Human Development, includes papers that, very loosely, focus on the Buddhist philosophical sources of GNH and on cultural issues and manifestations associated with the concept. To no small extent this division into two parts is arbitrary; many of the papers discuss more than one aspect of GNH. It should also be pointed out that each author and, indeed, each participant who did not submit a paper, expressed his or her own point of view. The conference did not begin with any pre-set position on any question and did not end with any specific universally accepted conclusions. The entire purpose of the conference was to explore the content of the concept of GNH and the issues raised by it, both theoretically and operationally. The very variety of these papers represents that approach. Future conferences, for which this first seminar laid the groundwork, undoubtedly will approach more specific issues, and that is as it should be.

The Centre for Bhutan Studies would like to express its deepest appreciation for the aid and support given to the Conference on Gross National Happiness by The Royal Government of Bhutan; the Sustainable Development Secretariat of the Ministry of Finance, the Royal Government of Bhutan; the United Nations Development Program office in Thimphu; the Bhutan Program Office of the Save the Children Federation (US), Thimphu; the Nike Foundation, US; the French-American Charitable Trust (FACT), US. We particularly wish to thank Aum Renata Dessallien, the Resident Representative of the United Nations Development Program, Thimphu; Aum Kunzang Wangmo, of the Save the Children Federation (US), Thimphu; Ms. Maria Eitel, of the Nike Foundation (US), and Mr. and Mrs. Jean Timsit, of the French-American Charitable Trust, for the aid they gave the seminar and the publication of these volumes. We would also like to thank Mr. Sander Tideman of the Inner Asia Centre, the Netherlands for the cooperation he extended to us in organizing the conference. Space does not permit us to name all the individuals who played more than an institutional role in the preparations for the Conference, who participated so actively in it, and who contributed to our reflections on the future. We trust that they know who they are, and we look forward to working together with them in the years to come.

His Royal Highness, the Crown Prince of Bhutan, remarked in his address at the end of the conference,

I believe that while Gross National Happiness is inherently Bhutanese, its ideas may have a positive relevance to any nation, peoples or communities – wherever they may be. I also believe that there must be some convergence among nations on the idea of what the end objective of development and progress should be. There cannot be enduring peace, prosperity, equality and brotherhood in this world if our aims are so separate and divergent – if we do not accept that in the end we are people, all alike, sharing the earth among ourselves and also with other sentient beings, all of whom have an equal role and state of this planet and its players.

These words describe our commitment to participate in the next conference on Gross National Happiness, to be held in Nova Scotia, Canada, June 20-24, 2005. That conference will be hosted by, among others, the Genuine Progress Index (GPI) Atlantic and by Shambhala International. We look forward to continuing in Halifax the discussions we began in Thimphu.

May this volume of papers contribute to the happiness of all sentient beings.

Gross National Happiness and Development: An Essay

MARK MANCALL

Introduction

This paper concerns the operationalization of the concept of Gross National Happiness (GNH). It assumes that GNH is a uniquely Bhutanese approach to development. GNH may have applications beyond Bhutan, but that is central neither to its definition nor to its operationalization. The paper further assumes that GNH is a strategy for social and economic change in Bhutan and, therefore, must be operationalized in policy decisions and actions. To argue this, it places the concept of GNH in the context of Bhutanese history and of the general history of the concept of development.

The Bhutanese State

Introduction

As we shall argue, the Bhutanese State is and must be the “subject,” the primary actor in the program of change that we call GNH. However, the State itself, we argue, is a relatively new development in Bhutanese history. This chapter will briefly explore its history and development.

For our purposes, the state, in the abstract, may be defined in broad theoretical terms, as follows:

First, the State is the monopolist of legitimate coercion in a society; Second, the State is the primary font of legitimacy in the society; Third, the State is the primary source of leadership in social, economic, and security affairs, i.e., in those affairs that, broadly speaking, affect the interests of the people who inhabit a domain defined, at least until now, by legal boundaries that, in turn, define the reach of the State’s power. Several points need to be made with regard to this description of the “State,” because they will be significant in analyzing the history of the emergence of the Bhutanese State:

First, the State is not the same thing as the “Nation,” and, indeed, bears no relationship to it whatsoever. The concept of the “nation-state,” which emerged in 19th century Europe, presumes the existence of an entity called “the nation,” defined as a particular “people” who share certain common characteristics beyond the fact that they inhabit a specified territory (however that territory itself may be defined). It also presumed that there should be some isomorphism between the State and the Nation, and in romantic terms this led to the idea that the State was somehow a natural expression of the will of the Nation. Of course, in fact there were many states that contained more than one “nation,” so that “ethnic conflict,” as we would call it today, and the domination of one ethnic group over others,

became common. The State, however, existed long before the appearance of the concept of “nation” in its modern sense.

Second, the State has a history of its own, independent of the nation or people over whom it may rule. Similarly, a nation or people may have a history of its own independent of the state that rules over it.

Third, the history of the State concerns the establishment of its primacy over other elements in society. For example, the State, over time, gathers coercive power to itself and suppresses rival sources of coercive power in the territory over which it claims jurisdiction (whether legally or purely by the exercise of power). It also concerns the processes whereby it incorporates into itself, or at least into its power penumbra, the right to grant legitimacy in its territory. Finally, the history of the State concerns the process whereby it assumes the leadership role, sole or primary, in its territory. As we shall see, in Bhutan as elsewhere the State does indeed possess a history, and we will argue that prior to 1907 no Bhutanese state existed in these terms.

The Bhutanese Polity before the Advent of the Zhabdrung

The history of the Bhutanese polity may be said to begin with the arrival of Zhabdrung Ngawang Namgyal in Bhutan from Tibet in 1616. Until that time the geographical expression that became Bhutan lacked any figure of non-religious importance whose influence or power was more than local, and it possessed no institutions of governance that extended beyond local valley clans and their chiefs. At various times one or another family or religious institution extended its sway over regions near its place of origin, but none of them were able to provide anything approaching an integrating political system.

The Zhabdrung's Government

Whatever political structures may have existed in Bhutan before the arrival of the Zhabdrung in the 17th century, there can be no question but that he created a political structure (but, of course, a political structure is not the same thing as a State). It is also obvious that in his person what modern social science would distinguish as the political and the religious domains were intensely intricate with each other if they were not completely isomorphic. In other words, the Zhabdrung does not appear to have distinguished the political from the religious. This is particularly clear from his construction of dzongs, in which the religious and the political domains essentially occupied, and continue to occupy, the same physical space.

From what we understand of the Zhabdrung's administration and laws, Buddhism, particularly the Drukpa Kagyu school, provided the ideological basis for his conquest of Bhutan and for the institutions he established in the country. His conquest was based, apparently, on his struggle against other schools of Buddhism, both in Tibet and in Bhutan,

and he consistently expanded his conquests of one or another part of the country with the aim of establishing the Drukpa Kagyu school's legitimacy in more and more territory. In doing so, he contended with both "religious" and "secular" (to the extent this distinction can be made for that period) foci of power in one geographical region after another. On the one hand, this may be understood as an extension into Bhutan of what had become at that time the standard form of the polity (unlike the West, for example, where even in the era called "medieval" there was a distinction and conflict between the religious power [the "church"] and the secular power [the "Holy Roman Empire"]). What is significant for our argument is the tradition the Zhabdrung's polity established in Bhutan, that is, the intrication of Buddhism and politics, and this continues to be the case to the present time.

Upon his retirement from active leadership, the Zhabdrung established a regime that may be called a "diarchy," to borrow a term. Essentially, the role of leadership and administration was divided into two. The position of Desi was established for political or public affairs, and the Je Khenpo was given responsibility for religious affairs. It is not clear, however, that this was any more than a convenient administrative arrangement. Perhaps it was the Zhabdrung's intention to prevent the return to political power of non-Drukpa Kagyu Buddhism in Bhutan by inhibiting the concentration of power in the hands of monastic groups by separating the two kinds of leadership.

In any event, it appears that during the years after the Zhabdrung's retirement and death, real power lay with the religious sector rather than with the "public". In fact, many of the Desis were themselves members of religious groups or had spent time as members of monastic communities.

If the Zhabdrung had indeed intended to establish a stable diarchic political structure in Bhutan that rested upon some kind of institutional coherence, by the time of the 5th Desi power had become highly decentralized at best, and the country had lost its institutional coherence. The coherence that had originally derived from the personality of the Zhabdrung now dissolved into a congeries of warring "feudal" potentates (the term "feudal" is used here more evocatively than, perhaps, accurately) whose power was very often defined geographically and depended on, first, their ability to raise and maintain militia-like military forces and, second, on their political ability to make, and break, alliances with other feudatories. To the extent that any central administrative polity existed at all, it existed only in a very formalistic way. The Desi himself became only one among the many actors in the political game, though the position was prized because it seemed to lend an aura of legitimacy to its holder.

By the middle of the 19th century, as the struggle for power among the regional magnates increased, the Desis lost their political role or, at least, the reality of any political role that had been assigned to them in the

Zhabdrung's scheme of governance. By mid-century, the possession of power for its own sake seems to have become the primary reason for the possession of power. One local magnate, the Trongsa Penlop, began to emerge as the most powerful among the warring feudatories, but this did not imply the existence of a state, only the particular military and political competence of the Trongsa Penlop of the time. The possession of the position of Desi did not convey to its occupant any particular primacy in the decentralized polity.

The crucial event at the beginning of the process of constructing a new Bhutanese polity was the Duar War of 1864-1865. A cursory glance over the historical record suggests that up to the Duar War, central power and leadership had all but disappeared from the country, and the War itself was, in a certain way, a consequence of the disappearance of any real, or even theoretical, central power. At the same time the Duar War served the assertion of power by Jigme Namgyal, the Trongsa Penlop. The Duars were an important economic resource for the development and maintenance of Jigme Namgyal's power, and their loss inhibited, or at least denied him, access to resources necessary to continue his drive to power at that time. In 1870, he retired from his position as Trongsa Penlop and became the Desi.

In addition to his military and political abilities, Jigme Namgyal evidently possessed a personality and personal attributes that attracted power whether or not he held a formal title or position. He was, we may argue, the first real political personality to emerge in Bhutanese history since the Zhabdrung. However, despite this, his own very self-conscious attempt to build a regime of people of demonstrated loyalty did not survive his retirement from the position of Desi after the customary three years in office. In other words, as strong a personality as he was, the institutional framework for a polity that could extend itself into the future did not yet exist, a consequence, perhaps, of a combination of Bhutan's geographical features, its level of technological development, and the importance of personality. Personality is not institutionalization. Power itself was the prize in the political struggle, and power was prized not as a means to an end but as an end in itself. This is the framework within which the eventual creation of the monarchy in 1907 must be understood, along with the significance of that development.

Centralization of power, rather than its institutionalization, characterized Bhutanese political life between the Duar War and 1907. It is probably the case that the Trongsa Penlop, Ugyen Wangchuck, possessed decisive, if not ultimate, power in Bhutan after the Battle of Changlimithang in 1885. The question must be asked: Why did he continue to maintain the traditional institutions of a headless polity instead of establishing a centralized monarchy? This can be explained, perhaps, by a certain ambiguity at that point in time. Very briefly: Ugyen Wangchuck begins to play a role after 1885 in which, on the one hand, he consolidates his power

within Bhutan while, on the other hand, he goes through a process of experimental interaction with what was then, as it is now, the overwhelmingly dominant power in the region, India.

Between 1885 and 1907, there would appear to be a disjuncture between Ugyen Wangchuck's own understanding of his position in Bhutan and the British understanding of his position in Bhutan. Although he was the dominant figure in Bhutan, the British treated him much as they treated other "native rulers" of India. For example, he was invited to attend the durbar held on the occasion of the visit of the Prince of Wales to India, an occasion that was clearly intended by the British to constitute the ceremonial recognition by the Indian "native" rulers of the paramountcy of the King-Emperor of India, of the British Raj. The British clearly intended to incorporate subordinate rulers into the hierarchical system of the British imperial polity, and Ugyen Wangchuck, doubtless unwittingly, participated in this drama. He was awarded a knighthood with the title Knight Commander of the Indian Empire, a common British practice of incorporation of subordinates. And he continued to play this role of a subordinate of the British when, for example, he participates in the Younghusband expedition into Tibet in 1904.

The continuation of the old non-centered political structure in Bhutan after 1885 did not reflect the reality of the new consolidation of power in Ugyen Wangchuck's hands, just as his symbolic incorporation into the British scheme of things did not reflect the reality of his power.

The creation of the monarchy in 1907 is a reference back to the polity of the Zhabdrung but in a radically new context. The new institutional framework of power rested upon a consensus between Ugyen Wangchuck, the Monk Body and the other, now diminished, power holders at the meeting in Punakha in December 1907. Bhutan now possessed the symbol and the reality of the institution of monarchy that reflected the growing concentration of power within the country. The new monarchy had as its rationale the establishment of peace and security throughout the country.

The Creation of the Monarchical State in 1907

The ambiguity that characterized power in Bhutan between 1885 and 1907 was not immediately resolved by the creation of the Monarchy. In fact, the Treaty of Punakha of January 8, 1910, which defined the relationship between the Monarchy and British India, suggested an ambiguous power structure that obtains to the present day and whose resolution is still being sought. Bhutan had complete internal sovereignty, according to the treaty, but it undertook to consult with the Raj about its foreign relations. This was diplomatic recognition of Bhutan but with less than full sovereignty. The provision was a reflection of an objective reality that obtains to this very day, the overwhelming preponderance of India in the region, regardless of who the ruler of India may be. The treaty provision defined a problem with

which Bhutan is still wrestling. The fact that the provision applied to Bhutan's relations with other entities that were within the power penumbra of the Raj or that, in later times, lay outside of it but beyond Bhutan's borders, continued the ambiguity suggested in the British approach to Ugyen Wangchuck before 1907 and reinforced afterwards by his attendance at the Delhi Durbar of 1911.

The years from 1907 to 1998 were a period of consolidation and development of the instruments of power. The support of the Monk Body and the surrender or acquiescence of the other power centers in Bhutan to the primacy of Ugyen Wangchuck did not provide a popular base for the monarchy. This he now proceeded to create by a series of measures that would establish a basis for support of the monarchy. Peace, of course, which only the monarchy could provide, was central. But he took particular measures to engage the people's support: the reduction of land taxes and customary service; the encouragement of trade and commerce within the country; the improvement of transportation and internal communications. He also, and very significantly, initiated modern education, although on a very limited scale. At the same time, he promoted the improvement of the Monk Body and of its institutions and education, a very reasonable and significant policy that paralleled his approach to the encouragement of popular support for the new polity.

The Second King, Jigme Wangchuck, who came to the throne in 1926, ruled during an era of very interesting developments in the outside world. During a period of great social, economic, and political instability abroad, the stability of Bhutan and of the monarchy perhaps rested on the disjuncture between Bhutan and the outside world, on the underdevelopment, in Western terms, of the country. Because Bhutan did not yet have a monetarized economy, it was not drawn into the economic crisis that began in 1929. Because it was not politically integrated into South Asia, it was not drawn into the Second World War from 1939 to 1945. Because it had not been colonized, it was not drawn into the anti colonial movements that were so characteristic of the post-World War Two world. Because its relationship with the British Raj was characterized by what was, after all, a very creative ambiguity, Bhutan was not drawn into the reorganization of the subcontinent that accompanied the independence of India and Pakistan and the consequent absorption all the states of British India by the two new states. In other words, non-engagement ("isolation") was an extraordinarily powerful instrument for the preservation of Bhutan's independence.

Domestically, the Second King followed his father's policy of consolidating power while pursuing several important new policies. The First King had established the centralized monarchy, but he had retained, to a large extent, the decentralized structure that was characteristic of the country before 1907. The Second King recognized the need to bring the

monarchy and the administration into coherence, and consequently he assumed absolute power, which meant the administration had to be centralized in the throne, not dispersed regionally. Local administrators, as they died or retired, were replaced by personnel appointed directly from the throne. The size of local administrations was reduced in order to restrict the ability of local administrators to act independently. Local power was further restricted by requiring a central audit of local taxes, incomes and expenditures. The development of a standing army, albeit at this point in time only in the form of a purely ceremonial unit, was started. Education within the kingdom and the dispatch of selected children to Kalimpong for schooling also increased, although on a still very limited basis. Transportation was upgraded, medical units were opened, and the repair of temples, monasteries, bridges, etc., was undertaken. In 1948, after Indian independence, Bhutan signed a treaty with India that, at least formally, regulated its relations with the country in more modern diplomatic terms than had been the case with the Raj.

The Third King, Jigme Dorji Wangchuck, was educated with a significant difference from his predecessors. At the age of 15, he was sent abroad by his father to England, and upon his return he was carefully groomed for kingship. His trip abroad had probably made him more aware of the external world than had been the case with his father and grandfather. He pursued a more activist foreign policy than his predecessors. In fact, during the reign of the Third King foreign policy and domestic policy became more closely related than had ever been the case before. Bhutan joined the Colombo Plan in 1962, signaling an activist policy toward economic development. The kingdom joined various international organizations and in 1972 became a member of the United Nations. It established diplomatic missions abroad on a very limited basis. India became the primary support of economic development after a visit by its Prime Minister, Jawaharlal Nehru, in 1958. India became the major supporter of road construction, telecommunications, etc.

Parallel to, and supported by, his foreign policy, the Third King introduced significant domestic changes. Land reform was introduced and land taxes were reduced. Serfdom was abolished. The Royal Bhutan army was established, as was a police force, both measures that increased the central power of the throne. Most significantly, the Third King introduced important institutional changes. In 1953 he established the National Assembly. This assembly reflected in its composition, as it continues to, the sociopolitical history of the country. First, the assembly was created by the king as a way of developing further support for the monarchy, not as a consequence of public demand. It was to be an instrument of education more than an instrument of legislation. In fact, until 1968 the legislative supremacy lay with the king, not the National Assembly. Of course, even after that date, when the king voluntarily gave up his authority to veto

legislation, the National Assembly still continued to be the instrument of the throne at least until 1998. The composition of the National Assembly includes "elected representatives", "representatives of the Monk Body", representatives nominated by the government, and a smattering of others. In 1963, the King established the Royal Advisory Council as an instrument for advising the King and the government. In effect, the Royal Advisory Council has served as a more direct instrument of the throne's will. It provides the King with independent information and points of view. Like the National Assembly, the Royal Advisory Council represents the variety of social groupings in the country. A law code was drawn up, capital punishment was abolished, and a separate court structure was established. All of these institutional changes rested upon the legislative and administrative centrality of the throne.

These measures were instrumental in achieving the Monarchy's objectives of sovereignty, security, stability, and modernization. The latter was most obviously symbolized by the beginning of the First Five-Year Plan in 1961. Successive five-year plans all aimed at infrastructural development and the development of human resources to support these objectives. With the Third Five-Year Plan, which started in 1971, a Planning Commission was established to manage the process, and the present king, then the crown prince, was named chairman. The Third King also initiated the development of Dzongkha as the written language, a work very much still in progress.

The creation of the monarchy in 1907 was not the result of a popular movement, nor of the development of nationalism among intellectuals or the bourgeoisie such as had developed in the West. Furthermore, it was not the consequence of an anti-colonial movement as was the case in other "Third World" countries, such as most of the countries in South Asia, for example. The creation of the monarchy in 1907 was a consequence of protracted struggles for power in the absence of a centralized polity. Developments since 1907 may be interpreted as consequences of the dialectical interaction of the monarchy, on one hand, and, on the other, the outside world that was undergoing rapid and deep changes, Bhutan's geography, and the necessities of power.

Moreover, it must be emphasized, all these developments took place without a broad theoretical framework to underpin them or to guide choices and decisions or to set objectives beyond the instrumental values of stabilizing the country and defending it. The creation of a national community based upon a vision of the future and a search for the path to reach it was to be the work of the Fourth King.

The Maturation of the Bhutanese State

The signs that indicated the maturation of the Bhutanese state in terms that began to suggest the necessity and efficacy of a definition of values and of direction beyond the execution of policies in various development

domains became apparent with the accession to the throne of the Fourth King, Jigme Singye Wangchuck, in 1972. It is interesting to note that in his coronation address in 1974 he said, "The most important task before us at present is to achieve economic self-reliance to ensure the continued progress of our country in the future." It is reasonable to suggest that in the context of the early 1970's, this goal, stated baldly and boldly, fit the circumstances both inside Bhutan and in the international context within which Bhutan had to develop at the time. Internally, the Fourth King pursued development in many directions in such a way that the social changes already under way, urbanization, for example, were accelerated, and at the same time he moved in new directions and pursued new policies of transformation. This is neither the time nor the place to attempt a close description of the remarkable transformation that Bhutan has undergone during His Majesty's reign. Much research needs to be done about this before anything more than a general picture can be outlined.

However, certain trends can be clearly observed that define current concerns. First, it is undoubtedly true that the impetus for broadened and intensified development derived from the Throne itself; in other words, the activism that had characterized the Wangchuck dynasty and state since 1907 became, and remains, the primary source of energy for change. This may be because Bhutanese society did not, in the immediate or in the more remote past, develop those social classes the conflict between which provided the dynamics for social change that characterized other societies. This, also, is a subject for research before anything definitive can be stated, but it is highly suggestive. A consequence of this seems to be the profound centrality of the throne in all matters of policy generation. It is interesting to note that at various points in the history of this reign attempts by His Majesty to transfer authority to other state organs in one way or another have been resisted; the most significant step in this regard, the Kasho of 1998, had all the appearance of insistence on the part of His Majesty, contrary to the wishes of the National Assembly and the people, that power be transferred from the Throne to a government in the interest of further development. This suggests that the intellectual or ideological conceptual foundation for the development of institutions in which the locus of political power, as opposed to moral power, would be located, had not permeated sufficiently deeply into the society.

Second, the context of Bhutanese development has changed radically during this reign. In 1972, economic self-reliance was not an unreasonable goal. The demand side of consumerism had not developed to the point it was to reach later, certainly because communications technology had not yet developed or spread to the extent where they nourished a new consumerism. Furthermore, social change had not reached the point of providing a class basis for consumerism, and a sufficient economic surplus in any sector had yet to be generated to support consumer demand. The

increase in tourism, together with, more recently, growth in information technology, combined with economic development and social change, more importantly knowledge in certain groups of about the outside world, have resulted in the rapid increase of consumer demand for foreign goods. Given the size and resources of Bhutan, the growth of consumerism is a direct threat to the goal of economic self-reliance.

The growth of the power of the institutions created at Bretton Woods in 1947, together with the increased influence of neo-liberal ideology, the combination of which we call "globalization", have created forces that have an impact on Bhutan which it may not be able to control by the same policies that up to this time were efficacious for development. To put this as bluntly as possible: the various trends just mentioned have created social groups within the country that are the primary source of demand for goods and services that contradict and undermine the stated objectives of the Bhutanese state's development policies. For example, self-reliance is undermined by the growth of consumerism, which can only be supported by the importation of foreign goods. This also undermines the attempt to create a national Bhutanese culture both as a value in itself and as a defense against homogenization with the rest of the world, which would undercut the very *raison d'etre* for Bhutan, which would, in other words, undercut the entire thrust of modern Bhutanese history in the Kingdom's attempts to remain separate from the subcontinent's historical trends. This can also be clearly observed in the struggle to establish the primacy of the Dzongkha language. A national language is not just a cultural conceit, as His Majesty repeatedly points out. English is the agent of the cultural homogenization that is the servant of economic global integration, of Globalization. To the extent that English dominates over Dzongkha in the daily life of the Bhutanese state, the goal of cultural self-reliance and independence recedes into the background.

At the same time, the intellectual weakness of Bhutan's position with regard to formulating a Bhutanese policy for development, rooted in national interest, has opened the process up to the dominating influences of theories and practices that reinforce the tendency to homogenization with the rest of the world. We must be very clear about this. Reliance on the private sector and on market forces is an historical artifact that is a consequence of political developments in the outside world rather than of any scientific or "natural" forces. In other words, the importance accorded to the private sector in terms of development is an ideological and political decision not necessarily dictated by theoretical or objective criteria or by national interests. Given the primacy of the modernizing Bhutanese state in the process of national development, the tendency to try to place greater reliance on the private sector and on market forces is contradictory. Moreover, the tendency toward homogenization with the rest of the world

contradicts the ideological, emotional, and psychological foundations of the Bhutanese state and of Bhutan itself.

It follows from all of this that the growth of these kinds of contradictions during the reign of the Fourth King requires some form of resolution, a resolution that will find its institutional and cultural expression in the formulation of educational, cultural, social, and economic policies that will be aimed at achieving the goals that the society and culture may implicitly desire.

His Majesty's promulgation of the idea of Gross National Happiness as a national policy pointed in the direction of seeking a resolution to the contradictions Bhutan faces. The challenge now facing the country is the operationalization of this idea, which means challenging, not accepting, the received wisdom of the West. It is precisely the general acceptance of the received wisdom of the West in these matters that undermines the National Project. What the country must now undertake is the definition of the national project. Reflection on this issue, supported by new research into all aspects of Bhutanese society, is the mark of the maturity of the Monarchy and the Kingdom. Gross National Happiness is at one and the same time reflection on theories of development, on policies of development, and on the values that should guide those policies. It is self-analysis and critical thinking in the definition of the nation's future rather than simple acceptance of guidance from abroad.

This is why GNH is so significant. It must now encompass both ideological programs and practical policies. GNH is a national necessity for the survival of the country within the context of the particular conjuncture of developments at this time in the world at large, developments that are fraught with all of the issues that constitute the core of the very existence of a nation. These developments we gather under terms like "globalization" and "WTO". The rest of this paper will now address this constellation of requirements.

GNH and Development

In the decade since the fall of Communism, many thinkers and authorities have been attempting to define a "third way" between neo-liberal free market Capitalism and now defunct Communism. The attraction of GNH outside of Bhutan lies in this search. In this section we will look at GNH in this perspective.

GNH and Ideology

The word "ideology" has come in for much opprobrium in recent decades, largely for two reasons: First, it was appropriated by one side in the struggle for dominance in the world, the Soviet side, to refer to what that side considered to be correct thinking and analysis; consequently, it was disparaged by the West and given a negative connotation. Second, the

negative connotation given to “ideology” was used to assert what the opponents of Communism argued was the scientific basis of their own thinking. Thus “ideology” was opposed to “science” and, therefore, to “truth,” as the latter term was used more and more to refer only to what science itself could demonstrate. Nonetheless, in order to understand GNH and to give it the multi-dimensional meaning it requires, the term “ideology” serves good purposes, at least for our present discussion.

The concept of “ideology” was born from the French Revolution, which, in fact, gave birth to three separate, if not entirely distinct, “ideologies”. The concept is very closely related to another concept, “modernity” and to the processes of “modernization,” i.e., those processes that are intended to reach or create the condition of “modernity”. We will return to the question of “modernity” later.

What is “ideology,” at least as we will use it? Ideology is, first and foremost, a political program. To be more precise, it is the constellation and construct of ideas that, taken together, define a political program. It is understood that the term “political program” means the plan and the objectives of the plan that are pursued by a state and government to achieve certain objectives. As a political program, ideology consists of the following elements: (a) It is an image or a description of what is going on in the society, in the political economy, at a particular time. It is not just a description of events and processes; it is an analysis of them, of their causes and effects. (b) Ideology gives an image or a description of what is going on that is prompted by, and exists in contrast to, what the past was, and an understanding, its own understanding, of how the past was ended by a particular event. For example, in Western history that event was the French Revolution. In Bhutanese history, that event was the foundation of the Monarchy in 1907. (c) Ideology provides an evaluation of the past as a point of departure for action in the present. Again, note the significance of 1907 in Bhutanese thought. (d) Ideology is one of the mechanisms by which people cope with change and modernity. Change, which in today’s dominant system of thought is called “modernization,” is always unsettling, always disturbing to people’s expectations and modes of behavior. Ideology makes it possible for people to cope with that problem either by explaining it positively or by providing a basis for resistance to it. (e) Ideology suggests specific actions and frameworks for action that make it possible to cope with the processes of change that are implied by the condition of the world after the event or events which end the past. Each of these five characteristics applies to the concept of GNH.

Weltanschauung is another word that is useful in defining GNH in the context of contemporary Bhutanese society. Any given period of history can be defined as a combination of two factors. The first is the particular social and cultural reality that exists at any given period of time. For example, we can say that a particular social reality was “Bhutan” until some event

occurred that we see marks a break in history. The creation of the monarchy in 1907 is such an event. The second factor is the *Weltanschauung* that accompanies the particular social reality. The word *Weltanschauung* means “world view” and is, to put it succinctly, the understanding that people who inhabit a particular social reality have of the way the world works. Obviously, a particular social reality and its *Weltanschauung* exist in a dialectical relationship. Changes in one lead to changes in the other, and the domain that dominates is social reality. The two may not change in tandem, i.e., there may be unevenness in change, so that, for example, the *Weltanschauung* of a particular period of history may last longer than the social reality that gave rise to it. In the view of modernity, this is what is often referred to as “backward thinking.” *Weltanschauung* differs from “ideology” in that it does not possess the characteristics discussed above, i.e., ideology is a mechanism for coping with change in the combination of social reality + *Weltanschauung*. None of this is to imply, incidentally, that change is, or is not, to be desired. This is merely a mechanism to describe a process, not to evaluate it.

Three broadly defined ideologies emerged from the French Revolution. First, conservative ideology was a reaction against modernity. The objective of its political program was the reconquest of power in order to restrain the process of modernization. In its weakest form, conservatism sought to limit the damage of change and to hold back, or slow down, as long as possible, the changes that were coming. In its strongest form, it wanted to return to, or reestablish, the past. Conservatives understood very well that the state was the key instrument to achieve their goals.

Second, liberal ideology, which defined itself as the opposite of conservatism, based itself on what it considered to be “the consciousness of being modern.” Liberalism claimed to be universalistic, which is to say that it claimed to apply to all human beings everywhere. Because of this, liberals believed, liberalism could be intruded into the logic of all social institutions and processes. It was the key to burying the past and giving birth to the future. While conservatives were concerned with the restoration of the particular past that they felt was disappearing, the liberals believed that the future they outlined applied to all mankind, regardless of any particular characteristics. Moreover, in order for history to follow its natural course -- a natural course that was confirmed by the scientific observation of change in nature, particularly by Darwinism -- the liberals insisted that it was necessary to promote conscious, intelligent, continual reformism in the full awareness and conviction that “time was the universal friend, which would inevitably bring greater happiness to greater numbers.” It should be very clear that contemporary neo-liberal economic and social theories belong in this category of ideology. Liberalism believed that progress was inevitable, but it could not be achieved without some human effort, without a broad political program. Moreover, the existing political institutions, created in the

break with the past, were necessary to achieve the political program of liberalism. It is apparent from Western experience and politics that liberalism is not clear about the relationship between particular political institutions and its political program. In any event, liberalism is a particularly Western position, as we can see from its claim to universal validity.

The third ideology to emerge from the French Revolution and its aftermath was socialism. Socialism differed from Liberalism in that it was convinced that the achievement of progress required a very conscious helping hand, without which progress would be very slow. Liberalism and Socialism agreed that change and progress were part of the “natural order of things,” i.e., of history and nature, but while the Liberals were willing to “let nature take its course”, more or less, the Socialists believed that the application of reason could define the objectives of change and the means to achieve those objectives; moreover, history could be accelerated by this application of reason. Primary examples of socialism today are the Scandinavian countries, the Netherlands, New Zealand, Australia, etc. Whether they have “Socialist” governments or not, they fall under this ideological rubric.

In summary, Conservatism sought to limit the dangers change posed and, if possible, to reverse the process; Liberalism sought to achieve human happiness through the application of Western logic and reason; Socialism agreed with liberalism but sought to achieve happiness through careful planning to reach specific goals. These distinctions are analytically important although there has been a great deal of overlap among the three ideological positions. GNH, in its potential ideological and pragmatic formulation, commands international appeal and interest because it is an alternative to the three positions outline here.

The “subject” of Ideology and Change

GNH is an ideology in the sense described above, which is to say that it is, or must become, a program of social and economic change and development. Consequently, it must concern itself with the question, “Who is the subject?” or, to put it another way, “Who is, or should be, the principal political actor in defining and carrying out the political program of GNH?”

The existing ideologies, Conservative, Liberal, Socialist, have never been able to resolve this question. It was raised by the French Revolution because the revolution declared that the people, not the monarch, was sovereign. In other words, the French Revolution raised an issue that nobody has ever been able to resolve clearly: where does sovereignty reside? Each of the three ideologies discussed above has provided its own answer, however unclear. The Conservatives argue that traditional groups in society, those groups that carry continuity with the past, with “tradition,”

ought to be sovereign. These often include the family, the church, and even medieval guilds. The Liberals insist that the individual is the historic “subject” of modernity and that, therefore, the individual is sovereign. The Socialists argue that the whole people, taken as a group, as an entity, is sovereign. For them, the issue is: who is a member of “the people”? Quite obviously, these positions raise more questions than they can answer.

Here are some of these questions. If all individuals are equal, does this mean that each individual has the same right to determine the future of society as any other individual? Is the future of society to be determined simply by counting numbers? Is it not the case that, with the spread of information technology and the unwillingness or inability of the society to control either the quality or the content of the information available, the very existence of faulty or even false information limits the ability of each individual to come to reasonable conclusions concerning policy and the future. If that is the case, is a simple counting of numbers (votes) a sufficient way to determine the good or the happiness of the whole? Does this not mean that control rests with those who do indeed command the nature and the dissemination of information?

Moreover, is it not also the case that not all individuals can participate in determining the good or the happiness of the whole? For example, children, the insane, criminals, all are excluded in many societies from participation in the process. Where do we draw the line? To cite an important example: If Bhutan joins the WTO, it surrenders, by very definition, the right to determine who participates in defining and achieving the happiness of the Bhutanese whole to external forces, even individuals, who are not members of the Bhutanese community, who do not share its values, its history, and whose own definition of good or of happiness has developed without reference to Bhutan at all. In other words, Bhutan surrenders to market forces and to the powers that are dominant in the market its own sovereignty, its own right to determine what is its gross national happiness. It thereby limits the freedom of the Bhutanese state to function on behalf of the Bhutanese people. The “subject” of Bhutanese society, of Bhutan’s political program, not only ceases to be Bhutan but becomes an external, foreign, actor.

Let us assume that Bhutan does not join the WTO and retains sovereignty for itself. This leads to another question: Where within Bhutanese society does sovereignty lie? Does it lie with His Majesty the King? Does it lie with “the people”? Does it lie with the government? This is not an easy question to answer, and we can find much evidence that points to this difficulty. For example, Bhutan is admired throughout the world for its environmental policies. It is considered very progressive and wise in pursuing these policies. But who decided to pursue those policies? Bhutan's environmental policies may inhibit happiness in quite different sectors of society. The private sector is inhibited in the pursuit of the happiness of

private entrepreneurs because Bhutan's environmental policies place off limits the use of important natural resources for private achievement of happiness and, some would argue, for the improvement of the social whole. Second, they limit the happiness of all or many village communities, and of the individuals who live in them, because environmental policies place off limits the use of these resources for the pursuit of their economic well-being, i.e., their happiness. And yet, it may also be argued that these policies promote the welfare of all, even though certain individuals and sectors of society would not agree. This argument suggests that the "Actor", the primary subject of the political program of gross national happiness, may not be the people as a whole or even the sum of individuals. Indeed, the issue of the environment and its future has been determined on the basis of a set of values that are not defined democratically or by those who are most directly affected by the policies adopted. This problem is not unique to Bhutan. In many Western countries it is being argued and resolved in various ways on a daily basis. In actual practice, Bhutan has resolved it in a particular way even if it has not named that way: Bhutan has decided that somewhere in its polity is located the power of sovereignty, that is to say, the power to determine that, for example, the environmental policies Bhutan is pursuing are correct for the entire people even though the people did not choose these policies. Most people would agree that this is not unreasonable.

Whatever may be their position with regard to the location of sovereignty, all ideologies, which is say all political programs, necessarily see the state as the primary instrument for carrying out the agreed-upon political program, however that program may have been agreed upon. That is the case with Bhutan's environmental policies.

Another issue that all three ideologies have in common is the relationship between the state and society. One of the major consequences of the French Revolution was the appearance of the concept of "society" as an entity separate from, and in opposition to, the State. This concept spread around the world, and in its most contemporary form, "civil society," it is used in Bhutan too. Indeed, in Bhutan today there are studies of "civil society", precisely as the concept was defined after the French Revolution, i.e., society as self-existing, outside of or in opposition to (not contrary to but different from), the State. For example, the State is understood to be "coercive" in one or another way, while "civil society" is assumed to be, somehow, voluntaristic. Of course, this is too simple because it does not take into account the coercive elements in civil society, such as peer or community pressures to conform and perform. These were always present; indeed, they are at the core of "traditional society," but they have only recently come to the attention of social theory as "civil society" emerges onto the analytical screen in contrast to the State. It is important for GNH theory to recognize the function of coercion even in civil society.

The three ideological positions that have co-existed in the West since the French Revolution have been the subject of much debate, and in the 1960s many began to argue that, after all, there was only one ideology of which these were simply three variations. That ideology was called “Liberalism,” and both Conservatism and Socialism were redefined as variations of it rather than as separate and distinct ideologies. In any case, what is important from our point of view of GNH is the questions these ideologies raise, most particularly the questions of the “subject” and of the relationship between the State and Society.

GNH and Change

The Age of Liberalism, in which change and development were first considered to be a good, began with the French Revolution in 1789 and lasted to the fall of Communism in 1989. This was the period in which in which the liberal idea that progress and change could be achieved in a measured and reasonable fashion by the application of science to the management of change dominated Western thought. The five-year plans, whether Bhutanese or Indian or Russian, exemplify this idea. This was the ideology of liberalism.

Before the French Revolution, the *Weltanschauung* of almost all societies and the systems of empires and other political entities had assumed the normality of political, social, and economic stability. In a way, this is what was meant, afterwards, by “tradition”. In this world of stability, sovereignty was visibly present in the person of the ruler, and a whole set of equally stable customs and regulations controlled who had power to rule and under what conditions. Change was considered exceptional and had to be justified in exceptional terms.

With the French Revolution, all of this changed and a new *Weltanschauung* developed, or began to develop, which by the time of the European revolutions of 1848 assumed the normality of change. Indeed, change itself, change in political systems, economic systems, and, of course, changes in technology and changes brought about by technology, became the norm. The assumption of change as normality became a point of departure even in politics: changing one's political rulers was both desirable and normal. The only difference between conservatives, liberals, and socialists concerned attitude toward change; conservatives were not happy about it and socialists wanted to make it happen more coherently, more directly, and faster. But nobody questioned change itself.

Not only did people not question change; they did not reserve areas of life outside of change. Obviously, the tension between change and not-change is very much at the root of contemporary fundamentalism and other similar movements. It is in this context that GNH becomes at one and the same time a critique of Western theory and an attempt to formulate a different approach to the issue of change. GNH offers a fourth possibility,

one that does not rest on the unquestioned assumption that change is, in and of itself, either good or inevitable. GNH needs to posit the following: In the West change is seen as “natural”, “unavoidable,” in itself, while GNH suggests that change needs to be seen in a moral and cultural perspective. In the West, all points of view accepted change, and the issue was the speed and the instrument of change. The function of specialists was to record change; they could not prevent it. As time went on and development became a program, specialists assumed a different role, as we will see. The Socialists claimed to create specialists in change, but in reality their concept of change was the same as that of the Liberals and Conservatives. GNH, in contrast, argues that change itself must be placed under analysis, and that the process needs to be guided by certain values and specialists in those values. At least, that should be what the GNH argues.

One of the consequences of the French Revolution, one of the hallmarks of the "Modern", was the shift of the locus of theoretical sovereignty from the ruler to the people. This opened up the question of whether any particular state reflected, or was the embodiment of, the will of the people. In this nexus appears the primary schism in Western thought between state and society, a dichotomy that has dominated Western thought from the early 19th century down to perhaps 1989. 1989 is the date some people would use to mark the end of this dichotomy. In that year, the fall of the Berlin Wall, symbolizing the fall of Communism, released the dominant classes in the West from the necessity of using the apparatus of the state to control change. Communism had posed a direct challenge to the West precisely in the field of change both theoretically and practically. Once Communism passed from the scene, the state was no longer an absolute necessity; it was really only necessary for control, but the state itself could now be dismantled and privatized for the benefit of those who controlled the means of production, which meant the managerial class. It was fortunate for that class that technology, particularly communications technology, had reached the point where it was relatively easy to control public attitudes and perceptions. The present situation, therefore, is a consequence of a fortuitous confluence of developments. The argument is being made today that, first, the state inhibits natural processes of change and development. The state is a danger to the natural freedom of the reified individual and of the natural power of the free market. Here we have to make it very clear that this is itself an ideological position, an historical artifact, and it does not carry either the force of science or of reason. Bhutan must deal with this question very seriously in GNH. In Bhutan, the transfer the locus of theoretical sovereignty from the ruler to the people has not yet taken place, if indeed it has even begun. Bhutan is therefore in a position to consider this matter carefully and pursue a course more suited to its own situation and needs. In Bhutan the issue or dilemma of state vs. society has not been part of the political discourse. In fact, the role of the king in Bhutan suggests that

this dichotomy, so central to all Western social thought, has never really existed. GNH ideology needs to reflect on the implications of this and on its meaning and potentiality in the definition and process of development.

In the Western *Weltanschauung* of modernity, the individual has become a reified being, which means two things: it means that the individual is assumed to exist in and of himself, and he is a thing in nature. Of course, this is contrary to both village society and culture and to Buddhist thought and practice. In the West, this reified individual, this thing in nature, is, by virtue of its natural existence, assumed to possess certain "inalienable rights " which neither the state nor society can contravene. This assumption lies at the heart of the Western suspicions of the state, which is considered inimical to these alienable rights; therefore, much of Western social, political and economic theory is concerned with protecting the rights of the individual. Since 1989, however, in the new "neo-liberal" world, the state is still seen as the enemy, but now the market has the right to transcend the rights of the individual. This is a serious and practical matter. The market does not need to account for the welfare of the individual. In fact, it is now assumed that the welfare of the individual will be taken care of by the market, and the market is protected by the theory from being called into question. The market is a transcendent natural force. In Bhutan, quite obviously, none of this pertains. GNH must critically examine these assumptions and provide its own set of assumptions based upon the experience of Bhutan, not the West. All this means that Bhutanese development is now taking place in a radically new context, in which the old liberal verities of the West have been canceled and replaced by new ones. Ironically, this effect allows Bhutan to pursue its own path.

The development and supremacy of market forces in the 19th century West was a political program that was based to a large extent on the emergence of an entity called the "nation". Originally, the concept of the nation emerges as a definition of a commercially viable market. In other words, a nation constituted that region and or people within which a common language, shared tastes, sheared conceptions of law and order, a shared system of weights and measures, allowed commerce to take place more easily than across linguistic and other boundaries. Based upon the market, a polity that could control the market arose. Gradually, a consciousness of the market emerged in the form of cultural and other nationalisms, so that the socio-economic unit of the market was reified into the nation-state, which then was granted a new past through the study of history (in fact, history itself, as an academic and educational subject, developed in this context).

After World War II, new states, including Bhutan for all practical purposes, emerged into a different world than that of the 19th century. This gives Bhutan an opportunity to define itself for itself, a question that is raised by GNH's concern to use culture as a defense of the nation's

independence. It is important to note that liberal economic theory legitimated the nation-state as a natural entity that existed along side the reified individual. We are well aware that in the last decade or so, particularly since, say 1989, the legitimacy of the nation-state has been called into question on at least two counts. First, it has been called into question by the assumption of the new supremacy of the market, particularly the global market, which trumps the interest of the state to protect itself. Second, it has been called into question by the movement for human rights, here under the guise of multiculturalism. The State is now being returned to itself, defined once again as a threat, and it is being dismantled at the same time. How is Bhutan to think about this in terms of its own interests? The New World Order is no longer the order of nation-states whose interactions are governed by international law. It is a world of disorder controlled, if it is controlled at all, by the forces of the market.

GNH and Development

A vital shift has taken place in the focus and theory of development since 1989 and the fall of Communism. Incidentally, we should note that the public discussion of GNH in the West, or at least in English, probably began about the same time, in 1987 or 1988. Consciously intended or not, this is a symbolic event.

Since the 16th century, European thinkers have been concerned with the problem of the increase of the wealth of their respective political entities, the wealth of the state (and empire) and, later, the wealth of the nation-state. In the great age of discovery, exploration, and conquest, the age of mercantilism, all debates in the social and economic realm centered on how to create more wealth for the state, how to increase the income of the state, to increase income over export. This led to regimes of controls of all kinds in order to prevent consumption and the uses of wealth that would diminish it. The importation of gold and other precious metals was encouraged; trade advantage was a prerequisite for power.

The extraction of gold and other precious objects from the Americas after their conquest, accompanied as it was by the almost merciless exploitation of the "native" peoples, was a perfect example of mercantilist economic theory. The British Empire's trade policies, restricting trade, to the extent possible, between, for example, South Asia and Britain and excluding other trade relationships, i.e., the old "imperial preference" system, was another example of mercantilism.

By the time Adam Smith's *Wealth of Nations* was published in 1776, a shift had taken place away from the theory and practice of mercantilism to the belief that only by maximizing the individual merchant's ability to trade and accumulate wealth could a nation's wealth increase. This new approach to economic activity was the obvious concomitant of the emergence of a capitalist class of individual entrepreneurs. The individual had replaced the

state, and individual economic activity in a free market had replaced state controls and monopolies in the pursuit of wealth.

A least two characteristics of this kind of thinking are significant for GNH. First, development per se was not a part of either system of thought. It was the accumulation of wealth that was significant, not development. There was no necessary relationship between the two. Moreover, and this is the second point, power was the significant variable in the equation. Under mercantilism, the power of the state to conquer was crucial to the accumulation of wealth at the least possible expense. Since the state, with its power to monopolize, was the primary economic and political actor, power was the most significant economic factor, and this meant military and naval power primarily. After mercantilism, under capitalism, with its emphasis on the individual entrepreneur, the state's power was no less important but was now directed differently. Now its purpose was to create those conditions that allowed the individual entrepreneur or corporation to maximize its advantages. This meant that the cost of maintaining a trade regime and the law and order that were beneficial for the private entrepreneur or for a corporation was the business of the state. The cost of doing this was often borne by the colonized peoples or, in some cases, by the people of the metropolitan power through taxes. A perfect example of the shift from mercantilism to capitalism is the abolition of the East India Company's monopoly of the Indian market to the post mutiny colonial regime in India.

However, the state did not disappear from commerce. In order to trade, which means to have goods and services for export, states and nation-states sought to maximize advantages for their own merchants and producers. This meant the development of tariff systems that created advantages for one's own people in the development and production of goods.

Finally, by the time of World War I, it had become apparent that a combination of technology and trade had resulted in the emergence of a class of nations that were "developed" and the rest undeveloped. At least this was the expression we used until the 1990's. The technological basis of development was, first, a consequence of the need for military and transportation technology, in the periods of mercantilism, to enable certain states to conquer distant lands and to exploit them. This technology, for example military technology, geographical technology (maps) and sailing technology were crucial for the development of empires. Second, under capitalism technology became the basis for comparative advantage in production and commerce. It was widely recognized that technology was the basis for a new kind of productive power that would advantage those who possessed it over those who did not. In fact, a whole system of patents and trademarks, etc., developed to prevent the transfer of technology to those who might also be advantaged by it.

Development as such was not an issue until the Russian Revolution of 1917. That was the ideological turning point in the entire thinking about World economics and the world system. Two historical moments in Western history symbolize this shift. On April 2, 1917, Woodrow Wilson, the American president, gave a speech declaring war on Germany. He said, "The world must be safe for democracy. " To all intents and purposes, this meant that the world must be opened to the kind of trade that the developing nations of the West found it advantageous to pursue. Democracy meant free trade, the abdication of the power of the state to control trade for its own benefit and the transfer of that power to the bourgeois class. The second date was November 7, 1917, the symbolic beginning of the Russian Revolution. The Russian Revolution was based upon the idea that it is not the bourgeoisie, not the capitalists, but the workers who actually produce wealth and should control it, and that, as the agent of the workers, the state had the primary responsibility for managing the economy in order to increase the standard of living of the working class, which meant increasing the wealth available for improvement. These two events symbolize the emergence of two totally different systems that were now in competition with each other. Competition between nation-states and empires now became competition between different ideologies and socioeconomic systems. The one used universalism, that is the argument that capitalism was natural, to argue for the political conditions that permitted the kind of trade that would advantage its own middle class of individual entrepreneurs. The other used the particularism of the interests of a particular class, the working class, to argue for a totally different trade regime. For the first, making the world safe for democracy, the slogan of "self-determination of nations", meant creating a trade and economic regime advantageous to the already developed nations. For the second, advancing the interests of Communism meant exploiting everything in sight in the interests of a particular class, and this meant reducing all trade to state controlled trade and production.

It is in the context of this contradiction between the two systems that the concept of development came to the fore, particularly after World War II. In fact, the concept of development was advantageous from many perspectives. First, in the contest between the two systems, each holding out different possibilities, development was advantageous to each in the competition with the other. For the Western nations, the capitalists, development was advantageous because it was a way of denying or negating the political attractions of Communism. However, that kind of development was not intended to be disadvantageous to the developed countries, so that, for example, the issue of knowledge transfer, of what is now called intellectual property, the question of development policy that would be politically advantageous but not economically disadvantageous, became crucial. This is one of the reasons why "uneven development"

became a serious issue in the developing countries. Furthermore, the development policies of the West were intended to encourage the increase in strength of those classes and political groups in the developing countries whose interests would ally them with the capitalist countries. A perfect example of this is the Vietnam War. This was a war fought not over capitalism vs. Communism in a narrow sense but over the issue of who would be advantaged by development. The regimes in post-colonial Africa, corrupt and unstable but always serving the interests of the developed countries, provide another example. For its part, the Communists encouraged development to win political battles in the competition with the West and to build military power, which it saw as a primary necessity in the competition with the West.

The non-Western and non-Communist nations, a kind of third-party in the struggle between Communism and capitalism, understood that in this contest the only hope they had was to engage in "nation building", to increase and modernize infrastructure in order to withstand the pressure and control of the two major camps. The whole theory of nonalignment was based on this, with development theory and political nonalignment between the two powerful economical political camps as the foundation of this approach. (We should note that although the rest of the world thought China and Russia were allied, in fact we now know that they were not; they were fearful competitors.) "Development theory" developed in the context of this world struggle, and it is important to note that no development theory proved to be really valid or successful.

In the perspective of both Capitalism and Communism, as well as in the perspective of the Non-Aligned powers, justice and happiness were understood to be a consequence of development but not to be the compelling reason for development. Development itself, not happiness or justice, was the goal. Capitalism argued that the individual would be happy if he or she accumulated more goods and wealth. In order for the trade system to work, consumerism had to be encouraged both in the developed and in the underdeveloped worlds. Consumerism was the way in which the capitalist system insured social stability so that production would not be interrupted. Communism argued that future generations would enjoy the advantages created by the present, so that the harsh regime of the present would pay off in future happiness. Both systems accepted the idea that injustice might be a necessary concomitant of their *Weltanschauung*, of their worldview.

The fall of the Berlin Wall in 1989, symbolizing the end of Communism, meant the end of the competition between the two world systems that contradicted each other. The field, the entire world, was now left to one of the world's systems, capitalism, and this radically changed the *Weltanschauung* of development. The Development State, to which we will

turn shortly, the instrument for development in the period before 1989, is now being replaced by a new theory and a new phenomenon.

The new world system, the new economic regime, is globalization. In this new system or regime, development is no longer a primary economic or political objective. There is no need for it, in fact. Today, integration of all economies into one is claimed to be to the advantage of all. Because there is no competition, the global system of capitalism can now function without the need for development as it was understood in the 20th-century. Not the interests of the nation, not the interests of the people, but the interest of the market itself, reified, has become the focus of attention. Moreover, another consideration, which began to appear prominently toward the final quarter of the 20th century, was the rise of the multinational corporation to a commanding position as the primary player in the international economy, replacing national corporations and individuals. Once again, now without development because development lacks any political purpose, the new global system sees happiness and justice as byproducts if they are important at all. Furthermore, in order to remove them as primary concerns or objectives, they have been reduced to individual concerns, so that the question of social justice or happiness in a society has been reduced to the question of the distribution of Justice as a commodity, which is the Liberal position today (see, for example, the American legal theorist Rawls), and happiness has become a matter of individual disposition with all kinds of measurements and therapies to improve individual happiness. We can even take drugs to be happier, so that happiness itself becomes a commodity on the market available to those who can afford it.

Two more issues must command Bhutan's particular attention. First, in all of this, small states have always been disadvantaged. Differences of scale are vital and are in fact differences of kind. None of the ideologies of development in the past have taken into account the fact that small states, small societies, are different. They lack the political power to withstand encroachment. For the most part, they lack resources to develop their own advantages. They lack the human resources to develop their own approach to their own concerns. Capitalism and, later, globalism have argued that small states should simply join the system. The rules of the market economy are universal, it is claimed, and apply to small states and societies just as they do to large ones. The asymmetry of power is not considered a significant factor. For Communism, the same criticism was valid. Communism argued that the analysis it made was valid for all societies, a kind of universal law of history. Gravity operated the same in Bhutan as it did in America or Russia.

Second, to the extent that small states accepted and made policy on the basis of the assumptions sold to them by the universalistic claims of the contending ideologies, they themselves were weakened in their attempt to find their own ways to the future. Now, under globalism, they are even told

that they must surrender sovereignty to the global system, which itself is a playing field of asymmetrical power. Therefore, to the extent that small states buy into both the theoretical and the ideological claims of the specialists from outside, they weaken themselves.

This is the context within which GNH becomes significant. The reason why it has attracted attention is precisely because of the challenge it poses to the theories, ideologies, values, and politics of the powerful. It is, in fact, an experiment.

GNH and Culture

Both Capitalism and Communism legitimated the acquisition of greater wealth, though for different purposes and with different rationalizations. For both camps, however, the objective proved hard to achieve, and when a statistical improvement in the economy of a particular country appeared, new wealth was often so maldistributed within that country that social and political unrest increased rapidly. With time, the optimism of the period immediately after the end of World War II began to confront the incontrovertible fact that there was a growing gap between the developed and the underdeveloped countries, between the “North” and the “South”. The terminology may have changed but the fact did not. “Development” became the term applied to the process of overcoming the gap.

For many reasons, pessimism with regard to the possibility of overcoming the gap increased with time, particularly in the 1970s. A factor had to be found both to explain the gap and to suggest the reasons why it existed. Both in Capitalism and Communism, “culture” entered the discourse to explain this gap. “Culture,” often equated with “tradition,” “traditional culture,” was deemed the culprit in the increasingly unequal development. Curiously, the Communists had identified the culprit from the very beginning and had pursued active, often violently aggressive policies to eradicate old cultures and introduce new ones. The Chinese “Cultural Revolution” was just such an aggressive attack on tradition and an attempt to wrench China from the clutches of the old culture and force it into a new one more conducive to development.

In Western thought, the concept that industrialization was a culture in itself, that the introduction of modern means of communication also required the introduction of the culture of modernization, became current. This ran all the way from insisting that modernization required the replacement of the “traditional” extended family with the nuclear family to abandonment of all kinds of “traditional practices” that hindered the emergence of the Western-type of individual entrepreneur. In short, the “underdeveloped” peoples of the world had to undergo social, cultural and psychological modernization if economic progress was to be made. “Science” had to replace “traditional values” and scientific disinterest had to replace the parochial interests of any part of a culture or the culture itself. It

was, by the way, here that the idea of “technical assistance” and “development specialists” came to the fore, i.e., help and individuals that were scientific and disinterested in the question of value conflict.

This is not a trivial question by any means. Bhutan must be well aware of the fact that in its own region, the agents of development have introduced changes that are destructive of whole cultures. In fact, the issue has become sufficiently pressing that international organizations now speak of “cultural genocide,” by which they mean the cultural cost of introducing socioeconomic change that does not factor into its processes the question of the development of culture as well. His Majesty’s insistence that culture must be an instrument for the protection of the nation reflects this reality and calls for a creative response within GNH thinking.

Buddhism and GNH

In light of this discussion so far, an important question that has to be considered is the relationship between Buddhism and GNH. Two factors seem paramount. First, Buddhism may be considered, for the purpose of this discussion, as a set of values that are quite different from those of the culture, Christian, in which development theory and modern political theory developed. For example, in the Christian *Weltanschauung*, the individual is considered to be a totally unique being, possessed of a unique soul, and to be the primary actor in all regards in the drama of his or her own salvation. This quite obviously impacts seriously on development theory and on the role of the individual. The great Western sociological thinker, Max Weber, emphasized the relationship between Christianity and the rise of Capitalism. Buddhism, for its part, refuses to reify the individual or any other entity. Consequently, the *Weltanschauung* of a culture that is Buddhist will be very different from that of one that is not. This, of course, is true for all cultures. However, it must be taken into particular account in Bhutan, where Buddhism and Bhutanese culture are almost isomorphic. To the extent that Bhutan is a Buddhist and not a Christian or Muslim society, its *Weltanschauung*, its social, cultural and political ethos, rooted in Buddhism, must be the foundation of its public policies. Change, in other words, must be based on Buddhism, not on other constructions of the world. This is the particularity and importance of GNH for Bhutan. To the extent that GNH has validity beyond Bhutan, it is because it raises vital questions that have heretofore not been central to political and social discourse.

Second, although we divide life into various domains, such as the personal, the social, the political, the religious, the psychological, etc., in fact life is not lived that way. It is a commonplace to recognize that my psychological condition will have an impact on my social life and that my economic situation will have an impact on my psychological life. In fact, life is a seamless whole. In this context, Buddhism and culture are part of that

seamless whole. If in one part of our lives we engage in activities that are radically different in their quality and in their ethos compared to our activities in other parts of our lives, the whole fabric will change. Consequently, if we value Buddhism and if we value Bhutanese culture, the strategies and tactics we use for economic development must be intricately and intimately part of Buddhist and Bhutanese culture and its *Weltanschauung*.

This is a crucial challenge. Let us assume that a major directive, the prime directive, of Buddhism is to not harm others. Let us also assume that a prime directive of Buddhism is to create those conditions that allow all sentient beings to move along the path to enlightenment. If that is the case, then GNH must take as its own prime directive the development of those strategies and tactics that, first, do not harm sentient beings in the process of change, and, second, are immediately aimed at decreasing the obstacles, the "Negativities," that impede the search for enlightenment. If one takes this seriously, and if one assumes the seamlessness of life as a whole (itself a Buddhist concept), and if one understands that Buddhism as a value system differs from other value systems, as all value systems differ from each other, then GNH must approach development from a different perspective. Note that this is not a question of individual happiness or of happiness in any immediate sense. The "Happiness" that we are considering as the objective of GNH means the removal of obstacles, the condition in which any negativity is diminished, not the immediate satisfaction of the individual as such.

The "happiness" of Gross National Happiness, in other words, is not to be understood in metaphysical terms. It is a very immediate and practical concept. It is possible to identify those developments and those already existing conditions that impede the realization of the values a society and culture, Bhutanese society and culture, hold high, hold to be important. The challenge of GNH is to design practical policies that achieve this objective. This must involve the redirection of resources to this purpose and, equally important, the development of education that self-consciously has the same purpose. It is indeed true that, for example, consumerism grows partly because of the introduction of TV and other forms of information technology. TV and IT cannot be removed once they are introduced, and any attempt to do so would probably be counterproductive in terms of the values of GNH. However, their presence must be accounted for in the development both of regulations controlling consumption and the development of an educational system that will strengthen or redirect the attention of the next generation away from consumerism and toward the values GNH is promoting.

The GNH State

After World War II, “development” emerged as the primary strategy to close the widening gap between the developed and the “underdeveloped” economies. For the capitalist West, this strategy had two important purposes. First, in the conflict of the Cold War, “development” was a political move that enabled the West to prevent one or another country from joining the Communist side in the Cold War. (During a certain period, the United States, the chief power of the West, considered even non-alignment equivalent to be opposition to the West.) Second, in the turmoil of the anti-colonial struggle that characterized politics in Asia, Africa and Latin America from the late 1940s to about 1970, “development” was a technique to bring the rebelling societies under control by holding out the hope of socioeconomic improvement while granting them formal independence; “development” almost always meant political ties, and even lines of control, with the power granting aid. Development was the alternative to the reassertion of colonial control, which the independence wars in Southeast Asia after 1945 showed the West were too expensive. Development was, in the long run, cheaper, financially and politically, and it continued the Capitalist powers’ access to the raw materials of the underdeveloped regions.

The Communist camp entered into the same “game” with almost the same objectives. The primary difference was that while each side wanted to prevent “underdeveloped” countries from allying themselves with the opposing group, the Soviet Union wanted to deny the West access to the raw materials of the developing countries, hoping thereby to inflict some economic damage on its opponents. Not long after the victory of the Communist revolution in China, China and the Soviet Union also entered into competition to sponsor development in the “Third World,” although this was recognized in the West only after about 1960.

This combination of relationships was precisely what gave the impetus to the creation of the non-aligned movement, to which Bhutan adhered.

The primary instrument for development, whether sponsored by the West or by the Communists, was the State, and the primary concomitant of economic development was a process that came to be called “nation building”. “Nation building” is a term that refers to the construction of the institutional infrastructure that will provide the political structure of the State, whose primary task in this historical conjuncture was to guide and channel the economic change in the directions the providers of economic aid expected. Very often, the construction and strengthening of the security forces was the primary form taken by nation-building. Nation-building also included activity in areas like education, which had two purposes: (a) the preparation of the personnel resources required for economic development, primarily in technology, and (b) ideological, the construction of a sense of identity, of a mentality, that would accept, even demand, modernization

and that would protect the interests of the sponsoring powers. “Specialists,” ranging all the way from military specialists, specialists in the production of power, in agriculture, and in law, to specialists in child-rearing and in education, were provided by the sponsoring nations, and organizations for the recruitment and dispatch of these specialists became a primary vehicle for the process. The United Nations eventually entered into this domain in an attempt to provide “disinterested” direction and aid, uncommitted to either side in the Cold War. (The latest avatar of the organization of “disinterested” specialists is the NGO.)

We can call the State that was created to serve as the primary agent of this process the “Development State,” whose role was central to national development throughout the “Third World.”

The Development State and GNH

We can define “development state” as a state whose primary *raison d’être* is economic development, and the function of the development state is to coordinate and concentrate the nation’s resources on development, rather than on any other competing objective. Indeed, the development state is the kind of state that is most consonant with contemporary neo-liberal socioeconomic theory and practice. It was characteristic of the development state that it was required, by and large, to accept as its own the sponsoring power’s general economic theories and theories of development.

Bhutan, never colonized by an external power, embarked on the path of development earlier than most of nations of the “developing world,” which achieved independence only after World War II. Some “developing nations,” such as Korea and Taiwan, had already benefited from the economic policies of the empires of which they had been a part, but for the most part development began only after World War II, more frequently only after independence. Bhutan started itself on this path much earlier.

When Bhutan became aware of the importance of the economic and technical disparity between itself and the surrounding world, and of the need to close the gap, is not entirely clear. Certainly during the Duar War, the disparity was not yet pronounced. In fact, reports that “Bhutanese” soldiers may have been using rifles or guns of some sort suggest that the disparity was not as pronounced as it was later to become. Infrastructural and institutional changes introduced during the early decades of the Monarchy were probably more intended to strengthen the control of the new state over the country than they were to close the gap between Bhutan and the outside world. It is also probable that consciousness that the asymmetry of power and development between Bhutan and the more developed world could be a threat to national existence developed as a consequence of events in the subcontinent and to the north in Tibet in the period from 1947 to 1950 or thereabouts. And that would explain, in a

certain way, the establishment of the National Assembly in 1953 as a means to mobilize the people for the project of development.

The concentration on economic development and infrastructure during the reigns of the Second, Third, and Fourth Kings, that is to say, the emphasis on the character of the state as a Development State, can be understood more clearly in this light. However, given the nature of Bhutanese culture and society, the character of the state as a Development State necessarily remained incomplete. The very asymmetry of power, that is to say, the vulnerability of Bhutan, suggested that development per se was an insufficient response to the magnitude of the asymmetry between Bhutan and India on the one hand and Bhutan and China on the other. The magnitude of the asymmetry must have become more and more apparent as Bhutanese, particularly the Kings, began to visit India and as the magnitude of what was happening in Tibet began to impinge itself on the consciousness of the nation's leaders.

While the Bhutanese state developed a monopoly of coercive power, it was never an unlimited state because of the various factors, including geography, which inhibited the assertion of unlimited power, and because of the existence of local power in the villages, which had a traditional basis reinforced by poorly developed communications, etc. While in the developed West the limitation of the state is institutionalized in constitutions and, historically, by the parallel existence of the church and of civil society (particularly after the 17th century), no such institutions existed in Bhutan, unless, of course, one considers village society as a civil society. Is interesting to think about the fact that the Zhabdrung's polity, in which the political and religious were combined both symbolically and materially in the Dzong, was almost the opposite of the polities developing in the West at the same time, whose modern avatars are the sponsors of development and nation-building. The present process of introducing a constitution and Western-style law, a key part of the process of "nation-building", may be less an attempt to limit the state, as happened in the West, then it is to give a sense of legitimacy and structure to an already existing state, particularly in its dealings with the outside world as it seeks more development investment, and to bring itself into concert with foreign norms. Because the Bhutanese state already existed independently before it came into close communication with the world economy (unlike certain independent states in, say, Latin America, which were part of the world economy before independence), and because it was "independently independent", that is to say, it was always independent and did not gain its independence from a former colonial power through which it was integrated into the world economy, Bhutan constitutes something of an exception in the process of development and of nation-building.

The unique qualities of Bhutan's nation-building and development processes may be highlighted by comparison with others. In the United

States, which is one model for construction of national institutions, there is a “limited state” by virtue of the constitution. In Great Britain, on the other hand, the state is unlimited precisely because it has no constitution. Tradition, custom, and the famous British sense of fair play are what limit the British state in contrast to the American state, which is limited by a written document. In this sense, the British state is a total, even a totalitarian, state that may legislate on any subject whatsoever, while the American state is greatly restricted on what it may legislate about. Now what is important about this is the fact that the British state, in the absence of a constitution, is probably more a model of peace and liberty than the American state is with its constitution. In Bhutan, without a tradition of parallel structures that limit the state or a tradition of civil society defined as separate from the state, the state itself seems to need to impose upon itself certain constraints. Whether consciously or not, the ideology and, therefore, the practice of GNH imposes certain constraints on the power of the state.

If the Hobbesian view of the state, “Leviathan”, were correct, and without the state we would live a situation of war of all against all, then Bhutan, in the period before 1907, would have been characterized by such a war. In fact, however, it is obvious that Bhutanese society in and of itself did not disintegrate into such a war. Only the polity disintegrated; village society survived. This suggests that the Hobbesian view does not apply to Bhutan, but it also suggests that many of the issues that confront Bhutan today are the consequence of the still problematic relationship between the new institutions of the state and Bhutanese society itself.

How can the Bhutanese state, now in the process of transformation, handle the social and moral consequences of development? How will GNH deal with these consequences? We may assume that in traditional village society a certain degree of trust and of mutual dependence provided stability for continuity of social interaction and of social life. In traditional society, corruption was a function of the asymmetry of power within the society and could be considered oppressive within that asymmetry. Modernization, as we can see in Bhutan, suggests a shift, as it does elsewhere, from a culture of traditional mutual trust to a culture of accountability. A culture of accountability suggests the need for the values of the society to be made explicit if any system of accountability is to work. Even then, as we have seen in the West, this shift from a culture of trust to a culture of accountability seems to lead to more tension and strife, to a more litigious culture. Many examples of this can be cited. In this context, GNH must be an assertion of the values that underlie a growing culture of accountability that is replacing the culture of tradition in Bhutan. In the modernizing culture, corruption may still be a consequence of an asymmetry in power, but the values that inhibit it are seriously eroded. Law, in other words, Western-style law, is not sufficient to prevent corruption; in fact, it does not inhibit crime, strife, or tension; on the

contrary, experience from other societies shows that it may be a source or cause.

The growth of the modern state in a very real way converts power into an instrument of the ruling class, but it also becomes a vehicle for the emergence of the ruling class. For example, in Bhutan, the extent to which the new bureaucracy, the civil service, is able to use asymmetrical power to its advantage in the acquisition of sources of wealth and income as well as of privilege, suggests its emergence as a new kind of modern Bhutanese ruling class that did not exist previously. This new modern ruling class is a consequence of development policy, of modernization; it is not the same thing as the classical bourgeoisie in the West because it is created by the state to serve the state's purposes; it did not develop apart from and in rivalry with the state. The state, therefore, can become an instrument of corruption that this new emerging modernized ruling class may take advantage of because it is part of the state. Within the context of the erosion of traditional modes of social behavior, which would define lawlessness as contravention of tradition, traditional lawlessness now becomes a legal question. It also needs to be emphasized, or at least pointed out, that the conscious assertion of traditional modes of etiquette reinforce the use of traditional social attitudes to support the emergence of the modern new ruling class. His Majesty's promulgation of GNH becomes a problem for the bureaucracy as the new ruling class precisely because it asserts a set of values deeply rooted in the traditional culture and ethos that contravene the self-interest of the bureaucracy itself. This is one of the reasons why it has been so difficult to operationalize GNH. Moreover, it is a reason why strong leadership from His Majesty himself, the only focus in the society of traditional social values by virtue of the loyalty and respect he commands among the people, will be absolutely necessary for GNH to succeed. In a way, His Majesty will have to provide this leadership by leaping over the bureaucracy which modernization created in the modernization process that he himself has promoted. There is a deep irony here. Anthropology has shown that stateless societies have a far lower level of anti-social behavior than modernized or modernizing states. And yet, in the contemporary world, not to modernize is to disappear, to be absorbed. To the extent that GNH is a self-conscious attempt to modernize traditional values and systems of thought so that they can function to guide and control the process of modernization, GNH requires action and demonstration.

GNH, in other words, can be understood as functional in the historical context of modernization as a basis for policy formation rather than as an expression of high moral Buddhist values. It is this dimension, rather than the Buddhist dimension, that makes GNH significant for non-Buddhist societies. Within Bhutan, GNH is the vehicle for the transformation of the model of the generic development state into a state that exemplifies Bhutanese, and therefore Buddhist, values. As counter-intuitive as it may

seem to development specialists and theorists, *driglam namzha* is a sine qua non of GNH.

There is an irony here: Traditional societies are, on the whole, socially conformist societies. In such societies, and traditional Bhutan was certainly such a society, nonconformists had a traditional outlet, to wit, the mental or spiritual world Westerners call religion. Drukpa Kinley, for example, is a superb example of a nonconformist who, as such, played an important role in a conformist society. Modernization contains a component of nonconformity, and this gives rise to the question of regulation of nonconformity. Conformity and nonconformity are always culture specific. Here again, GNH is attempting to reassert traditional values. GNH does have a spiritual, mental aspect, and it needs to be understood in this context. The imposition of Western-style law and legal systems, a crucial development in development theory, does not substitute for or improve upon tradition. Quite the contrary, without an elaborated understanding of GNH's relationship to traditional values and behaviors in this sense, the Westernization of the legal system may be counterproductive.

There is another profound contradiction between Western development policy and GNH. Development policy in its present form and in the present context, particularly in its insistence, at least verbally, on the use and growth of the private sector, must of necessity emphasize the primacy of individual advantage as the motivation for growth. Like it or not, development within the context of capitalism cannot escape this fact. GNH, on the other hand, at least as we tend to speak about it, emphasizes not individual advantage but, precisely, "Gross National Happiness", which is not simply an aggregate of individual happinesses (this is precisely why any attempt to measure individual happiness contradicts GNH). This is an inescapable contradiction that cannot be papered over with any reference to traditional or Buddhist values. Quite the contrary, it can be resolved only by means of policies specifically designed according to GNH. The GNH state, in contrast to the development state, has as one of its primary functions the transcendence or resolution of the conflict between individual advantage, which is the very cornerstone of capitalism-inspired development, and the common good. In any society individuals can act in ways that are individually rational but socially destructive, or rational in terms one objective and but destructive in terms of others. This contradiction, before the emergence of the Bhutanese state, would have been resolved within the context of traditional structures and at the village level. Now, however, that potential resolution has eroded or been superseded by modernization. Consequently, the GNH state must play that role.

It now becomes apparent that if the development state is focused primarily on the process of economic development and nation-building, the GNH state, the state based on the theory and practice of GNH, must consciously incorporate, and enforce, a set of values, must develop

institutions, policies and actions based on those values, and must understand itself as a social mechanism dedicated to development within, not apart from, those values. Indeed, GNH values and institutions are the necessary framework without which Bhutan will lose its specificity.

A similar argument can be made with regard to Bhutan's entrance into the WTO. GNH aims at the preservation of Bhutan's sovereignty. Now, it is painfully clear to everyone that the WTO institutionalizes the asymmetry of power that characterizes any society lacking a strong sense of fair play values. This became very apparent at the WTO negotiations in Cancun in the fall of 2003 and at the Western Hemisphere negotiations in Miami shortly thereafter. GNH insists upon a set of values that ensure that the interests of the whole will predominate in Bhutanese society. The GNH State, therefore, must be the guarantor of the values and policies of GNH. This is one of the traditional of functions assigned to the state in Western political theory: the preservation of a level playing field. Of course, we know from practical experience that in most cases the state does just the opposite: it preserves or promotes the advantages of one sector of society over others. The WTO is society without a state. Were Bhutan to join the WTO, it would by very definition place itself in the position the disadvantaged. If there were a global superstate that functioned to preserve the level playing in the global economy, the GNH state would find the WTO a reasonable opportunity. But there is no global superstate, and Bhutan would remain totally disadvantaged in a game skewed in the interests of the strong, namely North America and the European Common Market. (It must be kept in mind that at the present time, Bhutan benefits from the strong ethical values of nations like Japan and the countries of Western Europe that are donors of development aid, but this is not systemic.) Bhutan needs to study closely the implications of the Cancun and Miami negotiations in light of GNH policies before it makes a final determination with regard to application for WTO membership. In other words, the desire to preserve national sovereignty and Bhutan's own path to development and the decision to apply to the WTO may be contradictory not just for reasons of danger to national culture, etc., but because of the very asymmetry of power implicit in the structure and processes of the WTO.

A discussion of the development and the GNH state must also take account of the distinction between state and government. In fact, the Kasho of 1998 institutionalized this distinction when His Majesty decreed the establishment of the Government. This was a radical departure. Previously, in the 1960's, the Third King had a Prime Minister, but that Prime Minister was not the "head of government;" rather, he was the primary assistant to, and representative of, the king. This is a very important point to make. The coexistence of, or rather the distinction between, the government and the state suggests that the government is not simply the representative or agent of the king. Indeed, the king has made it very clear that that is not his

intention. It would seem that the question now must be asked: Is the Bhutanese government supposed to control the state, that is to say, is the Bhutanese state not to be defined as the instrument for the execution of the government's policies? This is certainly is the understanding of the concept of government elsewhere. But the Bhutanese government was established in 1998 before any mechanisms were created by which the policies of the government could be determined. In some Western societies, this determination is made by "democratic politics"; in others, it is made by a party organization, by the military, or by some other instrumentality. Nothing like these methods exists in Bhutan. Nor, in the abstract, is there any necessary consonance between the concept of democratic government and the concept of good governance, which is an important idea in Bhutan. There is no guarantee of the one by the other. Plato raised this issue at the very beginning of political theory in the West, when he made two arguments: First, he argued that only people trained in the appropriate values -- those he called "philosopher kings" - should rule. Second, he argued that the entire structure of the state had to rest on a "noble lie." In other words, good governance required both careful guidance and an over-arching myth. It must be understood that Plato's concept of "myth" did not imply falsity; he understood that the state, any state, required a theory, an ideology, to function well. Aristotle, historically the second great political thinker in the West, was, for his part, suspicious of both democracy and Plato, but he too argued that "the excellent" must rule if society and the polity were to be stable. In Bhutan, GNH may well provide the over-arching myth that is one of the keys to Plato's good governance and Aristotle's stability. But this leaves the question: who will be the philosopher kings? Who will be the "excellent"?

The GNH State

By now it should be apparent that any discussion of GNH must also be a discussion of the GNH State. Otherwise, GNH remains a theory, even a slogan, with no practical policy application. The concept of the GNH state is a potentially revolutionary one for Bhutan and, by example, for other societies beyond Bhutan.

The history of the Bhutanese state has already been discussed. It is the history of the development of the state as the primary actor, the "subject", of political action in Bhutan. Between 1907 and 1998, "coercive power," that is, the power to make things happen, was increasingly concentrated in the person of the King, and the creation of certain institutions, such as the National Assembly in 1953 and the Royal Advisory Council in 1965 contributed to that concentration.

Leadership, however, while primarily located in the person of His Majesty, was not completely concentrated in him. The Je Khenpo, who is almost co-equal with the King, as suggested symbolically by the fact that

they wear similar colored scarves and are always portrayed as sitting on almost the same level, had and had responsibility for the Monk Body, which to all intents and purposes remains a separate community. This structure goes back to the Zhabdrung's polity and is reinforced by the presence in the National Assembly of representatives of the Monk Body who were not chosen, and now are not elected, by the electors as a whole; they sit as representatives of the Monk Body itself. Finally, at the village level leadership continued to be lodged in the person of the gup, though over time the method of selecting the gup changed and to no small extent the gup has become an instrument of the State.

The centralization of appointment and control of provincial leadership (Dzongdas on down), which the First King began, is the process of extending the Center's "coercive" power and leadership down through society (indeed, this can be seen in the progressive incorporation of the country into the 'national' administrative structure in the succeeding reigns through the extension of the system eastward).

The creation of the Royal Civil Service Commission and, indeed, the entire concept of the Civil Service, can also be understood as an instrument for the penetration of central control down through Bhutanese society.

The policy of decentralization, an integral part of "good governance" at the present time, contradicts, on the one hand, the concentration of leadership and power that is the very definition of the State. On the other hand, the center's policy of decentralization concerns the extension of the legitimacy of the central state to local institutions, because decentralization flows from the center to the periphery and was not forced on the center by the periphery, as happened in other societies. By extending legitimacy downward through decentralization, the state is really concentrating legitimacy in itself. This is necessary if the state is to legitimate GNH as its prime directive and was a process undertaken with great foresight.

Because economic planning and development have been the primary function of the Bhutanese state in the last decades, this process of decentralization has to no small extent been concentrated within the economic planning and development sphere. The roles of the DYDs and GYDs point in this direction.

The GNH state consists of three primary components. Its institutions are already in place, created by the development state in the more than ninety years since 1907. Its personnel are also in place in the form of the Civil Service, although some attention may need to be given to the further training of the Civil Service in GNH values. The third component, to which attention now needs to be directed, is the specific ideological and operational aspects of the GNH state.

The Characteristics of the GNH State

In the final analysis, all political and institutional actors in the Bhutanese polity must be guided in the development and execution of specific policies by generalities that can be described as the characteristics of the GNH state. These can only be sketched in broad terms; their realization is a matter for policy formulation and implementation.

As a Buddhist, more specifically a Mahayana Buddhist, state, the Bhutanese state assumes primary responsibility for the creation of a society in which the individual's progress toward enlightenment is not impeded by unnecessary suffering, material or mental. This is the very heart of GNH and what distinguishes GNH from other development programs. It is the point of departure for the formulation and implementation of GNH development policies. The GNH state undertakes, therefore, to minimize those material conditions that can be disruptive. All citizens must have a means to obtain an adequate livelihood, which suggests that the State must adopt a full-employment policy and must be the employer of last resort. The GNH state does not assign ultimate responsibility for this to the private sector or to the market; they are only a means to an end for which the State itself is ultimately responsible. Furthermore, since significant inequality of income can lead to disturbance both in the social and the mental domains, the GNH state is committed to minimizing the spread of income and the concentration of wealth among the Kingdom's citizens. The use of natural resources, the development of economic enterprises and the development and operation of public services must be managed on the basis of these principles.

The GNH state also encourages the development of a social and cultural environment that parallels the economic environment and is conducive to the same ends. The stability of the traditional family, the promotion of a life-style, particularly a village life-style, and the development of a cultural life in which all members of the society can participate, are integral parts of GNH policy.

All this must be supported, indeed must be realized, through an education system that has as its primary concern not only training in literacy and other skills but also in GNH values and ideas. In many countries in the world, "civic values" are an important part of the curriculum in all schools. Successful modern societies depend upon educating each succeeding generation in the values that are at the core of the social existence they will lead. Bhutan has made remarkable strides in the development of its educational facilities. Special attention now will need to be paid in the educational system to the inculcation of GNH values and a mental attitude that will find GNH practices to be both satisfying and the object of expectation.

The Operationalization of GNH

Introduction

The operationalization of GNH now appears as a reasonable and logical development in the history of Bhutan and of the Bhutanese state. The Zhabdrung introduced the first polity and law code into Bhutan of which we have documentary record. The polity was based on the intrication, the virtual identity, of the administration of the formal Buddhist institutions, the monasteries and the Monk Body, and what, in modern terms, we would call the secular. We must understand that in our understanding of the Zhabdrung's times, this division was formalistic and represented different administrative needs; it was not a clear distinction between different domains either sociologically or ideologically. In real life the two "domains" were part of the whole in which some people specialized in productive activity and others in dharmic activity. The Zhabdrung's administrative division between the Desi and the Je Khenpo reflected these different activities and responsibilities.

Although the period between the time of the Fourth Desi and the establishment of the monarchical state in 1907 was an era characterized by the absence of an integrating polity, an era of disunity and conflict within the geographical Bhutan of the time, Buddhism remained a constant in Bhutanese cultural and daily life. In other words, both the people of Bhutan themselves and those who established and developed the monarchical state were participants in a common culture that, for reasons not germane to this paper, did not experience the appearance or growth of secularism. In practical terms, this meant that institutional Buddhism and Buddhism as thought and practice constituted the broad and profound Weltanschauung of the Bhutanese people, and this is no less true today. Buddhism is the shared experience of all classes of the Bhutanese people, from the upper to the lower reaches of society. This observation finds constant symbolic expression in every aspect of Bhutanese daily life.

As Bhutan and its state apparatus developed, the question of the direction of development appropriate to Bhutan quite naturally led to His Majesty's promulgation of the idea of GNH. All the experience of the Bhutanese state and society led to this point. We may ask why the idea of GNH has become a conscious challenge instead of an implicit assumption that gives form and content to the development process. The answer to this question is important for the discussion of the operationalization of GNH. This paper has argued that the changes that took place in the world around Bhutan changed the context within which the changes within Bhutan were taking place; changes in the external context of Bhutanese development themselves became a part of the process of change and development within the country. At the same time, the changes within the country required reflection on change and on the question of the institutional and practical

expression within the process of development of the conscious direction Bhutan wishes to pursue. GNH, then, arises out of the very nature of Bhutanese history and of the Bhutanese polity and is a reflection on that historical experience while it is, at the same time, a description of the future path Bhutan will travel.

While GNH grows out of the experience of Bhutan, it has been recognized that the concept of GNH has applicability in the broader worldwide reflection on the present condition of both developing and developed societies, all of whom are beginning to experience discomfort and crisis, and on the future of development theory, policy and practice. This is of great significance for Bhutan, because it will provide, as time passes, a context within which Bhutan itself will be able to review and revise its own thinking on these matters. In other words, the applicability of GNH outside of Bhutan, even in non-Buddhist societies, will provide Bhutanese thinkers and policy makers with valuable interlocutors. (It may be noted at this point that, within the Kingdom of Bhutan, there are non-Buddhist people who are subjects of the King. They certainly belong to the Bhutanese polity, if not to the Bhutanese-Buddhist culture, and will benefit from GNH as will all the Kingdom's Buddhist subjects. This is an example of the way GNH may have applicability to non-Buddhist communities at the same time that it is the expression of Buddhism in socioeconomic development. This is no different from the presence and participation of non-Christians in essentially Christian societies in Europe and the Western Hemisphere. Secularism is not a pre-requisite for multi-culturalism.)

GNH and Economic Development

Development for its own sake is not GNH. By development for its own sake we mean development that aims primarily at statistical growth in the material domain (development of material resources and the production of primarily material goods and of services); development whose success or failure is measured statistically but does not take into account the by-products of policies formulated and implemented; and development that is primarily sectoral in terms of evaluation and does not take full account of the integrated consequences of the development policies formulated and implemented. Unintended consequences are of the result of insufficient attention being paid to the ways in which each part of development fits into the whole and impacts other sectors or domains.

The difference between GNH and economic development per se may be defined in this way: Economic development is concerned with the increase of the means of production, including human resources as a means of production. The Five-Year Plans are excellent examples of this. The integration of the various components of the Five-Year Plans is a crucial variable, i.e., lack of appropriate integration may lead to uneven development of one sector over another, with consequent difficulties.

GNH, therefore, is an integrated and systemic approach to change, with certain particular objectives, into which economic development must be consciously integrated as one, but only one, component. Economic development, as defined above, is part of, but neither the whole of GNH nor its primary objective. Ultimately, GNH must determine the course of economic development and not vice versa.

GNH requires comprehensive planning, whose point of departure is the complex of values that define GNH. The evaluation and implementation of policies must take place within the framework of GNH values. Existing and future resources must be directed to the achievement of the goals of GNH. GNH requires economic development. Economic development is unavoidable in today's world, but the direction it takes and the objectives it seeks to realize are a matter of choice, and we must exercise that choice if we want them to be masters of our own future.

GNH and Buddhism

We have defined GNH in non-metaphysical and non-individual terms: It is a policy that seeks to remove from the political, social and economic life of the Bhutanese people those conditions that lead to, or lend themselves to, the development of the conditions that Buddhism defines as "negativities," which means those factors that inhibit an individual's progress toward enlightenment. GNH, in other words, is not about the realization of Buddhist values as such. It is the creation of those conditions that enable the members of the society to realize Buddhist values; it is about the elimination of those conditions that prevent the eradication of the obstacles that stand in the way of the realization of Buddhist values.

Buddhism may be a worldwide phenomenon today, but our immediate concern must be the operationalization of GNH within Bhutan itself, to which we shall now turn. What does this mean in practice? Let us take an example. We can argue that those conditions that give rise to anger, resentment, and social distractions are the conditions to which GNH, as a policy must attend. We can make a fairly clear distinction between those issues for which a Buddhist GNH state should take responsibility and those issues which, presumably, can be assigned to the responsibility of, let us suggest, individuals or the monk body. For example, those conditions which give rise to anger from social and economic conditions are the province of the GNH state and its policies, while those conditions which give rise to anger from personal or private conditions, such as marriage problems, psychological problems, and the like, should be assigned to other provinces, for example to the monk body, psychologists, etc.

We may assume that a great disparity in income between the higher levels of society and the average people is a source of resentment and anger on the part of the people. Similarly, we may assume that the real or potential anger of the people may become a source of fear on the part of the

higher levels of society. To some extent, both ends of the income spectrum may suffer from a significant disparity in income. It follows from this observation that the GNH state must make policies that will diminish, to the greatest extent possible, the income disparity in society. From this we can conclude that the state must make policy to maximize national income for the purpose of redistributing it in such a way as to diminish income disparity. Note that this cannot be done by the operations of the market in any neo-liberal, or WTO, sense. It is widely recognized that membership in the WTO does not necessarily improve income distribution within a member's economy. In fact, it may exacerbate it. Globalization has led to increased income disparity even in the United States, for example.

We may also assume that unemployment can become a source of social discontent with consequences that are easily predictable. Such consequences will inhibit the realization of those values about which we are concerned. It follows, therefore, that the GNH state must make policy that will assert the overwhelming importance of the objective of realization of full employment in the society. A realistic assessment of the prospects of the private sector leads to the conclusion that while the private sector may contribute to alleviating potential unemployment, it is incapable of accomplishing this task alone. The GNH state must become the employer of last resort. This is a major conclusion. For example, it suggests that a reconsideration and reformation of the civil service may be useful if the GNH state is to achieve its objectives, and very serious attention needs to be paid to the question of factors that are extraneous to the issue of employment are or are becoming a factor in shaping Bhutanese employment patterns.

Carefully controlled urbanization and a very aggressive policy of creating conditions that will encourage people to remain in the villages are an absolute necessity if urbanization is not to take place in such a way that urban problems become, as they are becoming, sources of those conditions that will inhibit the realization of our values. Urbanization is not an end in itself, nor should urbanization be considered an historically unavoidable process. Nor is there any reason why Bhutanese modernization should follow the same patterns as other societies. Bhutanese policy must be made not in terms of modernization as symbolized by urbanization but, rather, it must be formulated in terms of the kind of society we want to create in the future and the policies that are absolutely necessary today to achieve that future society. Therefore, careful consideration should be given to the kinds of urbanization that will benefit the GNH state and to those policies that may lead to the encouragement of people to find it more attractive to remain in the country rather than migrate to urban centers of any kind. We can give some specific examples: the creation of one or two schools, perhaps one in Bumthang and one in Trashigang, to mention two places, that are of such superior quality that they are better than any school in Thimphu, and whose graduates will be guaranteed civil service positions, but whose parents must

live in Bumthang or Trashigang, or who must be peasants in those areas, will do more to keep people out of Thimphu than to encourage them to move here. This is only one example. We can imagine ten such schools established throughout the country with such conditions as we have suggested. Decentralization, in other words, accompanied by particular advantages for those who remain out of the urban centers, will do more to accomplish our objectives than the kind of planning currently being undertaken. It doesn't matter whether the schools are public or private, as long as they follow the officially prescribed curriculum.

The number of people in Bhutan who reach retirement age will increase with time. The GNH state can develop policies that will specifically advantage people who retire to the countryside from jobs in urban centers, and it can also develop policies that will encourage people living in the countryside to remain in the countryside.

GNH is not a psychological problem. It is not a religious problem. GNH is not a problem of defining or measuring happiness. It is a policy problem, the formulation and implementation of policies that are guided by the over-arching principle of GNH and whose success (or failure) is measured and evaluated in terms of this principle. That is what the operationalization of GNH requires.

We now turn to some practical examples of these general principles.

Proposal for a GNH Directorate

The operationalization of GNH requires an institutional framework for development and guidance. Without such a framework, GNH will remain a slogan and a hope but will not become a reality. This implies an administrative innovation: the creation of a GNH Directorate, as we shall call it here. This Directorate would be a small, highly efficient and mobile group whose mission would be the development and management of the GNH program.

The GNH Directorate would have primary responsibility for developing the GNH plan and for ensuring the integration of economic planning and other activities into the overall GNH plan.

The GNH Directorate will have primary responsibility for the evaluation of all social, economic, educational, and social programs of the government and the private-sector to determine their impact on the development of GNH and to recommend those changes, developments, innovations, etc., that would bring the programs into line with GNH. This would be something like a GNH audit or an environmental audit, and it would be carried out on a continuing basis.

The GNH Directorate would be responsible for research in those fields that are deemed particularly significant for GNH. (See below "Research")

The GNH Directorate would be responsible for planning and organizing volunteer groups and for other institutional arrangements that would particularly serve the purposes of GNH.

The GNH Directorate would have responsibility for recruiting and dispatching selected personnel overseas for training in particular fields of importance.

In order to assure the importance and significance of the work of the GNH Directorate, the members of the Directorate should be appointed directly by His Majesty the King, and the Directorate should report directly to His Majesty or to whomever he designates to act in his place in matters concerning GNH. The Directorate should make an annual report both to His Majesty and to the National Assembly. This report should be published and widely disseminated throughout the kingdom. The people's representatives should be invited to comment on the report in the National Assembly, and their comments should be included in the report published for dissemination. The report should be written in a language that anyone who has completed six years of school could understand.

The ongoing recommendations of the Directorate should be submitted to His Majesty for approval and then conveyed to the various responsible figures in each sector. The Directorate should then monitor the results of its recommendations.

There is no question that the creation of a GNH Directorate would be a momentous innovation in the further development of the Bhutanese state. However, its potential for creative and imaginative deployment of present and future resources in support of the objective of operationalization of GNH is immense.

GNH Projects

The boundaries of potential GNH projects, projects that constitute the core of GNH operationalization, are the same as Bhutan itself. There is no aspect of public or even private life in Bhutan that does not fall within the field of GNH concern and that does not suggest ways in which GNH can be operationalized on a very practical basis. We have suggested some areas of concern above. What follows here are only suggestions. Ultimately, the determination of priorities and the initiation of projects must be the responsibility of the proposed GNH Directorate or some similar body.

The Construction of a National Community and the National Consensus

GNH rests upon, and must result in, the construction of a national community that itself participates in the GNH project. By National Community we mean the community in which each citizen of the kingdom feels himself or herself to be a member of a common project that is Bhutan and the construction of the GNH community. The foundations for this community must be laid through education and through the conscious use

of the decentralization process to incorporate people directly into the project. Given the nature of Bhutanese society with its strong hierarchal cast, it may be advisable to develop a core of facilitators whose function it would be to attend meetings at all levels in order to encourage participation by everyone in the national discourse. A small group of facilitators could be trained and given an institutional home in the GNH Directorate. For example they would attend GYT and DYT meetings to encourage truly open participation in discussions and to provide an independent report of opinions.

In addition to the development of a national community, attention should be paid to the construction of a national consensus that supports both GNH and good governance. The national consensus would be the consequence of the kind of conversation that the facilitators would encourage. In fact, the concept of a national community and the concept of a national consensus are really two facets of the same process.

Sectoral Planning

The operationalization of GNH will require the integration of sectoral planning in the course of the present and future five-year plans under the aegis of the GNH Directorate. Those responsible for sectoral planning and for overseeing the implementation of the five-year plan in each sector should be required to attend carefully planned GNH seminars in which not only are they encouraged to think of their activities in GNH terms but also to produce plans both for cooperation and for integration of their respective sectors into the larger GNH Project. The facilitators corps of the GNH Directorate could provide the framework for this activity.

Furthermore, as the time approaches for planning the 10th five-year plan, those responsible for the overall plan should undertake to develop it within the GNH framework.

Research

All GNH activities depend upon, and require, research aimed at establishing the real conditions at each level of attention; this is necessary to create the framework for determination of particular GNH projects and for the evaluation of GNH activities. Research is particularly important in the villages. The simple fact of the matter is that most or all planning ultimately takes place in Thimphu and is accomplished by individuals who are strongly oriented to the urban setting. While many Bhutanese living in Thimphu maintain close ties to their villages, their frame of reference for work remains Thimphu. Social science and economics research in the villages, along with opinion research, is a sine qua non for the operationalization of GNH. This means that there is a strong need for social science researchers who are seriously lacking in the Bhutanese environment. Nobody doubts the importance of trained specialists in the various fields of

engineering, commerce, and education. However, a healthy society requires in-depth knowledge about itself if it is to make productive decisions concerning its own future. The operationalization of GNH requires that a certain number of graduates be given the opportunity to study abroad in the fields of sociology, anthropology, economics, and in those fields in which these subjects are combined, such as economic anthropology, etc. A research corps needs to be an integral part of the civil service or the GNH Directorate, and once people are trained in these fields they need to be assigned for long periods to work in them. Careers in specialized research need to be encouraged. The curriculum of Bhutanese educational institutions also needs to be revised to make room for basic training in these fields at a level that will make it possible for graduates to go abroad for further study. Once such a mechanism is established, it should become possible to train researchers and research assistants inside Bhutan.

Volunteer Corps

Volunteerism needs to be encouraged in Bhutanese society. Indeed, we argue that volunteerism is an expression of the Buddhist ethos. The spirit of volunteerism needs to be inculcated throughout to the school system through both teaching and activities. Over time, the GNH Directorate can establish volunteer corps in a variety of fields: teaching in remote areas, primary medical care delivery in areas not yet reached by the medical system, community construction work, youth work, etc. These corps would include programs for school leavers at various stages, training programs for a certain period of time, and maintenance income. The volunteers would learn skills as part of their volunteer activity which would improve their opportunities when they finished their volunteer work. The model for such GNH corps would be the Peace Corps, the Teach for America Corp., the Habitat Program, etc. It should be added that such an approach would also contribute alleviating certain potential problems, at least on a temporary basis, such as youth unemployment.

An especially interesting project may be the development of a Village Youth Corps that would bring volunteers from urban centers to the villages during vacations, particularly students of the 9th to 12th year, and would bring young villagers from one region to another, to work with the village youth on a variety of projects. Such a volunteer effort would have the advantage of encouraging urban and village young people to interact and of giving an opportunity for young people from one region of the country to visit and interact with young people in other parts of the country, thus encouraging a greater consciousness of the variety of Bhutanese culture and, at the same time, building a sense of belonging to a national community.

One very useful application of the idea of a Volunteer Corps would be the training of high school students in the use of tape recorders and the idea and techniques of recording folklore, the stories and songs of the villages,

memories, oral local and family histories. For a minimal expense for the purchase of tape recorders and for training programs, Bhutan could use volunteers to build an important archive that would preserve for future generations the oral and musical culture of the country and that would become the raw material for many potential ventures in the creative arts. This would be an important contribution to the process of involving young people in the national project and in the construction of the national community GNH should encourage.

Education

One of the pillars upon which GNH must rest is education. The entire educational curriculum of Bhutanese schools needs to be infused with the GNH ethos. GNH values need to be taught at all levels of the school system. Textbooks and other training materials that specifically reflect Bhutanese and GNH values need to be written and used. In this way, GNH will become a reality for future generations.

Alongside the introduction of general GNH values into the curriculum, three particular problems need to be addressed. First, given the fact that so large a percentage of Bhutanese live in villages, village life should become a central theme of education at all levels. The educational curriculum must help in developing the kind of mental attitudes that will make improvement of village life as well as continuation of village life attractive for young people. Of course, this must be accompanied by improvement in the real conditions of village life, which is also a necessary concomitant of GNH.

Second, the quality of schools in rural areas needs to be improved to the point that people prefer to remain in the villages so that their children may attend local schools because their quality is preferable. (We have referred to this idea above.) This may be accomplished, for example, by requiring all new graduates of teachers' training colleges to spend the first five years of their careers in village schools, thereby bringing to those schools the latest techniques they have learned in their training programs and the enthusiasm of their youth.

Third, and this problem is crucial for Bhutan, the teaching of the Dzongkha language needs to be improved and modernized. A major objective of this must be the spread of literacy in Dzongkha, and that can only be accomplished by improving the quality of teaching in Dzongkha, but employment of modern teaching techniques, and by increasing the availability of Dzongkha reading materials for all age groups. While there is no question that English must be the required second language for all Bhutanese schools, the simple fact of the matter is that it is Dzongkha that has become the second language in reading and more especially in daily interactions in official life. The creation of a national ethos is strongly dependent on the growth and enrichment of the national language.

Religion

At the present time, it can be argued that the members of the Monk Body are not fully participant in the national project. Many believe that the members of the Monk Body need not become active members of this project; their purpose is to do what they are doing. On the other hand, experience suggests that many members of the dharma community could play a very significant role in bringing a higher level of consciousness of Buddhist and GNH values to the villages, particularly to the village children. Teaching is a significant activity in Buddhism, and perhaps a certain social responsibility is also part of the commitment to this lifestyle. The GNH Directorate should undertake to explore ways in which members of the dharma community may become active in social affairs. There are many examples of this in the present-day Buddhist world.

Culture

The promotion of Bhutanese culture is a vital aspect of GNH. There are many vehicles to accomplish this purpose.

The traditional culture of the villages, expressed in the form of festivals, arts and crafts, stories and songs, etc., needs to be nourished and further and protected to the extent possible. There needs to be research and conversation about the ways and means in which the cultural life of the villages can be protected from the consequences of increased tourism while not being denied the economic advantages that come from tourism. As tourism increases in Bhutan, particular attention must be paid to this matter by those responsible for the tourist industry. The GNH Directorate should take an active role in this.

Modern technologies of communication, particularly television, are powerful instruments for change, for renewal, and for preservation. The recording of material from traditional performances, stories, and songs, rebroadcast through television to the countryside as that medium spreads, will enhance the sense of self-respect the villagers have for their own culture in the face of the attractions of modern urban and foreign culture. There is ample evidence from other cultures that the modern media may strengthen, rather than weaken, "traditional" cultures. Careful attention needs to be paid to the way in which programming on radio and television can be used for this purpose. The GNH Directorate should make a study of this matter and report.

At the same time, if people are to be encouraged to stay in the villages, attention has to be paid to the enrichment of daily life in the countryside. Literature and the arts can be used for this purpose. A carefully planned system of traveling performances that would both entertain and convey GNH values to the villages would be extremely useful in this regard.

At the same time, attention has to be paid to the development of culture in the urban centers. As the attractions of modern urban and foreign

culture become stronger, means of expression of modern sentiments in terms of Bhutanese culture should be explored. The literary corner of Kuensel has made an interesting beginning in this regard. The GNH Directorate should consider the possibility of encouraging not only traditional arts but also expression in modern styles, particularly among young people. Conferences of young people who want to write or perform should be held to encourage creativity.

Another modern avenue of cultural creativity that already has a foothold in Bhutan is the film. The amount of Bhutanese cultural material that can be used in film to develop national identity and GNH consciousness is very great indeed. Folklore material, stories from Bhutanese history, Buddhist stories, and the like, can be adapted to the film medium with great benefit. Cartoons can be used effectively. The film medium is easily and inexpensively portable throughout the country and has great potential in every respect.

Village Life

The improvement of village life and of employment opportunities in the countryside is absolutely crucial if attempts to encourage people to remain in the villages are to have any hope of success and if migration to urban centers is to be discouraged. This means, among other things, improvement of income wherever possible. One technique that has proven successful in other parts of South Asia and beyond has been the development of a system of micro-loans with low interest rates and guaranteed not by collateral but by the communal action of the village. This system can be introduced into Bhutan, based on experience elsewhere. Bhutanese banks have significant liquidity, and this would be an important use of those funds. It is an excellent example a GNH program.

An extremely important avenue of approach would be to identify arts and crafts in particular villages, to use micro-investment to organize production cooperatives in these arts and crafts among the people in the villages, and to provide a mechanism for purchasing the arts and crafts from the villages and marketing them in Thimphu and, eventually, abroad. There are foreign markets, particularly the high-end Christmas market, that can be developed for this purpose. This technique has been used very successfully in India, Indonesia, and Latin America and has contributed both to villagers' income and to the maintenance and development of arts and crafts at the village level.

The Law

Bhutan is in the process of developing and enacting legislation creating a modern structure of Western-style law. This will contribute significantly to the creation of a legal environment that will be conducive both to economic development and to good governance.

However, the development of a Western-style legal system may have the consequence of creating a discontinuity between the developed, largely urban, population and the villages, with their own processes of conflict resolution and ways of dealing with the issue of crime and punishment. The ethos of GNH suggests the usefulness of strengthening the “traditional” community systems of handling conflicts and crimes as a means of integrating villagers into the process of change and development in terms that are supportive of village life and Bhutanese culture. In other societies, discontent among villagers has become a social and even a political problem when insufficient attention has been paid to this important area of village culture. Bhutan need not follow a path that could lead to similar problems.

Measures that can be taken in this regard are straightforward. First, regional and village legal and conflict resolution practices need to be studied and recorded. Second, Bhutanese legal specialists and social scientists need to begin developing techniques for the strengthening of these processes. The first step would be to carry out a national inventory of knowledge about these matters, and inventory of people in Thimphu and in the various Dzongdags and Geogs who can serve as informants.

Conclusion

This paper discusses the operationalization of GNH, and its primary focus is the practical implementation of GNH through institutionalization and the development of specific GNH projects.

The contextualization of GNH was considered necessary to lay the groundwork for a discussion of ways to operationalize the concept. Therefore, we have discussed such subjects as the history of the Bhutanese State in the perspective of GNH, the concept of GNH in the context of the history and ideology of economic development, the idea of a GNH State, and the relationship between Bhutanese Buddhism and GNH. By way of conclusion we want to reiterate some points we consider to be vital to the success of the GNH project.

Certain preconditions have to exist, have to be created, to achieve the objectives of GNH. Among these are:

The construction of a national community and a national consensus around the concepts of Bhutan and of Gross National Happiness central to the future of Bhutan as an independent and sovereign nation.

The national community and the national consensus have to be built through, and be based on, a national ideology that incorporates both national and social objectives and that makes the advantages of GNH clear to the people.

The success of GNH will rest on the construction of a system of good governance, which is already underway.

Public discussion of GNH must be conducted, whatever the medium, in a language that is clearly understood by all levels of Bhutanese society.

GNH must be institutionalized in an organization that will provide leadership, research, planning, and evaluation of the operationalization of GNH.

The educational system must take responsibility for the creation of GNH values in succeeding generations.

Mechanisms must be developed for the inclusion of people from all walks of life in the discussion of GNH. This is important for both GNH and for good governance.

The GNH state must develop those areas of expertise that serve the purposes of GNH, including the social sciences and humanities, just as Bhutan has developed a cadre of experts in engineering, education, medicine and commerce.

We are fully aware that objections will be raised concerning the costs of these recommendations, and it cannot be denied that this will be an issue. Nevertheless, we believe that a modest beginning on the project of GNH will attract both worldwide attention and investment.

The proposed GNH Directorate, or its equivalent, must have the responsibility for designing and taking the initial steps. This suggests that the very first step must be the creation of an institutional framework. Redirecting or channeling the energies and activities of existing agencies in such a way that they reflect and exhibit the values of GNH can accomplish a considerable amount. They will become, then, examples for others to follow. This is particularly the case in the field of education. Finally, careful and reflective planning can take place with a relatively small investment in order to lay the groundwork for the operationalization of GNH.

The very idea of GNH was designed and promulgated by His Majesty the King, upon whose continuing strong and enlightened leadership the future of Bhutanese society depends.

Trade, Development, and the Broken Promise of Interdependence: A Buddhist Reflection on the Possibility of Post-Market Economics

PETER D. HERSHOCK

The profound promise implied in expanding and deepening community is often invoked and celebrated in discussions of increasing global interdependence. Growing interdependence implies ever-widening circles of concern. It also implies at least tacitly questioning the acceptance of independence for some and dependence for (many) others. Such implications, I think, are entirely laudable.

From a Buddhist perspective, as well as from that of much of contemporary science, interdependence can be affirmed as the deep nature of all things. Yet, there are Buddhist teachings that the cycles of conditions leading to suffering or trouble (*samsara*) are without beginning, as well as teachings that all beings have Buddha-nature or the capacity for enlightenment (*nirvana*). Affirming that all things arise interdependently is not to affirm that they do so in a necessarily liberating way. Interdependence, we can say, has no essential self-nature. It can mean increasing wealth, skillful means, and happiness. It can also mean deepening poverty, trouble, and suffering. Realizing the promise of expanded and deepened community in the context of increasing economic, social, political, and cultural globalization pivots on keenly discerning existing and emerging patterns of interdependence and orienting them in a liberating (nirvanic) rather than a troubling (samsaric) direction. Ultimately, the promises of community and of deepening interdependence turn on karma—that is, on the specific experiential force of intentions and values.

It is the good fortune—the good karma—of Bhutan that it is positioned to exercise a unique degree of self-awareness and discernment in exploring strategies for sustainably and equitably integrating into global developmental processes. Bhutan's stated intention of keeping the value of happiness central to the development process is, I believe, a suitable counter to the values and karma that prevail in most development strategies and ideals. Given present day realities of unprecedented, accelerating changes and paradigmatic shifts in economic, political, and social practices, any successful strategy for integration into global development processes must be creative in nature. It must, in other words, consist of an ongoing improvisation that is at once virtuosic and virtuous and that brings both greater resolution and resolve into the development process.

Here, I want to contribute to this effort by considering the broad landscape of development and trade concepts and practices and their implications for the trajectory of innovations needed to insure that development processes and greater economic interdependence are, indeed, liberating. I will begin by reflecting on the context of present day patterns of

development, raising some issues related to history and scale in assessing the effects of increasing global interdependence. In brief, I will be suggesting that present day patterns and scales of globalization have both generated and been generated by the extremely rapid and practically irreversible commodification of subsistence needs—a commodification that (paraphrasing Ivan Illich) has the effect of institutionalizing entirely new classes of the poor. Beyond a critical threshold and unless redirected—that is, informed by radically different values—present day patterns of interdependence will continue bringing about the conversion of communities that have been faring well into aggregates of individuals in need of welfare. Unchecked, the promise of globally extended, deep community will be broken.

This account turns on the insight that present day patterns of economic interdependence and global trade are systematically translating diversity—understood in terms of the Buddhist concept of emptiness—into mere variety. In particular, they are bringing about a stunning collapse of locally focused ecologies of production and trade. This has the effect of affording remarkable ranges of consumer choice through reliable, efficient, and institutionally secured market operations. But these market operations also significantly isolate producers and consumers and replace local-to-local *exchanges* with globally mediated *transfers*. In effect, global interdependence is presently inflected in such a way as to erode both personal and communal resources for direct mutual contribution—depleting the very resources needed to differ in ways that meaningfully make a difference. Development of this sort is finally impoverishing.

Given such a global context, I will offer some tentative inferences about how Bhutan might approach clearly and consistently framing its efforts to operationalize the development goal of heightened Gross National Happiness.

Gift Exchange, Contribution and Trade: The Roots of Economic Interdependence

As an initial move toward fleshing out these insights, I want to think through some of the continuities among gift giving, contribution, and trade. Although this will involve appealing to an admittedly vague and almost mythological past, it will be useful in setting a context for investigating how economic interdependence has come to be directed in the way that it has.

Gift giving has had a long and honored place in anthropological studies of social practices. Most such studies have concentrated on relatively explicit levels of exchange and offering, but there is a sense in which gift giving can be considered the original and abiding nexus of all human sociality.

Perhaps the most apparent expression of the centrality of gift exchange to human sociality is its persistent association with intimate partnership.

Even in today's postmodern societies where brides and grooms are themselves no longer thought of as gifts exchanged between families, and where formal dowries no longer factor into finalizing marital arrangements, marriages remain among the most extravagant occasions for gift giving. More generally, it is customarily assumed that formally initiating a lasting intimate or romantic bond will include some offering or exchange of gifts. Such practices and rituals can, of course, be seen cynically, particularly where gift-giving and gift-receiving practices exhibit gender asymmetry or are apparently and heavily influenced by consumer advertising. What eludes cynical or politically correct bracketing, however, is the fact that the most meaningful of human relationships are customarily christened through the exchange of gifts.

Of course, human sociality is not limited to intimate unions, and the exchange of gifts is by no means always intensely personal. Traditional hospitality customs worldwide involve hosts and guests in paired offerings. Especially in Asia, initial business meetings are formally structured around gift exchange. Worldwide, heads of state ritually exchange symbolic gifts upon meeting. Neither are human sociality and the giving of gifts restricted to human-to-human encounters. Particularly among indigenous or first peoples, human-to-nature connections are customarily mediated through the offering of gifts, and religious rituals (for example, initiation rites or ancestral worship) establishing human-to-divine connections often center on making offerings. In sum, gift exchange is associated with establishing and affirming community—the realization of lasting and meaningful relationships that are both rich in content and enriching.

The functional meaning of gift exchange as the enriching nexus of human sociality is nicely captured in the etymology of the English word contribution and its links to such associated terms as attribute, tributary, tribute, and tribe. The root noun to which all these can be traced is the Latin *tribus*, which literally means a place-centered grouping of people. The verbal root is the Latin *tribuere*, meaning giving or distributing. Keeping both the noun and verb roots in mind, contribution can be understood as a process of bringing together and fusing the horizons of place-centered groups of people through gift giving.

Intuitions of this process arguably underlie (and, because of infelicitous metaphysical assumptions, languish within) much of modern Western social theory. For example, in Hobbes' theory of societal origins, the giving of gifts is read and represented in highly schematized fashion as a contractual relationship rooted in rational self-interest and directed toward establishing regulated or customary institutions for mutual benefit. Societies are taken to consist of aggregates of competing and fundamentally self-interested individuals who pool their various strengths with the belief that through combined numbers, each one's own interests will be met as surely and readily as possible. For Hobbes—and as affirmed in much of

contemporary international relations theory—should the returns on cooperation and community diminish sufficiently, a reversion to directly self-interested competition naturally results. Thus, although partially occluded by his (empirically groundless) presupposition that individuals pre-exist the (social, natural, and cosmic) relationships in which they are embedded from birth, Hobbes correctly saw that social life is founded upon consistently practiced (and often ritually enhanced) give and take. Far from being accidental or forced associations, communities arise as a function of mutually sustained contributory processes.

Unburdened by the assumption that individual existence precedes relationality, Buddhist social narratives allow that while societies may be constituted historically as mere aggregates of individuals, this is so only when interdependence has been severely deflected in keeping with the prevalence of self-interest and exclusive claims to truth. When not so deflected—as during the reign of a “wheel turning king”—societies obtain as qualitatively distinctive patterns of relationship directed explicitly toward liberating, mutual contribution. As a dynamic process, sociality can be directed well or ill, truly or errantly, toward liberation (*nirvana*) or toward further suffering and trouble (*samsara*). Truly liberating sociality means realizing consciously sustained and enriching interdependence. It is not competition, but contribution that choreographs the emergence of community.

Perhaps the most pointed statement of the cardinal role of contribution in liberating sociality is the Chan Buddhist affirmation that, “awakening is just the perfection of offering.” In Chan, as in much of (at least pre-modern) Chinese Buddhism, psychological events or experiences associated with awakening or enlightenment were effectively displaced by considerations of the relational meaning of buddha-nature, emptiness, and skillful means. Focusing on the *liberating relationships* realized by the historical Buddha and other bodhisattvas, Chinese Buddhists—and particularly the lineage of Chan Buddhist masters from Huineng through Mazu, Baizhang, Huangbo and Linji—came to understand enlightenment in terms of attentive and relational mastery. Enlightenment means always and everywhere realizing consummate appreciative and contributory virtuosity.

The Chan tradition insisted that this understanding of awakening could be traced in an unbroken lineage back to the Buddha himself. And, in fact, there are many precedents for a relational understanding of awakening to be found in even the earliest strata of the Pali Canon—those texts generally regarded as historically primary. Indeed, for the purposes of shedding light on the linkages among sociality, gift exchanges, trade, and the karma of now predominating patterns of globalization, many of these early texts are particularly useful. Consider, for example, the Buddha’s somewhat lyrical description of his first insight into the interdependence of

all things as like coming upon a city long forgotten and overgrown by dense jungle.

For those familiar with the history of Buddhism and its early valorization of forest dwelling reclusion, there is a certain incongruity in this striking image. The Buddha's enlightenment occurred in a rural setting as he sat in meditation under a banyan tree. There, he realized the interdependence or irreducibly relational nature of all things. It was this realization that the Buddha later described as a city lost and forgotten. His qualification of the city—that is, the content of his insight—as “lost and forgotten” can reasonably be explained as an expression of humility. It made clear that the Buddha's enlightening realization was neither original nor independently arisen, but rather a recovered, shared heritage. But why use a city as a metaphor for interdependence?

We have no direct answer to this from the Buddha himself. However, the metaphor is rich with possibilities. To begin with, in a truly vibrant city, no one lives long (if at all) under the illusion of being wholly independent. Urban life is a continuous reminder of the extent to which we are not self-sufficient. We rely constantly on the contributions of others, just as they rely on ours. Moreover, cities both make possible and are made possible by degrees of specialization, education, and cultural refinement far exceeding—especially in 6th century BCE India—anything possible in traditional rural or village life. Cities have from earliest times been attractors and amplifiers of excellence, and have practically commanded reflection on the extent to which our lives emerge out of ongoing patterns of mutual contributions and shared negotiations of meaning. Whether this holds true at all scales of urbanization, under all modes of production, and without severe ironic effects is, of course, open to critical debate.

Significantly, in the *Sutta Nipata* and other very early collections of the Buddha's teachings, those who have fared long and well on the Middle Way are not described as aloof from community life. On the contrary, they are described as leading lives of public wisdom, enjoying harmonious and calm relationships, joyful, purified of negative qualities of thought, speech and action, and clear of purpose. Equally interesting, early Buddhist teachings and their popular translations did not represent the ideal Buddhist world as an Arcadian paradise or as a sensuously austere domain. It is a world teeming with people, animals, and plants of every sort—a world that is explicitly *worldly*, with all manner of good food, music, architecture, and activity. In later Mahayana traditions, narratives about Buddha-realms in which all things do the work of enlightenment feature lush descriptions of both natural and human structures that are practically psychedelic in detail and sensuous presence. It is as if the “lost and forgotten city” representing the culminating insight of the Buddha's six-year quest had been restored to its former vibrancy and brilliance.

Of course, interdependence is not necessarily enlightening or liberating. Cities are not always ideal places. They can and, all too often, do go wrong. In the *Cakkavatti-Sihanha Sutta*, the Buddha relates a story chronicling how, over eight “generations,” an ideal and highly urbanized society slides into intensifying trouble and suffering and finally dissolves into a social miasma in which generational strife is rampant, social customs and rituals are ridiculed, violence has escalated to a point that killing sprees become horrifically common and random, and in which crude addictions and abusive relationships are almost universally celebrated.

The turn toward social collapse takes place when a new ruler of the kingdom elects to exercise his authority based on his own understanding of affairs, neglecting precedents for regularly and thoroughly consulting with his ministers and advisors. As a consequence, he does not properly respond to mounting evidence of poverty in the capital city and, for the first time in dozens of generations, a theft is committed. In a series of well-intended follies, his attempts to control the behavior of the people only drive matters spiraling ever further out of control. This movement is reversed only when a few people retreat into the countryside, refusing to adopt prevailing behavioral norms, and eventually band together in shared practices aimed at coursing freely on the four immeasurable relational headings (*brahma-vihara*) of loving-kindness, compassion, joy in the good fortune of others, and equanimity.

The account given by the Buddha of the conditions leading to poverty is both remarkably simple and profound. Poverty arises when people are not able to work in and contribute to their community in a meaningful way. Far from being a function of few possessions or not having the means to get what is wanted or needed, poverty is a function of having too little to offer that is of value to others. It occurs when either a person or an entire population is effectively blocked from contributing directly to the welfare of others. As expressed in the narrative climax, the ultimate antidote to poverty (and the kinds of social malaise for which it is a crucial condition) cannot consist of either state welfare or legal and technological controls. These eventually only exacerbate the root conditions of poverty. Instead, poverty alleviation entails fostering increased capacities for giving appropriately to others. Ending poverty is a process of realizing appreciative and contributory virtuosity.

Several forceful insights are embedded in this account and its framing narrative. Poverty is a function of contributory impasse and implies a failure to appreciate—that is, to sympathetically understand and add value to—our ongoing patterns of interdependence. Both felt community and its objective expression in abiding social institutions are compromised when interdependence devolves into patterns of dependence and independence, and they disintegrate with the breakdown of robust patterns of mutual contribution. Resisting or reversing such devolution and disintegration

cannot hinge on simply meeting individual (or even collective) needs or wants; success finally hinges on how these are addressed—that is, on the values underlying our strategies for redressing the erosion of relational capacity and effective offering. Successfully alleviating poverty is a function of realizing and sustaining patterns of interdependence that enhance the capabilities of both individuals and communities for freely contributing to one another's welfare. True poverty alleviation at once results from and results in bodhisattva action.

Together, these insights suggest at least superficial compatibility between Buddhist understandings of awakening and social prosperity, and currently predominant growth-oriented, free-market models of development. There is, for example, substantial resonance between the Buddhist focus on alleviating poverty by enhancing contributory virtuosity and Nobel laureate Amartya Sen's definition of "development as freedom" or increased relational capacity. The basis for this resonance, I would argue, is the crucial role played by trade in poverty alleviation and development. At the same time, however, trade—as it has come to be practiced at global scale—works against the expanded and enhanced diversity that is at the root of a fully Buddhist approach to poverty alleviation.

In contemporary, idiomatic English, trade tends to be most strongly associated with exchanges of goods, services, or ideas for the purpose of economic gain. But we also speak of "trading places" (taking each other's positions), "trading security for adventure" (changing the global, narrative character of our situation), and considering "trade-offs" (collateral effects of a present course of action on future possibilities). These broader connotations reflect the origins of the English word "trade" as a derivative of "tread" or "treading," the Middle English and Middle German roots of which referred to the making of a track, path, or course.

Footpaths and tracks are neither natural features nor the results of random wandering. Rather, they develop as a function of steady traffic along preferred routes connecting separate localities that have been drawn into some kind of meaningful relationship. The localities might be two villages or family compounds, or they might be a human settlement and a particularly productive hunting or foraging ground. Though the furious pace of contemporary construction and real estate speculation tends to obscure the fact, tracks, paths, and roadways at once arise through and facilitate meaningful interchange. Thus, as evidenced in its linguistic roots, trade is inseparable from trade routes and most broadly originates in activities that expand and deepen community—activities that overlap, if they are not continuous with, contribution and gift exchange.

To the extent that this is so, there are Buddhist precedents for affirming the positive, even liberating, possibilities of trade. But given the teachings of emptiness and the absence of fixed or essential natures, it would be incorrect—just as it is with regard to interdependence—to affirm that trade

is always and inevitably “good.” Indeed, these teachings enjoin careful and diligent awareness of the great variability in what trade means. As an outcome of what processes has trade come to be configured and practiced as it is now? What genealogy of intentions and values underlies this configuration and these practices? What opportunities do they open? To what relational heading(s) do they commit us? In a word, what karma is associated with (especially global) trade, as it has come to be?

The Commodity Explosion and Eroding Productive Diversity: The Current Karma of Trade

It is part of a Buddhist understanding of trade that it not only promotes more extensive patterns of interdependence, but also directs or orients these patterns in keeping with particular, sustained intentions and values. Trade is karmically significant. Because of this, snapshot understandings of trade are potentially (if not necessarily) misleading. Short term perspectives afford insufficient insight into the axes of intention and value on which trade practices have turned in coming to be, precisely *as* they have come to be. Reasonably deep historical perspectives are thus indispensable in assessing trade’s karmic implications, especially the kinds of trade now taking place at truly global scale.

In keeping with the teaching of karma, we might begin (at least partially) evaluating the kind of trade now being carried out by especially developed nations and multinational corporations through considering the dramatic implications of their root motive: increasing wealth through expanding market share and accelerating profit. Given relatively free reign, to what kinds of situational dynamics—what patterns of relational tension and release—do market-domination and profit-seeking lead? Patterns of relationship aimed at amassing wealth—rather than, for instance, alleviating poverty—are not likely conducive to equitably enhancing relational or contributory capacity. On the contrary, they will tend to institutionalize slopes of advantage inclined as steeply as possible in the direction of corporate profit. Moreover, market-domination—a primary means to this end—is similarly likely to streamline and concentrate production practices in such a way as to promote both efficiency and a breakdown of self-sustaining, local production regimes.

As demonstrated, for example, in the era of European colonial expansion and in the early 20th century emergence of massive industrial monopolies in the U.S., the natural outcome of this process of controlling the topography of advantage (and trade) is a remarkable concentration of power in very few hands. And this is by no means a now defunct historical trend. Globally, the kind of economic interdependence characteristic of the waves of market integration taking place over the past quarter century has likewise led to a widening gap between rich and poor, with roughly 80% of global resources and wealth being controlled by and benefiting less than

20% of the world's population. At least at the levels of national, regional, and global economies for which there is significant comparative data, currently prevailing patterns of trade promote developmental inequality.

There has been a tendency to view the rise of developmental inequality as a function of already developed nations taking too little responsibility for ratcheting up the developmental cycle elsewhere and, perhaps, even taking severe advantage of less developed economies. In other words, the tendency has been to call into question the intentions of the developed world and of the multinational corporations to whom disproportionate profit flows through rapidly integrated markets and global patterns of trade. Indeed, there may be cases where such major players in steering the process of growing global interdependence can rightly be charged with unduly selfish strategies and even morally deficient motives. But because of the wide array of such players and the complexity of national or corporate intentionality, this provides very little critical leverage, despite its rhetorical appeal. An intentional analysis also, for quite apparent reasons, is not readily conducive to generating deep and critical historical perspective. The intentions of even close associates are difficult to ascertain at time, much less those of actors greatly distant in time or temperament. Moreover, charges of deficient motives can be dismissed as an inversion of the "ad hominem" argument: they indict those presently benefiting most greatly from prevalent patterns of globalization, rather than the system of values informing and orienting such patterns.

To rephrase this in Buddhist conceptual terms, the karma of presently prevailing patterns of global trade may be deflected in accordance with self-centered or equity-denying intentions held by major economic players: the most highly developed nations and increasingly powerful multinational corporations. But karma is—as stated earlier—always a function of both intentions and values. Focusing exclusively on the former can produce a critical blindspot—a range of potentially crucial phenomena left entirely out of consideration, especially when the karma in question is not individual, but collective or systemic.

I have argued with respect to technology that such a critical blindspot arises through a confusion of technologies with the tools to which they give rise, and an inappropriate tendency to evaluate technologies in terms of how well these tools serve us as individuals.¹ In consequence, technologies are effectively exempted from critical attention—that is, the values that technologies embody and render ambient throughout societies deploying them are critically occluded by the individual uses to which tools are put. And because these tools are designed and redesigned with the overarching mandate of increasing utility and user-friendliness, this leads to blindly endorsing continued technological development and deployment in a

¹ Peter D. Hershock, *Reinventing the Wheel: A Buddhist Response to the Information Age*, State University of New York Press: Albany, NY 1999.

particularly vicious form of critical circularity. The effects of technology on the character and direction of relationships (personal, communal, national, international, and global) are functionally ignored.

Similarly, it is particularly dangerous to fail in assessing the values underlying global patterns of trade through assuming their “value-neutrality” and focusing instead on how trade patterns are used by various actors. Indeed, while many economists ostensibly view trade as a technology, they actually treat it as a tool used by individual entrepreneurs, corporations, countries, or regional associations (the EU or ASEAN, for example). Trade is thus assumed to be properly and adequately assessed in terms of how well it meets the individual needs and interests of those engaging in trade. Many economists then stress the fact that although global trade does tend to bring about increased inequality, it also makes *both* the rich *and* the poor richer. From this, they conclude that while the benefits may be greater for some than others, current patterns of global trade are good for each and every one of the world’s people. What they cannot conclude, at the risk of committing the fallacy of composition, is that what is good for each and every one of us, must be good for *all* of us. The effects on a whole may be something entirely other than the sum of effects on all its parts.

Like technologies, presently prevailing patterns of global trade are not value neutral and cannot be accurately or adequately assessed by measuring (even in statistical aggregates) their impact on individuals as such. Neither can their ill effect of fostering developmental inequality be traced solely back to unjust motives in how they are used. Rather, contemporary patterns of trade can only be critically evaluated by seeing how the constellation of values structuring global trade affect how we relate, as individuals, as countries, and as members of expanding global communities. At the center of this constellation, I would argue, are the related values of control and choice that structure the operation of markets.

Global trade presently apportions unequal benefits to the already developed and advantaged and disproportionately exports the costs of economic growth to those least able to bear these costs.² On one hand, this means that the present system of trade fosters a growing “capacity gap” that results in the vast majority of the world’s population being in a relatively poorer and poorer position both to contribute to others and to be contributed to by them. Although they may be better off over time in absolute terms, in *relative* terms they will always be worse off. On the other hand, by bearing the cost burden—for example, in terms of environmental degradation—of benefits they do not receive, it is practically assured that their capability for responding to the challenges of their own situation will

² See, for example: *Alternatives to Economic Globalization, A Report of the International Forum on Globalization*, Berrett-Koehler Publishers: San Francisco, 2002; David C. Korten, *When Corporations Rule the World*, Kumarian Press: Bloomfield, CT, 2002.

prove increasingly inadequate. As it is currently configured, global trade will never bring about true poverty alleviation because poverty is its primary by-product.

This admittedly iconoclastic claim is not in any way a claim about the intentions of those who have initiated and sustained the kinds of global trade we now experience in everyday ways. Neither is it a claim—like that central to Marxist critiques of global capital—that rests upon an assumed historical necessity or developmental teleology. Rather, it is simply a claim about the history of how things have come to be, as they have come to be. It is a claim about how large-scale patterns of relationship are systematically oriented toward the demise of productive diversity through growing trade focused on increasing wealth through market domination and accelerating profit, making use of technologies biased toward the strategic value of control to promote market freedoms centered on choice. Like the efforts of the hapless king in the *Cakkavatti Sihanda Sutta* who tries to restore social order and prosperity through the increasing exercise of control, the intentions of those promoting more extensive global trade may be quite positive. But the values embedded in their strategies for poverty alleviation—contrary to their explicit intentions—are sending things spiraling further and further away from their ostensive goal.

A Brief Narrative History of Global Trade and the Demise of Productive Diversity

Present global scales of trading activities and the technologies of exchange that are associated with them are exerting historically unprecedented influence on the quality and direction of relationships realized through trade. Prior to the emergence of comprehensive monetary economies, trade pivoted on bartering activity. That is, it turned on directly negotiating comparative values for the goods or services being traded. Trades could be completed only if and when all parties involved felt that fair values—often highly contextual rather than standardized or absolute—had been placed upon the goods or services involved. Within and among small-scale, subsistence economies, trade is an activity—heavily conditioned by local circumstances—through which distinct communities meaningfully and with considerable immediacy contribute to one another's welfare. In such contexts, trade promotes both productive specialization and diversity.

Trade begins undergoing important transformations as technological, bureaucratic, and political institutions make possible and come to depend upon large-scale accumulations and transfers of goods. Relatively amorphous local-to-local patterns of trade linking small-scale subsistence economies give way to geographically extensive patterns of periphery-to-center trade. Here, the economic terrain is more or less steeply sloped from subsistence dominant village economies toward rapidly growing urban centers with large populations engaged in highly specialized activities.

Already at this stage, the face-to-face trade of subsistence goods (especially foodstuffs) begins being replaced by something akin to the modern system of commodity marketing. As money enters the trade process, a level of abstraction is added to the process of negotiation. Currency values come to be established for commonly traded goods and services, which then no longer need be directly compared and evaluated. Qualitative modes of evaluation give way to essentially quantitative modes, and vernacular patterns of goods exchange begin giving way to serial transfers.

The interdependence of urban and rural communities and of individuals within them begins already at this stage to be markedly occluded. Indeed, the roots of modern economic interdependence can be traced historically to state-building processes emerging out of periphery-to-center trade dating at least into the first millennium BCE. But for the most part, local-to-local exchanges of goods and services based on face-to-face negotiation remain dominant and continue as such well into modern times. As long as the vast majority of the world's population remained rural—until the late 19th or early 20th century in all but the most highly developed industrial nations—subsistence needs continued to be met almost entirely locally. Production ecologies—porously bounded domains of interlocked producers contributing to one another's welfare in a sustainable fashion—remained small in scope.

With the increasing sophistication of transportation technologies and infrastructure, lines of transmission for more durable goods quite early became long even by contemporary standards. For example, as early as the second century BCE, the tributary system fueling the imperial Chinese economy covered an area of perhaps 2,000 miles in diameter. By the 4th century CE, well-traveled land and sea trade routes linked African, European, South Asian, Southeast Asian, and East Asian societies. Still, because of the low capacities and speeds at which transportation took place, trade at great distances tended to be in durable material goods of high unit value like salt, spices, cooking oils, gems, precious metals, and silk, but also included what would now be termed intellectual property (e.g., maps, books, musical forms, and religious teachings). Thus, until at least the mid-19th century, most of the meat, dairy products and vegetables required by the population of cities like Paris were produced within surrounding suburban areas, if not within the city itself. The urban "footprint" remained rather small, with specific dimensions effectively set by the quality of a city's local "metabolic" support system—the quality of its nearby environment. In effect, cities were bioregionally defined.³

This changes from the 16th to 19th centuries through the steady convergence, particularly in the European West and the Americas, of

³ *An interesting discussion of the relationship between bioregional urbanization processes and capital flows can be found in David Harvey, Justice, Nature and the Geography of Difference, Blackwell: Oxford, 1996 (p.410ff..)*

cumulative technological innovations enabling much greater speed and control in transportation, industrial and agricultural production, and communication. The 19th century invention of the clipper ship can be seen as a key turning point in this process, after which transoceanic trade and the global colonization of subsistence economies and markets shifted into apparently irreversible high gear.⁴

The history of global capitalism and competitive market-driven production is, from the late 19th century onward, a history of rapidly growing production monocultures that effectively disrupt local ecologies of production and consumption. Dominance shifts from local-to-local exchanges rooted in meaningful negotiations of value and need to local-global-local transfer currents, the velocity of which come to be subject to relatively overt control through price manipulation rather than as a naturally variable function of subsistence needs and values.

In the present era of global markets, trade is only incidentally a vernacular activity that directly links members of nearby communities through local-to-local exchanges for meeting basic needs. The benefits of this are very well advertised—both literally and figuratively. Especially in the most developed countries, supermarkets carry fresh fruits and vegetables grown all over the planet. In even the least developed countries under WTO governance, readily available grains and other staples are no longer likely to have been locally produced. Agriculture has given way to agribusiness. And the same is true for virtually every other consumer need from clothing, shelter, and entertainment to health care and education.

The contemporary shopping mall—virtually identical across most of the planet—is at the center of the new “global village.” It is a curiously structured village in which producers and consumers are not neighbors and never see one another face-to-face. Yet, it is a village in which niche manufacturing and marketing are able to provide a practically flawless semblance of direct and sustained attention to personal needs and desires. It is a village in which markets guarantee that the choices available to consumers are practically unlimited, with a remarkably similar range of goods and services (albeit at remarkably disparate prices and qualities) available both to the very wealthy and the very poor. Although there are clearly many inequalities in the village, the overall degree of security it affords with respect to basic needs is, in absolute terms, quite high. The new global village may not be perfect, but to a degree that is often amazing, it works.

Such are the familiar benefits of global markets and unrestricted trade liberalization. As an economic system, it is remarkably well suited to

⁴ For an extended discussion of this process, see: James Beniger, *The Control Revolution, Technological and Economic Origins of the Information Age*, Harvard University Press: Cambridge, 1986.

meeting individual needs and wants, benefiting some more than others, but clearly benefiting all.

From Personal Contributions within Shared Patterns of Welfare to Individually-Biased Patterns of Consumption under Mass-Production Regimes

As the idiom goes, however, we don't get anything for nothing. The system has its costs. The technologically triggered efficiencies that made possible the remarkable geographic expansion of markets from especially the 18th century onward also had a powerful effect on the content of those markets. Global trade ceased being limited to highly durable goods, typically of high unit cost. Trade in luxuries—for example, in silks, spices, and precious metals and stones—continued to be important. But the overall ambit of global trade spread to include ever-greater kinds and quantities of non-luxury goods. The economic logic is not particularly complicated. Expanding markets require expanding consumer bases—an expansion that can be driven only so far by falling prices associated with efficiencies in production and transportation. Sustained market growth is only possible if the range of goods traded undergoes similar growth. Trade expansion can only be stably realized through increasing trade density.

As the range of goods transferred into a local economy nears the point of natural saturation, it is possible to sustain market growth through advertising that systematically extends the spectrum of goods perceived as necessary and/or desirable, and through the emergence of industries that commodify an increasingly broad array of services. The global corporate outlay for advertising now exceeds by a considerable margin that expended worldwide on all levels of public education. Tellingly, the greatest increases in advertising expenditures appear in so-called developing markets. In the decade ending in 1996, for example, advertising expenditures in China grew by more than 1,000%; in Indonesia by 600%; in Malaysia and Thailand by 300%; and in India, the Republic of Korea and the Philippines by more than 200% (UNDP, 1998). Such expenditures are not based on wishful thinking, but on results: the realization of maximally broad and dense markets wherever and as profitably as possible. The power of advertising to extend market reach and density is perhaps nowhere so evident as in such poor countries as Ethiopia and Nepal where populations living on less than \$1/day, over just a 5 year period from 1993-1998, were induced to increase spending on such imported consumer goods as cosmetics, cameras, and soft drinks by 400-500%.

Recommending such expanded and dense markets are reliability, standardized products and product compatibility, convenience, and heightened possibilities for exercising freedom of choice. But increasingly dense, globally mediated provision of goods and services can have an effect on local economies that is not unlike what happens when virulent alien

species are introduced into a sensitive ecosystem: indigenous species—that is, local modes of production and patterns of exchange—are eventually choked out or granted limited continued existence in specialized preserves or cottage industries. Importantly, this does not mean local populations become indigent. The monetary medium of global transfers of goods and services guarantees that wage-earning employment invariably is fostered by expanding markets. In fact, the transition from barter to cash is crucial to marketization processes.⁵ In advanced market economies, employment tends to be high and relatively inclusive, at first available and then necessary not only for adult men, but also for women and previously marginalized minority populations.

The picture just sketched is often tinted in fairly rosy hues. Greater employment opportunities for all, but especially women and minorities, and greater access to the goods and services offered by the market—these are typically celebrated as signs of successful development. Futures that traditionally have been somewhat narrow in prospect are manifestly widened. Choices multiply. And there is certainly no reasonable argument against this in principle: the professional opportunities now open to women and minorities, for example, mark a real, significant, and entirely welcome enhancement of their possibilities for social contribution. But focusing on the positive effects on individual members of communities or individual classes is, again, to dangerously restrict our ability to evaluate how such changes affect qualities of relationship more broadly. If the poor are invariably worse off in relative terms, it follows that they are in some significant degree *relationally* disadvantaged by present patterns of global trade.

The range of relationships that might be considered in this regard is practically unlimited. For present purposes, however, consider the relationships centered on employment or labor. Focusing on the upper end of the scale of opportunities opened by global trade tends to gloss over the phenomenological realities of average employment in the service of greatly expanded, efficient, and dense markets. Most jobs in such markets no longer afford workers the opportunity to carry through with a complete production process or service. The rationalization of industries and workplaces to the end of maximum efficiency practically guarantees that workers will not participate in or consider themselves responsible for the full production (or service) cycle. Quite literally, they do piece-work. As anyone who has done it well understands, piece-work does not promote worker pride unless it is related to overall quantity of work accomplished. More work equals more pay. But more is not necessarily better. Indeed, under most circumstances, piece-work is not conducive to workers actively

⁵ A wonderfully concise and powerful fictional account of this process and its motivations are given in the early chapters of John Nichols' novel, *The Magic Journey*, Ballantine Books: New York, 1983.

increasing product quality, but at best to maintaining a minimum level of quality while maximizing output quantity.

This is quite different from what prevails in subsistence economies, where one person or family may be involved in and responsible for the entire set of processes required to build a dwelling or provide regular meals and clothing, and where trade involves face-to-face negotiations of the value of goods to be traded. Specialization greatly reduces inefficiencies, especially those that result from productive redundancy. Indeed, mainstream economists from Adam Smith (18th century) to the present day have been adamant in praising the transition from craft to commodity. But by translating the entire production cycle into discrete units, the synoptic perspective needed to envision paradigmatic revisions of the entire process is typically restricted to just one or a handful of workers who are particularly suited to and hired for such work. This can yield very high quality results. But it does not promote creative development on the part of those workers whose responsibilities and imaginations are confined to the narrowest possible scope compatible with overall production efficiency.

For workers who remain in a given company or industry for an extended period, there is some opportunity for personal growth and contributory maturation. But personal growth and maturation in the work world, as elsewhere, rest on shared commitments. And unfortunately, the market drive toward greater efficiencies and lower costs tends to work against such commitment—a phenomenon now painfully evident in the post-bubble economy of Japan. There is a striking and significant trend in the more advanced economies for workers to undergo several major career changes over the course of their working life, and for the work histories of the majority of workers in lower-wage jobs to reflect an increasingly random approach to employment. Far from supporting a coherent narrative of professional development and personal maturation, scanning average work histories is much like randomly channel surfing a cable-supported television. For most workers, jobs are strictly a means to an end—most often: access to a greater range of choices for personal consumption.

As market economies have matured, some significant counter trends have emerged based on a recognition of the profitable nature of distributed creativity and responsibility, with many leading analysts now touting the importance of “flexible specialization” and “network accountability.” But these efforts to fine-tune the system do not restore the “old growth” or indigenous patterns of production in which work concretely and meaningfully results in goods or services directly exchanged in face-to-face realizations of shared welfare. In spite of the economic imperative for innovation in terms of both product design and marketing and work unit size and organization, global trade remains a composite of what are individually almost meaningless moments or links in a chain of production and marketing. It is not just that “old growth” production ecologies are

replaced by more efficient systems. Their replacement signifies a loss of overall local productive diversity and the depletion of the personal and community resources required for responding to changing circumstances and meaningfully meeting local needs. People lose the positions from which they were able to contribute directly to their own and others' welfare—a loss of capacities for innovation, for shared improvisation, for on-site learning, and for appreciating (literally adding value to) their situation.

For many, this statement will seem overstated, if not simply false. Even if it is allowed that most people are employed in jobs that they do not like, performing tasks that have neither intrinsic nor perceived value and meaning, and would avidly look forward to a future that would not include work at all were such a future practically conceivable, many of us will still be inclined to insist on the creative possibilities our lives include that were not open to our parents or grandparents. But such a reading rests, I think, on an insufficiently robust understanding of creativity and on inadequately distinguishing between freedoms of choice and contributing freely. The kind of trade now dominant in the world functionally pivots on acts of consumption. Although workers engaged at any given point of the production and marketing process can intellectually or in abstract terms see their efforts as important, the signal and culminating event economically is the act of consumption. Inescapably, the most basic, concrete meaning of trade—in spite of its roots in the realization of extended community through gift exchange—now reduces to a transfer of possession.

This is not primarily a function of deficiencies on the part of workers or consumers, but rather a dynamic necessity of present-day markets. Because of the demands for expanded and increasingly dense markets, global scale trade compresses the utility of consumed goods or services to the smallest unit measure possible. Through the advertised inculcation of desire and through the constriction of the popular imagination, conditions are realized such that individual acts of consumption only fleetingly answer needs. The classic example of this is, of course, the institution of fashion (the history of which long predates the contemporary market, but at vastly restricted scales), which sets strict temporal, spatial, and cultural limits on product usefulness. But the phenomenon is quite general, and it is finally such compressions of utility that “open” the space required for multiplying choices. As a consequence of this, most goods, once acquired, are used very briefly, if at all. Even goods used frequently are seldom used to the point of being functionally worn out. Obsolescence—real or perceived—is crucial to growing markets. As markets become increasingly extensive and dense, consumers begin to function as producers of waste. Or, more graphically stated, they begin to serve as organs of elimination by means of which the residue of profit-making—whether material or experiential—is summarily disposed.

As long as there are more (and better) goods on the market, and as long as employment remains sufficiently high to support their continued consumption, there is a general tendency to turn away from the implications of practically collapsing consumption and waste. There are those who would convince the general public that there are, for example, simple environmental limits to growth. Planetary resources will one day run out or become scarce enough to throw a wrench in the works of the market. The cumulative environmental ramifications of waste will render the planet inhospitable if not uninhabitable. But such proclamations are, for most, unpersuasive. The broad public expects technological advances to afford new capacities for exercising control over the production and waste management processes—control intense and extensive enough to insure opportunities for unlimited growth.

But when the exercise of control (technologically mediated or otherwise) crosses the threshold of its own utility, it begins reproducing the conditions of its own necessity. In short, it brings about conditions in which there are not only increasing capacities for exercising control, but increasing need to do so as well.⁶ The experienced consequences of this are dire: living in a maximally controlled environment—a euphemism, finally, for prison. Technologies biased toward control and economies biased toward the proliferation of wants go quite well together. But karmically, the continued interdependent growth of control-biased technologies and global markets does not lead, as might be assumed, to finally solving thorny problems of supply and demand, resource allocation, and poverty alleviation. Rather, it rests on the continuous production of new wants and new problems. As made evident in the classic representation of samsara as a wheel, karma plays out in a cyclic (or at least spiral) manner.

The intentions and values associated with “getting what we want” are karmically linked to finding ourselves “left wanting.” When trade is predominantly carried out as a local-global-local transfer of goods that undermines local ecologies of production and that compromises both personal and communal resources for contributory virtuosity, trouble and suffering both sustain and are sustained by “good business.” The more we rely upon the market to bring us what we want or lack, the more we will find ourselves wanting or lacking. In other words, the more we will find ourselves incapable of meeting our own needs, of seeing to our own welfare, and acting in our own fullest interests. As local ecologies of production are translated into marketplaces for the practically infinite array of goods and services made available through geographically fluid production monocultures and fully liberalized global trade, capacities for relating freely are converted into ironic compulsions to exercise ever-expanding freedoms of choice.

⁶ For more on the ironic effects of technologies biased toward the value of control, see Peter D. Herschok, *Reinventing the Wheel: A Buddhist Response to the Information Age*, SUNY Press, 1999.

Such translation and conversion processes are especially powerful in the attention economy that began consolidating over the past quarter century in post-industrial societies and that is now a global phenomenon. In this still emergent economy, it is no longer material goods, services, or information/knowledge that are the most basic resource commodities, but attention itself. Lasting goods and services are no longer the focus of production, but rather the production of inherently fleeting meanings. In such an economy, “value-added” signifies attention captured. As attention is systematically exported from local contexts (family and community, for example), primarily through intensive mass media consumption, it is no longer available for appreciating and contributing to one’s immediate situation. And, in much the same way that the conversion of capital to money allows its maximally fluid distribution, the attention economy effectively converts awareness from a qualitatively complex relationship to a minimally structured—that is, minimally committed—energy source. As the attention economy grows, personal and community capabilities for sustained appreciative and contributory virtuosity diminish.⁷ World Health Organization projections of an epidemic increase of depression in developed and developing economies (already rated as the most important factor of morbidity and lowered life quality of women in the developed world) is a particularly chilling commentary on the correlation of prevailing development processes, their social ramifications, and the erosion of meaning-making capability.

Again, however, it is important to note that such effects are not a matter of historical necessity. They are the experienced consequences of intentions and (especially) values that have shaped and continue shaping currently prevailing patterns of economic growth and interdependence. Crucially, the key conditions for these karmic consequences coming to fruition as they have pivot on issues of scale and what has been termed “downward causation.”—the tendency of higher order systems for which history makes a difference to affect the nature of sub-systems comprised within them.⁸ These conditions are, in short, both karmic consequences and opportunities. And as I will try drawing out in the following two sections, they constitute the signal factors by means of which the liberating promise of the Buddhist teaching of impermanence might be operationalized: no situation, no matter how complex or conflicted, is intractable.

⁷ See Part Three of *Reinventing the Wheel* for a sustained discussion of the transformations of awareness that attend the conversion to an attention economy through the global, technology mediated colonization of consciousness. For a concise treatment of the role of media, see Peter D. Hershock, “Media, Attention, and the Colonization of Consciousness: A Buddhist Perspective,” in *Reason and Insight*, edited by Robin Wang and Timothy Shanahan, Wadsworth/Thomson Publishing: Belmont, CA, 2003.

⁸ For a wide range of papers exploring the concept of downward causation, see *Downward Causation: Minds, Bodies, and Matter*, edited by P.B. Andersen et. al., Aarhus University Press, 2000.

Some General Implications

The Buddha's metaphorical representation of insight into the interdependence of all things as a "lost and forgotten city" suggests that urbanization, specialization, institutional growth and development can be seen as processes capable of dissolving commitments to narrow self-sufficiency and independent existence. Indeed they can be seen as conducive to establishing patterns of mutually enriching relationships, infusing daily life with ready opportunities for increasingly refined practices of (what would ideally be mindfully) shared welfare. Yet this is not a necessary result of urbanization and development, or of the transformation of practices for meeting subsistence needs that they entail and institutionalize. As evidenced in the cautionary tale embedded in the *Cakkavatti Sihanda Sutta*, these processes can be inflected in profoundly troubling ways, with socially disastrous results. In the simplest Buddhist terms, whether these processes are finally constraining and coercive or expansive and liberating depends on whether they are directed in alignment with ignorance, habit formations, and craving desires, or they are directed in alignment with wisdom, attentive mastery, and moral clarity. Development, in the broadest, Buddhist sense, should consist of movement toward realizing patterns of relationship that serve to bring increased productive diversity—that is, patterns of mutual contribution that appreciate or add value to an irreducibly shared situation. Trade is then consonant with and is deepened through cultivating wisdom, attentive mastery, and moral clarity.

Present-day patterns of trade and development do not meet this requirement. On the contrary, they work against the constellation of conditions that might sponsor a concerted turn in that direction, systematically converting local resources for contributory virtuosity and relating freely into increasingly dense arrays of consumption-fueled freedoms of choice. Beyond a certain threshold, markets can only grow by problematizing present circumstances and delivering appropriate consumer product solutions. Granted the scale of contemporary trade and development regimes, but also the unprecedented rapidity with which these regimes and their technological infrastructures undergo significant change, it is hard to imagine what it would mean to turn the prevailing tide and begin restoring local ecologies of production. At the very least, the global institutions that now mediate the meeting of basic subsistence needs cannot be changed fundamentally overnight. Indeed, we could not reasonably hope that they would: any cataclysmic changes in these institutions could occur only at the cost of tremendous suffering to the billions now dependent upon them.

Yet, a key entailment of seeing all things as impermanent, troubled, and without any abiding, essential self is that no situation can be seen as intractable. There is always opportunity for meaningful response and—in

keeping with the teaching of karma—a change in the direction of our situation and the relationships constituting it. What can and should be done, then, to alter our karma with respect to trade and development to realize their liberating potential?

Three initial observations can be made, I think.

First, there is no generic, one-size-fits-all solution, no universal way to resolve the predicaments in which we find ourselves. Appropriate resolutions must be improvised, in context, in real-time. Secondly, the scale and complexity of our situation, as it has come to be, make evident the need for a paradigm shift from focusing on factual problems that can be solved finally, at least within objectively determinate parameters, to realizing our immersion in predicaments that can only be resolved by grappling with contending goods, norms, and meanings, through establishing harmonizing and yet open-ended commitments to appropriate values and associated courses of action. Finally, resolving key trade and development predicaments—key conflicts with respect to both ordinal and strategic values—cannot be carried out alone. Both the aim and measure of this work lie in relational quality—in enhanced and mutually enriching diversity.

These observations can be seen as consonant with the traditional Buddhist attribution of limitless resources for relational attunement (*upaya*) to fully realized bodhisattvas. As such, they suggest that the path of liberating trade and development is a particular manifestation of the path of realizing the emptiness of all things—that is, realizing the potential of all beings for mutual relevance or meaningful difference. It is a path that can be taken up anywhere and traveled without end. Truly liberating trade and development will promote opening ourselves *to* one another in that utterly proximate way needed to truly make a difference *for* one another. Only in this way is it possible for each and every one of us to realize that the very place in which we find ourselves is a place of immeasurable meanings and value—the ultimate alleviation of poverty.

But What About Bhutan?

At some risk, let me attempt linking these general (and, admittedly, hyperbolic) reflections to the task of operationalizing Gross National Happiness.

GNH has been described as built on four interlinked processes: the preservation and promotion of culture; environmental conservation; good governance; and socio-economic development. These very processes, however, have been claimed (or could easily be claimed) as foundational by many developed and developing countries, as well as by many multinational corporations and such intergovernmental organizations as the World Trade Organization or World Bank—for all of which the ultimate (and purely quantitative) measures of development remain rooted in rising GDP, per capita income, and levels of consumption. And although appeals

are increasingly made to such “alternatives” as the Human Development Index, these alternative measures generally only supplement rather than supplant or even set proper limits to traditional quantitative models for assessing economic development.

If measuring national development in terms of GNH is to be truly distinctive, happiness must factor significantly—and not merely incidentally or consequentially—into the development equation. That is, happiness cannot be simply an unplanned collateral benefit or even a focal outcome of economic processes—a pleasant, but entirely contingent by-product of existing economic imperatives, values, and practices. Instead, happiness must factor crucially and critically into resolving the sorts of predicaments and suffering sponsored by prevailing scales and directions of global interdependence. It must, that is, have sufficient traction to uniquely effect and orient development, exerting appropriate “downward causation” on relevant economic and social processes. Short of this, Gross National Happiness degenerates into what Stefan Priesner has described as “mere magniloquence.”

The early Buddhist tradition is unparalleled for the thoroughness and clarity with which it lays bare the constellation of conditions sponsoring unhappiness, trouble, and suffering (*dukkha*), as well as the means of dissolving that constellation and thus realizing *nibbana* (nirvana). The tradition is, however, notably muted when it comes to discussing happiness. When happiness (*sukkha*) is explicitly invoked, it is almost invariably in the context of rehearsing what might be termed a conceptual genealogy of awakening or liberation. In the *Majjhima Nikaya*, for example, it is said that: “with mindfulness comes wisdom; with wisdom comes tireless energy; with tireless energy comes joy; with joy comes a tranquil body; with a tranquil body comes happiness (*sukkha*); with happiness comes attentive mastery (*samadhi*); with attentive mastery comes equanimity,” as well as the other immeasurable relational headings (*brahmvihāra* or *appamaññā*) of compassion, appreciative joy, and loving-kindness (MN 118.29ff). These interactive vectors are not considered to be subjective feelings—emotions as now commonly understood—but rather as relational qualities that “suffuse” the entire world. Happiness marks a phase or modality of relational enhancement and refinement that is inseparable from public, social transformation oriented toward enlightened and enlightening liberation. In particular, it emerges in the context of sustaining bodily tranquility and establishing attentive mastery (*samadhi*).

Granted this characterization, happiness will have demonstrated effective economic traction when trade and development reduce overall stress and bring about enhanced capacities for concentrated and yet flexible awareness, in the context of realizing the kinds of mature emotional capabilities associated with sustaining meaningfully enriched and liberating relationships. In terms of the analysis given earlier, such trade and

development practices and institutions would serve to counter the commodification of attention and the contraction of awareness that lie at the roots of the global colonization of consciousness. They would challenge the predominance of choice and control as values structuring the operation of markets and practically mitigate both the erosion of productive diversity and the inequitable patterns of economic growth to which they lead. Finally, they would conserve and enhance local resources for meaning-making, working against the consumption of commodified meaning, particularly as institutionalized in global mass media news and entertainment. If appropriately sustained, they would lead to the emergence of post-market economies rooted in a paradigmatic value shift from individual freedoms of choice to relating freely and from consumption-driven to contribution-enhancing patterns of growth.⁹

What might this mean concretely for Bhutan? Let me briefly address just four, representative and interconnected issue areas: meeting subsistence needs; technology transfer; cultural conservation; and the role of governance.

No economy can be considered healthy if it fails to provide basic subsistence needs in an equitable and just manner. These needs include, at the very least, food, clothing, shelter, health care, and education. As Bhutan opens itself to global economic forces, it may not remain feasible to address all of these needs through traditional local-to-local patterns of trade, or in ways that conserve and promote robust, associated local production ecologies. For example, it may not prove feasible to significantly improve health care provision without importing medicines and treatment techniques and technologies. A reasonable aim, however, is to target key subsistence needs as foci for strenuously conserving and developing local resources and production ecologies. Education is arguably the central candidate for such treatment. For instance, education practices in Bhutan might be revised in such a way as to foster improvisational ability, emotional maturity and refinement, stress reduction, and attentive mastery—all necessary to offset the predominant effects of prevailing patterns of global interdependence. These might be more or less explicitly Buddhist in nature, but should clearly reflect indigenous, Bhutanese values and practices. Improvisational ability, in particular, will be crucial in the adaptive work needed to truly conserve—and not merely preserve—Bhutanese culture and Bhutan's overall capability for contributing effectively to global social, economic, and political processes.

⁹ *There is a significant body of Buddhist literature that addresses the problematic ontological commitments underlying the act of choosing, most notably perhaps, the Chan works associated with the lineage from Huineng through Mazu, Baizhang, Huangbo, and Linji. Here, the tendency toward "picking and choosing" is forcefully depicted as rooted in a denial of the emptiness of all things and a failure to practically realize the meaning of non-duality. To be bereft of possibilities for enhancing our way of life is, indeed, a horrific prospect. But being in a position to choose is not equivalent to being positioned to contribute to and enrich our irreducibly shared situation.*

As a very small country, with a comparably small national economy, it is sheer folly to believe that Bhutan could ever develop or sustain competitive advantage in manufacturing or other industrial modes of production. If, indeed, there is a commitment to conserving local production ecologies, technology transfer must be carefully orchestrated to insure that imported technologies (and the strategic values they embody) are appropriate complements to existing Bhutanese production practices and values. For instance, there is a wealth of new building materials and technologies flooding onto the global market. In most cases, the transfer of these materials and technologies has been accompanied by practically wholesale conversion to imported building design protocols—often with both aesthetically and practically disastrous results. Care should be taken to introduce only those materials and technologies that can contribute to the evolution of already existing Bhutanese design sensibilities—that is, to extend the values and practices that already obtain in Bhutan and have historically proven their appropriateness to the Bhutanese setting.¹⁰ Moreover, the pace of technology transfer should, to whatever degree possible, be indexed to the availability of relevant Bhutanese expertise. Excessive reliance on foreign experts practically guarantees eventual dissonance between imported means and indigenous aims.

Of particular importance will be policies related to communications and information technologies, and their role in effecting the export of attention from local concerns. The recent, official introduction of television to Bhutan marks a decisive move—understandable, and yet not without marked risks for the erosion of Bhutanese cultural and contributory resources. The case for developing Bhutanese competitive advantage in media production is no better than that in relation to manufacturing and industrial production. Neither can it be assumed possible to stem what is likely to be a flood of global media products into Bhutan. It is, however, possible to establish policies restricting direct advertising—a key component in the generation of desires for consumer choice in market-oriented economies. It is also possible, with broadcast media, to establish policies requiring, for instance, that a certain percentage of daily airtime be devoted to locally relevant program content. As a counterbalance to the potentially overwhelming extent and density of cultural products arriving through global media, policies might be established to fund the creative advancement of Bhutanese artists, performers, writers, and commentators, making use of taxes pegged to audience size for imported program content. Unavoidably, many new artists will engage in creative hybridization. What is crucial is that this process enhances and extends Bhutanese culture. The aim is not to *preserve* Bhutanese culture (in effect rendering it incapable of

¹⁰ The work of Susan Murcott and her Institute for Sustainable Living can be referenced as exemplars in technological transfers and innovations oriented toward enhancing local contributory resources.

natural reproduction), but rather to *conserve* it—a process that implies creative adaptation as well as sustained continuity.

Related to these three issue areas is a broader policy implication regarding the institutional structure of integrating global and Bhutanese economies. Although large nation states can reasonably anticipate some advantages, for example, to membership in the World Trade Organization, Bhutan would appear to have much more to lose than to gain in such arrangements. Much more is promised by Bhutan remaining in a position to levy appropriate tariffs and import taxes than by adopting an “open-market” approach to development. Indeed, the flood of consumer products and its attendant ideology of freedom through choice would very quickly erode what real possibilities remain for Bhutan to leapfrog the phase of post-modern market economics in achieving truly equitable and just trade and development.

These last remarks suggest an importance role for governance in both orienting and driving the operationalization of GNH. Much of the development literature in the West—particularly that originating in the US—asserts a strong correlation between development and democratization. And, as customarily defined, both processes indeed embody shared and strong commitments the preeminence of choice as both an ordinal and strategic value. Some commentators, however, have identified reasons to qualify the implied causal relationship. Amy Chua, for example, has discussed the ironic consequences of importing democratic patterns of governance into countries with market-favored minorities.¹¹ Others have noted that authoritarian states have been successful in generating rapid development—Singapore, for instance—and that many democratic states have undergone developmental regression. Yet others have claimed that the only clear correlation is between overall development and the degree to which leadership and governance practices are committed to securing basic human welfare. In short, the meaning of any substantial correlation between democratization and development is open to contest.

What can be recommended in the case of Bhutan, I think, is careful and responsive adaptation to changing circumstances, as they come to be—not, in other words, any *prescriptive* shift in governance practices. At present, an appropriate balance seems to obtain between a democratization of the processes by means of which problems and predicaments associated with development are identified and understood, and a sustained and substantial role for the king in establishing appropriate national values, commitments and resolves. Although perspectives will differ, it is my own conviction that the loyalties, trust, and consideration that obtain between the Bhutanese people and the Bhutanese royalty—so aptly epitomized in the commitment

¹¹ In Amy Chua, *World On Fire: How Exporting Free Market Democracy Breeds Ethnic Hatred and Global Instability*, Doubleday: New York, 2003.

to granting highest priority to Gross National Happiness—demonstrates a unique and deeply shared virtue.

By way of conclusion, allow me to invoke the frame narrative of the *Cakkavatti Sihanda Sutta*. In this narrative, the Buddha instructs a gathering of students to practice mindfulness in all aspects of the present as it has come to be, keeping close to their own preserves, to the ranges of their ancestors. In this way, he affirms, illusory thoughts and desires will find no foothold. He then adds that it is only by cultivating wholesome states that this virtue will deepen and develop. In operationalizing happiness as a key value for effecting and orienting socio-economic development, Bhutan can ultimately do no better than to heed this injunction: mindfully discerning the present, global situation, as it has come to be, responding through and in endless cultivation of wisdom, attentive mastery, and moral clarity.

Towards an Economics of Happiness

HELENA NORBERG-HODGE AND STEVEN GORELICK

Introduction

Around the world there is a growing awareness that, in order to build a peaceful, equitable and sustainable future, we must rethink the very foundations of our current economic system. The global economy is at the root of many of our present crises – from rising poverty and hunger to increased pollution and depleted resources, from ethnic violence to economic breakdown. Clearly, if we are to turn these crises around, we need to closely examine the system that created and perpetuates them. We must take a broad overview, examining the effects at economic, ecological and social levels. Understanding how globalisation – the promotion and implementation of the global economy – has brought these problems about can help us to see the most appropriate solution.

We have studied the effects of global economic development on individuals and cultures for the last three decades and have concluded that the most strategic and effective way of building a more positive future is through economic localisation. Fundamentally, localisation is about decentralising economic activity – producing for people’s needs in a way that can be adapted to the ecological, cultural and political structures and needs of each locale.

Nonetheless policymakers insist that globalisation is creating a better world for everyone. Part of the problem results from the way globalisation’s promoters measure ‘progress’. It is all too easy to compare the consumer cornucopia in rich countries today with what was available 50 or 150 years ago. More often, the baseline from which comparisons are made is rooted in the Dickensian period of the early industrial revolution, when exploitation and deprivation, pollution and squalor were rampant. From this starting point, child-labour laws and the 40-hour workweek look like real progress. Similarly, the baseline in the South is the immediate post-colonial period, with its uprooted cultures, poverty, over-population and political instability. Based on the misery of these starting points, political leaders can argue that our technologies and our economic system have brought a far better world into being, and that globalisation will bring benefits to people in the remaining ‘undeveloped’ parts of the world.

In reality, however, globalisation is merely a continuation of a broad process that started with the age of conquest and colonialism in the South and the Enclosures and the Industrial Revolution in the North; from then on a single culture and economic system has relentlessly expanded, taking over other cultures, other peoples’ resources and labour. Far from delivering us from poverty, the globalising industrial system continually creates it. It is

vital that we connect the growing physical and emotional poverty to the whole industrial system, to a process that robs people all over the world of their natural resources, labour and self-respect. Our leaders simply fail to connect the dots between 'progress' and poverty.

Fortunately, more and more people on the ground are coming to see localisation as the key to economic stability, environmental protection and social harmony. Each year more projects are initiated which embody the ideals of localisation. Economic localisation is not synonymous with isolationism or narrow, self-interested protectionism. In order to work, it requires international collaboration on a far larger scale than we have now. Certain issues – such as global warming, nuclear proliferation, and genetically modified foods – affect us all, and these matters should be the foci of global cooperation. Instead of the World Trade Organisation, the World Bank and other agencies that work to advance the global economy, we need international bodies that will ensure protection of the environment and our human rights. Localisation means a better balance between local, national and global governance. It also means returning decision-making power on local issues back to the local level.

Reversing our headlong rush towards globalisation would have benefits on a number of levels. Rural economies in both North and South would be revitalised, helping to stem the unhealthy tide of urbanisation. Farmers would be growing primarily for local and regional rather than global markets, allowing them to choose varieties in tune with local conditions and local needs, thus allowing agricultural diversity to rebound. Production processes would be far smaller in scale, and therefore less stressful to the environment. Transport would be minimised, and so the greenhouse gas and pollution toll would decrease, as would both the financial and ecological costs of energy extraction. People would no longer be forced to conform to the impossible ideals of a global consumer monoculture, thereby lessening the psychological pressures that often lead to ethnic conflict and violence. Ending the manic pursuit of trade would reduce the economic and hence political power of global corporations and eliminate the need to hand power to such supranational institutions as the WTO, thereby helping to reverse the erosion of democracy.

In this paper, we will be focusing mainly on the disastrous impacts of the global economy on food and agriculture around the world. Adequate, wholesome food is vital to human well-being. There is nothing else that human beings produce that is needed by every person on the planet every day, yet that very activity has been relegated to a marginal position in political governance. Most businesses and governments consider agriculture little more than a stumbling block to success in their international trade negotiations. We have been led to believe that small-scale diversified farming for local and regional market is an anachronism, an inefficient romantic remnant from the past. In fact, it is large-scale monocultural farms

producing food for export that are inefficient. This industrial model of production is responsible for dramatic increases in environmental pollution, species extinction and even many human degenerative diseases, and only seems 'efficient' because so many of the costly subsidies that support it are hidden from view.

Before examining the consequences of the global food system, we want to look at another subject equally worthy of attention: the social costs of globalisation, and the consumer monoculture it promotes. Social cohesion or a sense of community is fundamental to human well-being, indeed to human happiness. As we shall see, globalisation has done much to fragment community and erode people's sense of self-esteem. Rebuilding or maintaining community is inextricably connected to a process of localisation.

Many people around the world have looked to the King's aspiration to foster Gross National Happiness in Bhutan for hope and inspiration. In terms of shifting direction towards a more positive future, Bhutan is in an ideal position. Neither farming nor the fabric of community has been destroyed in Bhutan as it has in other parts of the world. There is a vital opportunity to strengthen the structures that support community and local economies in the country, thus averting the social, ecological and economic collapse globalisation has brought about elsewhere.

Social Costs of Globalisation

In shifting to an economics of happiness, it is important to consider the impact of conventional growth on societies around the world. There is no better place to start than in the United States, since this the country that is held up as a model for the rest of the world. And a good way to measure the condition of American society is to take a hard look at America's children, since so many features of the global monoculture have been in place their whole lives.

An indication that the current system is not working as well as it may seem is that one in five American children have a diagnosable mental, emotional or behavioral disorder¹, and an estimated *five million* are being given at least one psychiatric drug. This disturbing trend is growing rapidly. The number of children ages 2-4 for whom stimulant and anti-depressant drugs have been prescribed increased 50 percent between 1991 and 1995. In the following four years, prescriptions for anti-depression drugs rose even more steeply, climbing 151 percent for children in the 7-12 age group, and 580 percent for children six and under.²

¹ National Mental Health Association, "Key Facts and Statistics", www.nmha.org/children/green/facts.cfm

² Statistics from the National Disease and Therapeutic Index of IMS Health, in Lawrence H. Diller, M.D., "Kids on drugs", <http://www.salon.com/health/feature/2000/03/09/kiddrugs/index.html>, March 9, 2000

Major depression is, in fact, a growing problem all over the developed world, with rates of occurrence rising in all age groups and in virtually every community. By 2020, at its current rate of increase, depression will rank second only to heart disease among the most disabling conditions in the industrialized countries.³

Compare this to the rates of depression among groups of indigenous people and it is clear that something has gone very wrong in Western culture. In the 1980s, for example, anthropologist Edward Schiefflin had to abandon his attempt to study depression among the indigenous Kaluli of New Guinea because there simply is no depression in that culture.⁴ Similar conclusions have been reached about other indigenous societies.⁵ The plain truth is that people living in intact indigenous cultures are generally far happier and content than people in the civilised west.

If it seems impossible to imagine 2-year old children so depressed that they need prescription drugs, it is equally difficult to imagine 15-year olds feeling so hopeless that they kill themselves: yet among America's young people, suicide is the third-leading cause of death.⁶ Equally hard to fathom are many other symptoms of social breakdown. Eating disorders, for example. The number of pre-pubescent children with eating disorders is on the rise in America, with girls as young as four showing signs of anorexia. Cosmetic surgery, another symptom of insecurity and poor self-image, is also increasing, with the number of teenage girls having their breasts augmented quadrupling, and liposuction procedures tripling, in just the past five years.⁷

Violence, a more common symptom of breakdown for boys, is also on the rise. There have been at least 25 school shootings in the US since 1996, claiming the lives of 35 students. The youngest killer was a six-year old boy.

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There are a number of reasons America's children have become so insecure and troubled – all of which can be traced back to the global economy and its systematic erosion of social cohesion. For one thing, Americans are continually uprooted. As corporations scour the world for bigger subsidies and lower costs, jobs move with them, and families as well:

³ "Major Depression Facts", 2002, www.clinical-depression.co.uk

⁴ Al Kleinman and B. Good (eds.) *Culture and Depression*, University of California at Berkeley Press, 1985., p.101-133.

⁵ See for example Roald Amundsen's description of Inuit people in *Northwest Passage*, Helena Norberg-Hodge in *Ancient Futures*, and the journals of Christopher Columbus.

⁶ National Center for Health Statistics, unpublished work tables prepared by the Mortality Statistics Branch, Division of Vital Statistics, 1995 and 1996, accessed at <http://aspe.hhs.gov/hsp/97/trends/hc1-2c.htm>; also see Robert Wright "The Evolution of Despair", *Time* magazine, Aug 28, 1995.

⁷ "Shaping the Perfect Teenager", CBSnews.com, June 22, 2000.

⁸ "A Time Line of Recent Worldwide School Shootings", www.infoplease.com/ipa/A0777958.html

the typical American moves eleven times during their lifetime, continually severing connections between relatives, neighbours and friends.

Within almost every family, the economic pressures on parents rob them of time with even their own children. Americans put in longer hours at work than people in any other industrialised country, and the trend is ever upward: Americans work the equivalent of one week longer per year than they did a decade ago, and more than five weeks longer than in 1970.⁹ As a consequence more and more young children are relegated to the care of strangers in crowded day-care centres. Older children are often left in the company of violent video games or the corporate sponsors of their favorite television shows. Time spent in nature, which is fundamentally important to our psychological well-being, is increasingly rare.

Globalisation and the consumer culture it promotes thus work to displace the flesh-and-blood role models – parents and grandparents, aunts and uncles, friends and neighbours – that children once looked up to, replacing them with media and advertising images: rakish movie and rock stars, steroid-enhanced athletes and airbrushed supermodels. Children who strive to emulate these manufactured ‘perfect’ idols are left feeling insecure and inadequate.

This is not an unintended consequence. The goal of advertisers and the corporate marketers that hire them is to keep Americans perpetually discontented and insecure; in this condition they remain susceptible to the promise that happiness is only one more purchase away. The decision-makers that determine economic policy promote this heartless system. They fully realise that consumers are on a treadmill that drives the economy, and that if consumers are content with who they are and what they have, the economy would literally collapse.

In this sense, what is often seen as American ‘culture’ is not a product of the American people. It is, in fact, an artificial consumer culture being foisted on people through globalisation’s greatest tools: advertising and the media. This consumer culture is fundamentally different from real cultures, which for millennia were shaped by climate and topography – by a dialogue between humans and the natural world. This is a new phenomenon, something that has never happened before: a culture determined by technological and economic forces, rather than human and ecological needs. It is not surprising that American children, many of whom seem to ‘have everything’, are so unhappy: like their parents, their teachers at school and even their television heroes, they have been put on a treadmill that is ever more stressful and competitive, ever more meaningless and lonely.

As the globalisation juggernaut rolls along, the number of victims worldwide is growing exponentially. Today millions of children from Mongolia to Patagonia are targets of a fanatical and fundamentalist

⁹ Juliet Schor, *The Overworked American*, (New York: Basic Books, 1991).

campaign to bring them into the consumer culture. The cost is massive in terms of self-rejection, psychological breakdown and violence. These children are just as vulnerable as their American counterparts to the sales pitches of corporate advertisers, who tell them that this brand of make-up will inch them closer to perfection, or that wearing that brand of sneakers will make them more like their sports hero. Sales of dangerous bleach for skin and hair, and contact lenses advertised as ‘the colour of eyes you wish you were born with’, are skyrocketing in the South. Of course, buying these products does not actually enhance quality of life, but it greatly profits centralised industry – the main beneficiaries and proponents of the global economy.

This psychological impoverishment is accompanied by a massive rise in material poverty. Even in America – the ‘richest’ country in the world – hundreds of thousands are homeless, and millions more live in poverty. And what about the multitude drawn into rapidly growing Third World slums every year, with little hope of escape? What about the factory workers in sweatshops and maquiladoras, and the small farmers in their dying rural communities? What about the indigenous peoples being driven to extinction, and those whose ways of life are so threatened by the forces of globalisation that they turn to religious fundamentalism, even terrorism?

Erasing other cultures, replacing them with an artificial culture created by corporations and the media, can only lead to an increase in social breakdown and poverty. Even in the narrowest economic terms, globalisation means continuing to rob, rather than enrich, the majority. In 1960, the income of the richest fifth of the global population was 30 times that of the poorest fifth; by 1997 the gap more than doubled, with the richest fifth receiving 74 times more than the poorest fifth.¹⁰ This is globalisation at work.

By forcing everyone on the planet to rely on the same, narrow range of resources, globalisation is creating artificial scarcity, thereby adding to real poverty and exacerbating violent conflict. Contrary to the often-repeated claim that global trade is making conflict less likely, a recent World Bank study has found that countries whose economies are highly specialised – precisely what globalisation prescribes – are 20 times more likely to find themselves in civil war than countries whose economies are diversified.¹¹

With those in the industrialised world using ten times their share of the earth’s resources, it is a criminal hoax to promise that everyone in the ‘undeveloped’ world can do the same. The global spread of this fantasy has been profoundly destructive to people’s ability to survive in their own

¹⁰ UNDP, “The Facts of Global Life”, presskit for Human Development Report 1999, www.undp.org/hdro/E5.html

¹¹ Paul Collier and Anke Hoefler, “Greed and Grievance in Civil War”, March 2002, <http://econ.worldbank.org/programs/conflict/library/doc?id=12205>

cultures, in their own place on the earth. It has even been destructive to its most privileged beneficiaries.

The Globalisation of Food and Farming

Resisting the spread of this model is of the utmost urgency. But for people in the most industrialised countries, another need is to find a way to recreate economies that support community rather than eroding it; that offer happiness and contentment rather than insecurity and endless striving; that are in harmony with nature, rather than destructive of it. Food must be at the centre of this shift, not only because it is a universal need, but because the global food economy is now expanding at a rapid rate.

As it spreads, it is creating crises the world over. Farmers in almost every country in the North are economically besieged, while in the South, people by the millions are being pulled off the land. 'Food scares' occur with alarming regularity, leading many to wonder whether the meal before them is safe to eat. Millions of acres of farmland in the US have been planted in genetically engineered crops, setting off trade disputes with Europe and Japan. People's awareness that corporations are gaining a stranglehold over the world's food supply has led some to ransack fast-food chains and agribusiness offices, and others to uproot genetically-engineered crops.

All of this turbulence has its origins in the industrialisation of food, which today goes hand-in-hand with economic globalisation. Food production is becoming ever more specialised, capital-intensive, and technology-based, and marketing ever more globalised. This direction is disastrous for people and the planet, yet policymakers insist on calling for more of the same: lower barriers to trade, higher technology, fewer farmers.

Industrial agricultural is based on a Western development model that has been imposed on the rest of the world, without respect for either cultural or biological diversity. In the West, where this form of agriculture has been practised longer, the problems inherent in large-scale monocultural production have become ever more apparent. If industrialised agriculture is not working in the region from which it originated, then how can it possibly work elsewhere? It is important that people in developing countries have access to accurate information about the worldwide crisis in agriculture so as not to repeat the mistakes of the West, but instead to forge ahead on a healthier, more sustainable path.

In the West, in fact, there is now a growing movement in this direction, a groundswell of support for 'local food systems'. Such systems are smaller in scale, more diversified, and locally adapted. They favour foods produced nearby, rather than global commodities produced halfway around the world. The rising interest in local foods stems from an awareness that the long-term economic, environmental, and health costs of the industrial food system are too high, and a parallel awareness that local food systems can minimise all these costs simultaneously.

Below, we outline the many problems the global food economy has already created in the places it has taken root, and the many benefits that would follow from a shift towards the local.

The Marketing of Food

In the global system, food is often transported thousands of miles, embedding it with significant amounts of transport energy, pollution, and greenhouse gases. Thanks to ‘free trade’ treaties, transport subsidies, and artificially cheap fossil fuels, ‘food miles’ are increasing: in the UK, for instance, food now travels 50 percent further on average than it did in 1979.

¹²

The growth in food miles cannot be explained away by the greater availability of ‘exotic’ foods that cannot be grown locally: the logic of global markets leads to so much needless trade that many countries import and export the same product. In 1996, for instance, Britain imported 114,000 metric tons of milk, while *exporting* 119,000 tons.¹³ Trade of this sort greatly expands the distance food travels while benefiting only the speculators and large-scale agribusinesses that profit from government subsidies, exchange rate swings, and miniscule price differences.¹⁴

Not only does food travel further, but consumers do as well. Food marketing in the global economy is highly centralized, with the typical outlet being a giant supermarket serving a wide area. This pattern has led to a rise in the number of shopping trips consumers make – most often by car – and an increase in the distance each trip represents.

The marketing of local foods, on the other hand, is largely decentralised, with numerous small shops located close to where people live – often within walking distance. In many cases, farmers can eliminate one whole link in the transport chain by selling directly to consumers via Community Supported Agriculture (CSA) or ‘box schemes’, farm stands and farmers’ markets, or by sales made at the farm itself.

Global foods are wasteful of more than just transport fuels. They require more packaging to protect them from the rigours of long-distance transport, and still more to differentiate brands and attract consumers. Excessive packaging wastes energy, paper, and other resources, and leads to disposal problems. In the UK, for example, one-quarter of household waste

¹² *Sustain: The alliance for better food and farming*, Food miles – Still on the road to ruin? (London: Sustain, October 1999), p. 7.

¹³ *Food and Agriculture Organization*, FAOSTAT, www.apps.fao.org. See also Caroline Lucas, *Stopping the Great Food Swap: Relocalising Europe’s Food Supply*, March 2001.

¹⁴ A similar pattern holds for many other commodities. In 1998, the UK imported 174,570 tons of bread, while exporting 148,710 tons; imported 21,979 tons of eggs and egg products, while exporting 30,604 tons; imported 158,294 tons of pork, while exporting 258,558 tons [Ministry of Agriculture, Fisheries and Food, *Overseas Trade Data System, UK Trade Data in Food, Feed and Drink* (London: MAFF, HMSO, July 1999)].

is made up of packaging, most of which is used on food.¹⁵ Landfilling all this waste causes problems such as leachate leaks, while incinerating it contaminates the air with carcinogenic substances, and leaves behind a toxic ash residue.

Global trade would be impossible without huge transport infrastructures, which are costly not only to taxpayers, but to the environment. Multi-lane highways, for example, fragment landscapes, disrupt wildlife movements, and interfere with wild plant seed dispersal. Their construction entails cutting down forests, filling in valleys, leveling hills, and burying of miles of ecosystem under concrete and asphalt. Airports, shipping terminals, railway lines, and other transport facilities can be equally destructive. In South America, for instance, 2,100 miles of rivers are being altered – threatening the world’s largest wetland – to accommodate convoys of barges carrying soybeans and other commodities.

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The global food system also has a huge appetite for energy. Energy is needed to manufacture the chemical inputs used in industrial agriculture, to process and refrigerate foods, to fuel heavy farm equipment, and to transport food. Producing this energy has high environmental costs: hydroelectric dams disrupt ecosystems both upstream and down; nuclear plants generate tons of radioactive waste; oil refineries pollute air, soil, and water. The extraction, transport, and use of these fuels predictably lead to ‘accidents’ – like oil spills and radiation leaks – that can poison the environment for many years.

Local food systems, by contrast, have relatively low energy demands. These can often be met from nearby renewable sources – such as waterpower for small grain mills, solar energy for crop drying, and even animal power for farm use.

Perhaps the most profound ecological impact of the global model stems from its demand that people abandon local goods for the monocultural products of the global economy. For food, there is no more insidious example of this than the effort of Nestlé and other agribusinesses to convince Third World mothers that breast milk – the most ubiquitous and healthy of local foods – is inferior to the powdered version those companies sell. The same principle is being applied to virtually every other product, as people are encouraged to believe that “imported equals *good*, local equals *crap*”, in the words of an advertising executive in China.¹⁷

The corporations that promote this consumer monoculture have few qualms about profiting from the cultural and racial self-rejection

¹⁵ Anon. “Do you need all that packaging”, *Which?* London: Consumers’ Association, November 1993, p. 5.

¹⁶ Glenn Switkes, “Design Chosen for First Phase of Hidrovia”, *World Rivers Review*, vol. 11, n. 2, June, 1996.

¹⁷ “Where the Admen Are”, *Newsweek*, March 14, 1994, p. 34.

experienced by target populations. Thus, the president of McDonald's Japan opined that if people in that country "eat McDonald's hamburgers and potatoes for 1,000 years we will become taller, our skin white and our hair blond."¹⁸

A global consumer monoculture is an unmitigated disaster for everyone, not just those induced to abandon their own identities. The small percentage of the earth's population that lives a Northern consumer lifestyle has already so destabilised the biosphere that the earth's ability to support human life in the future is increasingly in doubt. And yet the implicit message of economic globalisation is that the entire population of the planet should pursue that same unsustainable course. It is vitally important that people all over the world, but especially in the South, have access to information about what it really happening, rather than corporate propaganda. Only by understanding the true consequences of globalisation, while drawing on local knowledge, can people make sound decisions about their own futures.

Food Production

An emphasis on the *local* in food production is significantly better for the environment than an emphasis on the *global*. In large measure, this is because producing for global markets requires large-scale monocultures, which systematically erode diversity. On-farm diversity not only shrinks to the one or two crops grown for global markets, but even within those commodities diversity is disappearing, as identical high-yield strains are planted everywhere. Wild nature, meanwhile, adds nothing to the 'bottom line', and so is systematically excluded from the farm system.

This lack of diversity leads to a cascade of problems. Vast acreages of identical varieties are highly vulnerable to devastation by insects and blight; this in turn leads to repeated applications of pesticides and fungicides. Chemical fertilisers are also required, since monocultural farms exclude the farm animals that could replenish soil fertility with their manure. The use of all these chemicals not only damages the broader ecosystem, it kills the soil, making it prone to water and wind erosion. The use of large-scale farm equipment requires trees, shrubs and hedgerows to be removed, and further deadens the soil by compacting it and reducing its ability to absorb water.

Monocultural livestock production – commonly known as 'factory farming' – is also an environmental disaster. The thousands of tonnes of manure produced are highly polluting, and cause algal blooms and eutrophication of streams, ponds, and lakes. If the manure containment

¹⁸ Joel Bleifuss. "Will Ronald Eat McCrow", *In These Times*, vol. 19, n. 3, p. 13.

lagoons burst – as they did recently in North Carolina – the devastation can become widespread, poisoning wells and groundwater for miles around.¹⁹

Small-scale production for local markets, on the other hand, naturally tends to be more diverse: farmers have an incentive to produce the wide range of products people need. Since small farms are not designed to facilitate the use of large equipment, they also tend to retain hedgerows, woodlots, pastures, wetlands and fallow land, all of which have some use on a diversified farm. These in turn become nurturing habitats for diverse wild plant and animal species.

The overall diversity of small-scale farms makes them more stable and resilient, and less susceptible to losses due to weeds or pests. Those losses can be further minimised using low-impact techniques, like intercropping, rotations, and biological controls. Soil fertility can be maintained by the addition of composted manure and other organic matter, which also makes the soil more resistant to erosion.

While an industrial farm's production is largely determined by global markets – which favour a narrow range of commodities and varieties – small-scale localised production is heavily influenced by local climate, resources, cultural preferences, and the availability of locally-adapted strains – and is therefore highly diverse. Farmers are able to focus on what their land can best produce, rather than forcing it to produce what distant markets demand.

Genetic Engineering

Since the beginnings of agriculture, farmers have selected for traits that make the most sense within their own particular environment, thereby providing almost every local food system with a remarkably broad range of locally adapted plant varieties and animal breeds. Indigenous farmers in the Andes, for example, cultivate some 3,000 different varieties of potatoes.²⁰ On the island of Java, small farmers cultivate over 600 different crop species in their gardens.²¹ Much of the food we eat today ultimately depends on the careful work, over many centuries, of farmers like these.

Now, however, an entirely new method for the creation of agricultural varieties has been developed. Rather than selecting for particular traits among plants and animals that have proven themselves in nature over centuries, genetic engineering technologies enable scientists to select traits in the laboratory. In many cases, scientists carry genetic material across entire species or phyla boundaries, bypassing reproductive constraints and

¹⁹ A. V. Krebs, "Hurricane Floyd and Corporate Hogs: North Carolina's 18,000-Square mile Cesspool", *The Agribusiness Examiner*, n. 48, September 28, 1999.

²⁰ V.H. Heywood, executive ed. *Global Biodiversity Assessment*, published for the United Nations Environment Programme by Cambridge University Press, 1995, p. 595.

²¹ *ibid*, p. 742.

creating varieties that could never have evolved in nature, even with the guiding hand of a skilled breeder. Fish genes have been implanted into tomatoes, and human genes into fish. There has even been research into engineering such labour-saving ‘advances’ as a featherless chicken that won’t have to be plucked.²²

Leaving aside the profound ethical implications of manipulating the genetic basis of life, this technology may have severe ecological repercussions. For one, the technology is now being used to *increase* the use of pesticides: Monsanto sells seeds that produce crops engineered to tolerate heavier doses of its best-selling herbicide, ‘Roundup’; Aventis markets similar seeds, but for use with its own ‘Liberty’ herbicide; and Cyanimid has produced seeds to be used with its ‘Pursuit’ and ‘Odyssey’ herbicides.

Perhaps most disturbing of all is the problem of ‘genetic pollution’, whereby crops or wild plants are accidentally fertilised by a nearby biotech crop. Although proponents of genetic engineering have claimed that such cross-fertilisation would be rare, it has not turned out that way. For example, Starlink, a transgenic corn variety, was planted on less than 1 percent of America’s corn acreage, but managed to contaminate the seed corn of more than 80 seed companies.²³

Genetic pollution has ominous implications for agricultural biodiversity. Research in the remote mountainous region of Sierra Norte de Oaxaca, for example, has shown that some of Mexico’s native varieties of maize have been contaminated by transgenic DNA. So much genetic pollution is occurring that there is a danger that farmers – even organic growers – will soon be unable to find seed that is *not* tainted with engineered genetic material. “We have found traces in corn that has been grown organically for 10 to 15 years,” the head of an organic bread and cereal company in British Columbia said. “There’s no wall high enough to

²² Mike Toner. “Cultivating Designer Fish”, *Atlanta Journal*, May 21, 1999; Colin Tudge. *The Engineer in the Garden*. London: Jonathan Cape, 1993; Luke Anderson. *Genetic Engineering, Food and Our Environment*. Devon, England: Green Books, 1999 [published in the US by Chelsea Green].

* Although the whole point of Roundup-Ready seeds is to enable more potent doses of the herbicide without endangering the marketable crop, Monsanto has attempted to confuse the public by claiming that Roundup-Ready seeds **reduce** the amount of Roundup herbicide needed. While it is true that the **volume** of Roundup sprayed onto crops may be reduced, the **potency** of this herbicide has been increased. Before Roundup-Ready seeds hit the market, Monsanto had to lobby the US Environmental Protection Agency to get the tolerance level for glyphosate (the key toxic ingredient of Roundup herbicide) raised from 6 parts per million to 20, because the new line of Roundup-Ready products would not be of much value if the herbicide could not be made more potent. The EPA readily consented [Lappé, Marc, and Britt Bailey. *Against the Grain: Biotechnology and the Corporate Takeover of Your Food*. Monroe, Maine: Common Courage Press, 1998, pp. 75-76].

²³ David Barboza, “Will Agbiotech’s Genetic Contamination Conquer the World?”, *New York Times*, June 10, 2001.

keep that stuff contained.”²⁴ Once released into the wild, this form of pollution can never be called back.

Furthermore, some genetically engineered plants may harm non-target insects, like monarch butterflies that eat the pollen from plants engineered with their own pesticides.²⁵ The marketers of these seeds still do not know for certain whether, for example, honeybees that collect pollen from those plants will be affected.

Claims about the potential of biotech crops to ‘feed the world’ obscure the fact that farmers in the poorest parts of the world are those least able to afford to buy new seeds every year. Those farmers are more likely to save seed from one year’s crop to plant the next – a practice that would be illegal if they used genetically-engineered seeds.

Food and Health

Local systems excel at providing nutritious, fresh food. Even so-called ‘fresh’ foods from the industrial system are usually inferior to local foods because they are often harvested days or even weeks before. Heirloom varieties of fruits and vegetables adapted to specific places are usually particularly flavourful and nutritious – more so than their industrial counterparts.

In the global food system, the dominant vegetable varieties are not those that are most nutritious, but those that are most visually appealing, most hardy under monocultural growing conditions, and best able to survive mechanical harvesting and long distance transport. What’s more, many industrial foods undergo a great deal of processing, which destroys vitamins and reduces nutritional content. Highly refined products like white flour, sugar, and rice have had most of their nutritional value removed.

Since processing can also remove much of the taste and colour from food, the industrial system compensates by adding artificial flavourings and colourings. Chemical preservatives are deployed to increase shelf life, and a range of other additives are used to facilitate processing. In the end, industrial food is likely to have been treated with some combination of hormones, dyes, bleaches, waxes, antioxidants, preservatives, chemical flavors, buffers, alkalisers, acidifiers, deodorants, moisteners, drying agents, expanders, modifiers, emulsifiers, stabilisers, thickeners, clarifiers, disinfectants, defoliant, fungicides, neutralisers, anticaking and antifoaming agents, hydrolysers, hydrogenators, antibiotics and other

²⁴ *Ibid.*

²⁵ John E Losey, Linda S. Rayor and Maureen E. Carter, “Transgenic pollen harms monarch larvae”, *Nature*, vol. 399 n. 6733, May 20, 1999, p. 214.

treatments.²⁶ In addition to these intended additives, traces of pesticides, herbicides, and fungicides can also be found.

All these chemicals are of very recent origin, and human defences are unprepared to protect us from many of them. Pesticides in particular can cause cancer, birth defects, immune system breakdown, and neurological damage, and can interfere with normal childhood development.²⁷ Others are implicated in the early onset of puberty, and still others are linked to increases in aggression.²⁸ Even the chemical fertilisers used in industrial agriculture pose a health problem: nitrates in water, for example, have been linked to 'blue-baby syndrome' in infants,²⁹ birth defects, and cancer.³⁰

Farm workers exposed to agrochemicals on the job can suffer serious health problems. As many as 300,000 farm workers in the US alone suffer from pesticide-related illnesses;³¹ worldwide, from 20,000 to 40,000 farm workers die each year from pesticide exposure.³² But one doesn't need to be a farm worker to be exposed to these toxic compounds. The US Environmental Protection Agency recently found that 80 percent of the nation's adults and 90 percent of children have measurable concentrations of insecticide in their urine.³³

Although agribusinesses insist that all of these chemicals have been tested for safety, they are not tested in the multiple combinations to which people are routinely exposed, or over the long periods of time that would be necessary to fully understand their effects. In any case, the proven health hazards of a particular agricultural chemical are no guarantee that its use will be prohibited. The US government agencies that regulate agricultural

²⁶ For more information on food additives, see the list compiled by Center for Science in the Public Interest, at <http://www.cspinet.org/reports/chemcuisine.htm>, http://www.cspinet.org/foodsafety/additives_avoid.html

²⁷ R. D. Morgan, ed. *Pesticides, Chemicals and Health*. (The British Medical Association). London: Edwards Arnold, 1992.

²⁸ Environmental Research Foundation. "Pesticides and Aggression", *Rachel's Environment and Health Weekly*, n. 648, April 29, 1999.

²⁹ Blue-baby syndrome is also known as methaemoglobinaemia. The last known case in the UK was recorded in the early 1950s, though deaths have occurred in the USA and Hungary in the 1980s. The condition is strongly associated with bacterial contamination in water and a range of other factors, of which nitrates in water is just one [see Conway, G. R., and Pretty, J. *Unwelcome Harvest: Agriculture and Pollution*. London: Earthscan, 1991].

³⁰ Peter Goering, Helena Norberg-Hodge and John Page. *From the Ground Up: Rethinking Industrial Agriculture*. London: Zed Books, 1993, p. 15, (new edition 2000).

³¹ London Food Commission. *Food Adulteration and How to Beat It*. London: Unwin, 1998.

³² Reported in S. Postel. "Controlling Toxic Chemicals", *State of the World, 1988*. New York: W.W. Norton, 1988.

³³ "Worrisome Level of Pesticide Found in Environment", *The Los Angeles Times*, October 29, 1999.

chemicals, for example, allow over 30 carcinogenic pesticides to be used on American crops.³⁴

Proponents of the global food system would have us believe that even if there are now more chemicals in our food, industrial processes have left it all but free of bacteria. Not so. According to the British Public Health Laboratory Service, food poisoning incidents in the UK have risen in tandem with the growth of the industrial food system: during the 1950s, there were on average only about 5,000 food poisoning incidents each year; in 1997 there were almost 20 times that number.³⁵ In the US, salmonella-related illnesses have doubled in the last two decades, and similar increases are reported for illnesses from *E. coli*, campylobacter, and *lysteria* bacteria.³⁶

Although the mass-production of foods is usually to blame for food poisoning incidents, proponents of the global food system claim that 'more of the same' will make food safer. One American expert believes that the solution to 'food scares' is "to barcode every product, from a grain of cereal to a loaf of bread."³⁷ Meanwhile, food irradiation has already been approved in the US for meats and other products, even though scientific evidence shows that irradiation reduces food's nutritional value, and leaves behind by-products that are themselves health hazards.³⁸

The mass-production of animal-based foods has also led to human health problems. When animals are allowed to range freely on small-scale, diverse farms they are apt to provide healthy milk, eggs and meat, and to remain healthy themselves. Livestock production on an industrial scale, however, puts animals in tightly confined and often unsanitary conditions, and leaves them at a much higher risk of disease. Antibiotics and other pharmaceutical drugs are widely used, not only to prevent illness but also to promote growth. In fact, roughly half the antibiotics produced in the US are used in the raising of animals for human consumption.³⁹ These drugs can leave residues in meat and milk, and their overuse is already rendering some strains of bacteria untreatable.

So far, one of the most disturbing consequences of industrial livestock production has been the spread of Mad Cow Disease, a product of the 'innovative' practice of feeding the remains of dead cows to live ones. The

³⁴ Environmental Protection Agency, Office of Pesticides Programs. See list of carcinogenic pesticides and their regulatory status at the EPA website: www.epa.gov/pesticides/carlist/

³⁵ Public Health Laboratory Service (UK), facts and figures: www.phls.co.uk/facts/

³⁶ Robert V. Tauxe. (Centers for Disease Control and Prevention). "Emerging Foodborne Diseases: An Evolving Public Health Challenge", *Emerging Infectious Diseases*, vol.3, n. 4, October-December, 1997.

³⁷ "Under the Food Scares, a Credibility Problem", *The New York Times*, July 4, 1999.

³⁸ David R. Murray. *Biology of Food Irradiation*. Taunton, UK: Research Studies Press, 1990.

³⁹ Environmental Research Foundation. "Hidden Costs of Animal Factories", *Rachel's Environment & Health Weekly*, n. 690, March 9, 2000.

disease, BSE, eventually killed 175,000 cows in Britain, though far more were undoubtedly infected. BSE has now crossed the species barrier from cows to humans in the form of the deadly Creutzfeld-Jakob disease (CJD). Although the British government initially denied any link between Mad Cow Disease and CJD, it was later forced to reverse course and ordered the destruction of some 2.5 million animals.⁴⁰

So far, more than 100 people have died of CJD in the UK, but it is still unknown how high the death toll will eventually go. The UK government's chief medical officer admits that "We're not going to know for several years whether the size of the epidemic will be a small one, in other words in the hundreds, or a very large one, in the hundreds of thousands."⁴¹ Mad Cow Disease has now appeared in many other countries, including most recently the United States.

Food and the Economy

In economic terms, one of the most conspicuous features of the global food system is the shrinking percentage of the price of food that farmers receive. In part, this is because a large number of corporate intermediaries – international traders, food processors, distributors, and supermarkets – are receiving an ever-bigger share. In the United States, farmers in 1910 kept 41 cents of every food dollar spent by consumers. By the 1990s, the farmer's share had dropped to only 9 cents, while the marketing share has grown to 67 cents out of every food dollar.⁴²

Although consumers are generally taught to blame farmers for increases in food prices, it is the corporate middlemen that capture the lion's share of price hikes. In the US, for example, the consumers' price for a market basket of food has increased about 3 percent in real terms since 1984, while the farm value of that food has *fallen* by more than 35 percent.⁴³

Farmers are being economically squeezed in other ways as well. 'Free trade' policies force farmers to compete with others around the world, often in places where labour costs are far less. What's more, the market for an export-oriented farmer's production can suddenly evaporate due to currency fluctuations or recessions thousands of miles away. In the United States, nearly one billion bushels of grain – half the nation's harvest – found

⁴⁰ *Environmental Research Foundation*. "Mad Cow Disease in Humans", *Rachel's Environment & Health Weekly*, n. 683, January 20, 2000.

⁴¹ *ibid.*

⁴² Stewart Smith, "Farming Activities and Family Farms: Getting the Concepts Right", presented to US Congress symposium "Agricultural Industrialization and Family Farms", October 21, 1992.

^{15.} USDA, National Agricultural Statistics Service. "Agriculture Prices" (Washington, D.C.: USDA, NASS, 1999).

⁴³ Robert C. Taylor, Professor of Agriculture and Public Policy at Auburn University, in testimony before the US Senate Agriculture Committee hearings on concentration in agribusiness, January, 1999 – cited in Krebs, A. V. *The Agribusiness Examiner*, n. 57, November 23, 1999.

no market in 1999, largely because an economic crisis in Asia dampened demand for US products.⁴⁴

In the South, farmers face similar problems. Those still connected to a local food system can count on feeding themselves with their own production, while those who have been drawn into the industrial food system must sell their production on global markets and use the proceeds to buy food. A farmer in Asia or Africa can easily be destroyed by a recession in Europe or a bigger-than-expected harvest in South America – events over which they have no control. Meanwhile an increasing proportion of the newly-'modernised' farmer's proceeds must be used to pay for equipment and inputs. The smallest, least capitalised farmers cannot afford those inputs, and are pushed off the land altogether.

Farmers in both North and South who are dependant on local food systems are largely insulated from international market forces. At the same time, those farmers retain a far higher proportion of the money spent on food, particularly when the cut taken by middlemen and processors is eliminated by selling directly to consumers. Even when local food is sold to nearby shops and restaurants, the farmer receives more than if it was sold to corporate middlemen. Importantly, the small shopkeeper's share of the price remains circulating in the local economy, adding to the farm community's economic health.

Small locally owned shops, in turn, are far more likely than supermarkets to sell local products. In many cases, local restaurants actively seek out produce, cheeses, wines, and meats from nearby farms, not only because they are likely to be fresher and higher in quality, but because they add to the distinctiveness of the restaurant's menu.

Contrast this to corporate supermarkets and fast-food chains, which obtain food from huge monocultural farms and truck it to every corner of the country. Since these businesses offer the same standardized fare in all of their widely dispersed outlets, selling more than a token amount of local products would jeopardize the structures and continual shareholder profits on which the entire global food system is based.

Local food systems are also more job-sustaining. Small farms are not suited the use of massive 'labour-saving' machinery, and so they provide far more jobs per acre than large farms. In the UK, for example, farms under 100 acres provide five times more per-acre employment than those over 500 acres.⁴⁵ It is not surprising, then, that as the average size of the UK farm

⁴⁴ Tim Weiner. "Aid to Farmers Puts Parties in 'Political Bidding Contest'", *The New York Times*, August 4, 1999, p. A14.

⁴⁵ H. Raven and M. Brownbridge, "Why Small Farmers?", cited in S. P. Carruthers and F. A. Miller, eds., *Crisis on the Family Farm: Ethics or Economics?*, CAS Paper 28 (Reading, England: CAS, 1996).

steadily increased over the last half century, 700,000 farm jobs have been lost.⁴⁶

Farm workers' wages remain in the local economy, adding to the economic vitality of the community; money paid for heavy equipment and the fuel to run it, on the other hand, is almost immediately siphoned off to equipment manufacturers and oil companies. Similarly, when farms are organic, they can depend on their own inputs and less on purchased chemical inputs. But as the industrial food system has gained ground, an increasing share of farm income has been drained away. Farmers' fortunes have spiralled steadily downward, taking local businesses and entire rural economies with them: when 235,000 US farms failed during the mid-1980's, roughly 60,000 other rural businesses also went under.⁴⁷

Hard times for local businesses have been compounded by the invasion of large-scale chain retailers. In the 1990s alone, some 1,000 independent food shops – grocers, bakers, butchers and fishmongers – closed in the UK each year.⁴⁸ In Italy, the story has been the same: the arrival of superstores known as *ipermercati* have resulted in the demise of 370,000 small, family-run businesses – including half of the country's corner groceries – since 1991.⁴⁹

These corporate mega-markets systematically sap the economic vitality of the communities where they set up shop. Almost nothing they sell is produced locally, and their profits are drawn off to corporations with little connection to the community. Money that in a local food system would remain circulating over and over again is often lost forever.

It is often argued that large-scale producers and marketers are able to displace small farms and local shops largely because of 'economies of scale' that enable them to bring goods to market at lower prices. In the long run, the argument goes, lower prices mean that consumers are ultimately better off despite the loss of local businesses.

This line of reasoning is fundamentally flawed. If large-scale corporate producers and marketers sell goods at lower prices than their smaller competitors, it is only because of hidden subsidies and ignored environmental costs, both of which are ultimately paid by the 'consumers' these trends supposedly benefit. One estimate of the hidden benefits

⁴⁶ J. Pretty, *The Living Land: Agriculture, Food and Community Regeneration in Rural Europe* (London: Earthscan, 1998).

⁴⁷ "Farm count at lowest point since 1850: just 1.9 million", *The New York Times*, November 10, 1994.

⁴⁸ DoE/MAFF, *Rural England: A Nation Committed to a Living Countryside*, *The Rural White Paper* (London: HMSO, 1995);

⁴⁹ Vania Grandi, "Small Grocers Disappearing into History as Superstores Emerge in Italy", *Burlington Free Press* (Vermont), January 2, 1998, p. 6B.

received by US corporations alone from subsidies and externalised costs is \$2.4 trillion annually.⁵⁰

Corporate food traders, middlemen, and marketers, for example, do not pay anything near the full cost of transporting food. Instead, governments use billions of dollars in taxpayers' money every year to build and maintain the transport infrastructures the global trading system requires. Other infrastructure requirements of large-scale enterprises, like instantaneous global communications facilities and centralized energy infrastructures, are similarly subsidized.

What's more, foods that have been industrially produced and transported great distances often seem 'cheaper' because they exclude their environmental costs. Neither the pollution costs of transport nor the environmental and health costs of chemical agriculture appear in the supermarket price of an industrial apple shipped 3,000 miles. Just shipping food within the borders of the United States, for example, pumps an estimated 120 million tons of CO₂ into the atmosphere annually, adding significantly to the greenhouse effect.⁵¹ Accounting for the food shipped to and from the US would add substantially to that figure.

Supporters of the global food system also argue that industrial farming has vastly increased agricultural productivity. This is a myth. Numerous studies have shown that small-scale, diversified farm systems almost always have a higher total output per unit of land than large-scale monocultures. Today, even conventional economists acknowledge that there is an "inverse relationship between farm size and output".⁵²

Food and Community

If the goal is to provide the most benefits to the most people, maintaining or shifting towards local food would be an important first step. This shift would improve the economic welfare of farmers, farm workers, small producers and shopkeepers, helping entire local economies and communities to thrive. In the South where many communities are still relatively intact, protecting them against the impacts of globalisation should be an urgent priority.

⁵⁰ IMF Statistics Department, *International Financial Statistics*, February 1999, vol. 53, n. 2. (Washington, D.C.: International Monetary Fund, 1999).

⁵¹ Based on total food transport within US of 566 ton-miles in 1997 [US Census Bureau. *Transportation-Commodity Flow Survey, 1997 Economic Census*. Washington, D.C.: US Census Bureau, December 1999, Table 7], and CO₂ emissions per tonne-km for various transport modes: road - .248 kg; rail -.049 kg; ship -.036 kg; air - 1.447 kg. [Jules Pretty, et. al. "The Real Cost of the British Food Basket", Centre for Environment and Society, Department of Biological Sciences, Department of Economics, University of Essex, Colchester, UK, forthcoming].

⁵² Peter Rosset, "The Multiple Functions and Benefits of Small Farm Agriculture in the Context of Global Trade Negotiations", Policy Brief No. 4 (Oakland, CA: Institute for Food and Development Policy, 1999).

In the North, local food systems provide links between people in a community who might otherwise have little or no connection. Farmers' markets, for example, invariably become social events, with the purchase of food often becoming secondary to the social interactions the market encourages. Almost every downtown area that hosts a farmers' market finds that the entire town is enlivened on market day.

CSAs and other forms of direct marketing similarly strengthen bonds in a community, making consumers more directly aware of the life of the farmer, and letting the farmer know his customers. When CSA members meet at the farm on 'work days' or festivals, the bonds among them can grow even stronger.

Compare this to the industrial food system, which promotes anonymity at every turn. Consumers, farmers, processors, and distributors of industrial foods rarely know one another – and may not even live within 1,000 miles of each other.

In rural areas, the loss of community also has a physical dimension. As agricultural production is industrialised and rural people are uprooted, businesses in villages and small towns close, and many of their social and economic institutions are consolidated or transferred elsewhere, often in the name of 'efficiency'. Town centres, which should be lively focal points for culture and commerce, instead feel devoid of life.

The understandable sense of loss among those who remain in these communities is exacerbated by a barrage of media and advertising images emphasizing the glories of 'modern' life – implying that rural ways have no place in a future that will be, above all else, utterly high-tech. Rarely, if at all, do portrayals of the future respectfully depict rural people or land-based ways of living.

In the South as well, media images can make village life – already undermined by global economic forces – seem an anachronistic dead-end, and make location-specific social institutions and cultural practices appear pointless and hopelessly out-of-date.

Rural self-esteem sometimes absorbs even harder blows. In many parts of the North, farms have been disappearing at record rates for well over a generation. For people whose land is taken from them – in many cases land their families have lived on and worked for many generations – the sense of shame and anger can be immense. Many farmers direct those emotions inward, with suicide the result. In parts of the US, in fact, suicide is now the leading cause of death among farmers, occurring at a rate three times higher than in the general population.⁵³

Increasingly, however, the anger is being directed outward. While many dispossessed rural people are coming to understand the broad systemic forces that are ruining local economies and entire cultures the

⁵³ Joel Dyer, *Harvest of Rage* (Boulder, CO: Westview Press, 1998), p. 33.

world over, many others have been convinced that their problems can be traced to racial minorities or Catholics, to immigrants, to a vast Jewish banking conspiracy, or to a world government run by the UN and enforced by swarms of black helicopters. The mix of hopelessness and misdirected anger in America's economically-ruined rural heartland is leading to increasing incidents of violence, played out in places like Ruby Ridge, Waco, and Oklahoma City. These events and others like them are among the many indirect costs of the global economy.

Rural areas are not the only places that pay a heavy price for the industrialisation of food: cities suffer as well, as they are the usual repositories for those whose way of life has been destroyed. Agricultural modernisation in China, for example, is expected to uproot 440 million people from rural areas, all of who will be migrating to urban areas in the next few decades.⁵⁴ In most cases, Third World cities already have more people than they can accommodate, with social and environmental problems that are largely unmanageable.

In 2000, 52 percent of the population in the so-called 'developing' world still lived in rural, land-based communities.⁵⁵ To modernise agriculture in those countries means reducing the agricultural workforce – now roughly 1.27 billion people – to levels closer to the 1 percent found in the US. Even reducing the proportion involved in agriculture down to 10 percent means throwing nearly 800 million people out of work. Those millions will have nowhere to go but urban centers, where they almost invariably find themselves on the bottom rungs of the economic ladder. Cut off from their communities and cultural moorings, people from many differing ethnic backgrounds face ruthless competition for jobs and the basic necessities of life. With individual and cultural self-esteem already eroded by the pressure to live up to media stereotypes, the elements are in place for a dramatic increase in anger, hostility, and conflict.

In both North and South, these trends are worsened by a growing sense of powerlessness. Within small-scale economies, people have a relatively large amount of leverage over the decisions that affect their own lives. But as economic scale grows, the ability of individuals and communities to determine their own destiny shrinks. For most citizens in today's global economy – even in supposed 'democracies' – the levers of power can easily seem to be beyond the reach of all but corporate CEOs, industry lobbyists, and wealthy campaign contributors. Even worse, decisions that can directly affect the livelihoods of millions of people are routinely made behind closed doors in huge corporations or in supranational institutions like the WTO. And yet proponents of

⁵⁴ Ian Johnson, "Tens of millions of peasants are setting off on China's new long march to find hope and work in the city", *The Guardian* (London), November 3, 1994, p. 16

⁵⁵ FAOSTAT

globalisation often speak as though the spread of the global economy and the spread of democracy were somehow inextricably linked.

Shifting course will not immediately change the undemocratic nature of modern societies. But if the scale of our economies were reduced, the principles of participatory democracy could more easily gain ground. Shifting control over food away from unaccountable corporations and back to the local level would help immeasurably in this process.

Food Security

One of the biggest threats to food security today stems from the increasing control a handful of corporations have over the world's food supply. For example, four companies now control 87 percent of American beef, another four control 84 percent of American cereal, and just one company, the Cargill corporation, controls 80 percent of the world's grain distribution.⁵⁶ Five agribusinesses account for nearly two-thirds of the global pesticide market, almost one-quarter of the global seed market, and virtually 100 percent of the transgenic seed market.⁵⁷ As corporate mergers and acquisitions continue, control over food will become even more concentrated in the future.

Why is corporate control over food a problem? The fact is that even if most employees of agribusinesses – including the highest levels of the corporate pyramid – earnestly care about environmental sustainability or feeding the world's hungriest, the 'rules of the game' that govern global finance would prevent them from acting on those impulses. Those rules insist that corporate policies should aim at profit-maximization and growth, and little else. Competition is so fierce that if a corporation veers from maximising its profits at any cost, shareholder lawsuits are likely, as are the prospects for a takeover by a more hard-nosed and profit-oriented competitor.

Today, some 842 million people are undernourished worldwide – even though enough food is produced to adequately feed everyone on the planet.⁵⁸ In part, this poor distribution of food arises out of the global economy's perverse logic, in which it makes economic sense that luxury

⁵⁶ *The three largest beef packing companies are Tyson, ConAgra, and Excel (a subsidiary of Cargill); the four largest cereal companies are Kellogg, General Mills, Philip Morris, and Quaker Oats; the companies that dominate the world's grain trade are Cargill and Archer Daniels Midland. "Updated View of the Meatpacking Industry", REAP News and Views, July 31 2001, www.reap.org; A. V. Krebs, **The Agribusiness Examiner**, n. 19, January 28, 1999; A. V. Krebs, "It is Plain, Cargill's Reign in the Grain Has Become Profane", **The Agribusiness Examiner**, n. 9, November 12, 1998.*

⁵⁷ *The five agribusinesses at the top of the pesticide and transgenic seed market are AstraZeneca, DuPont, Monsanto, Novartis and Aventis. Rural Advancement Foundation International, www.rafi.org; and Agrow, No. 335, August 27, 1999.*

⁵⁸ *Food and Agriculture Organisation. "FAO reports a setback in the war against hunger", November 25, 2003, www.fao.org/english/newsroom/news/2003/24779-en.html.*

foods are grown on the best land in countries where people are starving, and then exported to countries where food is so abundant that obesity is a major problem.

In the South in particular, the switch from growing food for local consumption to producing for export has had severe repercussions. Millions have been displaced from the land, and now find themselves in urban slums where food comes not from the earth and their own toil, but from markets, which demand cold hard cash. Endemic hunger is common.

Even in industrialised countries, many people lack access to high-quality food. Some 14 million people in Britain are below the poverty line. In the US, a decade-long economic 'recovery' was unable to lift an estimated 35 million Americans above the poverty line.⁵⁹ For those people, food security often means public assistance programs that provide barely enough to meet basic needs. Even this source of food is 'secure' only so long as political winds do not shift, suddenly limiting public assistance or putting an end to it entirely.

The industrialisation of food poses other risks to food security. As globalisation proceeds, people everywhere are becoming dependent on the same narrow range of foods. At the same time, 'free trade' and global market forces are eliminating many traditional crops from the market entirely. In Mongolia, where a staple of the diet has always been mare's milk – and where there are still 25 million milk-producing animals – shops now carry mostly European dairy products on their shelves.

In the South, food diversity is also being undermined by the psychological pressures that lead the young to lust for such modern foods as packaged ramen noodles, bottled soft drinks, and white bread, flour and rice. These nutritionally inferior foods are often considered 'high class', and many people are eagerly trading in their wholesome, traditional staple foods for them.

Overall, 75 percent of agricultural diversity has been lost in the last century.⁶⁰ The implications of that trend for food security are ominous. Not only are there fewer kinds of foods being raised and eaten around the world, but diversity within the few remaining staples is being lost as well. The risk of devastation by pests and blight rises exponentially when much of the entire planet's arable land is planted in virtually identical strains. In 1970, for example, 80 percent of the corn planted in the US shared a

⁵⁹ Joseph Dalaker, *Poverty in the United States, 1998*, US Census Bureau, *Current Population Reports, Series P60-207* (Washington, D.C.: US Government Printing Office, 1999).

⁶⁰ Food and Agriculture Organisation, *State of the World's Plant Genetic Resources* (Rome: FAO, 1996).

common genetic heritage. When a maize blight struck, it quickly destroyed more than 10 million acres of corn.⁶¹

To put it bluntly, the entire industrial farming model is simply unsustainable. It is heavily dependent on non-renewable fossil fuels; it so poorly nurtures the soil that the US is losing topsoil 17 times faster than natural processes can create it;⁶² its dependency on large-scale irrigation leaves 5 to 8 million acres of farmland so badly salinated each year that it must be abandoned.⁶³

What's more, global warming – a direct product of the globalising industrial system – is expected to raise sea levels enough to flood many productive, low-lying agricultural areas around the world, including parts of Bangladesh and fertile river deltas in China, Egypt, Indonesia, Netherlands, and the US.⁶⁴ Global climate change may even halt or reverse ocean currents that now keep the climate temperate in northern latitudes. Many regions, including Britain, Scandinavia and northern Germany, may be unable to support agriculture at all.⁶⁵

A shift towards reliance on local food would promote real diversity at every level, thereby strengthening food security across the board. Instead of being flooded out by cheap imports that make it uneconomical to grow locally distinct varieties, food that best fits local conditions would have a chance to thrive. Rather than monocultures highly susceptible to devastation, farms would be more diverse, complex, and stable. Rather than identical varieties of crops planted everywhere, a wide range of varieties would be cultivated, limiting the potential for pandemic crop losses. And rather than increasing the rate at which greenhouse gases are being pumped into the atmosphere, the food sector's contribution to those gases would begin to decrease.

Shifting Policies

It is time for policymakers to recognise that when food is treated as a commodity subject to lawless speculative investment, the health of the biosphere suffers and our quality of life diminishes.

⁶¹ Jack Doyle, *Altered Harvest* (New York: Viking, 1985); Food and Agriculture Organization statistics: apps.fao.org

⁶² A. R. Berger and W. J. Iams (1996), *Geoinicators: Assessing Rapid Environmental Changes in Earth Systems*, Rotterdam: A. A. Balkema. Excerpted by the International Union of Geological Sciences in *Geoinicators: Tools for Assessing Rapid Environmental Changes*. Accessed October 23, 2003 from <http://www.gcrio.org/geo/title.html>

⁶³ F. Ghassemi, A. J. Jakeman and H. A. Nix, *Salinisation of Land and Water Resources* (Wallingford Oxon, England: CAB International, 1995) p. 48.

⁶⁴ Peter Bunyard, "A Hungrier World", *The Ecologist*, vol. 29, n. 2, March/April, 1999.

⁶⁵ Peter Bunyard, "How Global Warming Could Cause Northern Europe to Freeze", *The Ecologist*, vol. 29, n. 2, March/April, 1999.

That broader view would make it clear that producing food in ways that deplete the soil, pollute air and water, diminish food security, and risk human health are neither 'efficient' nor desirable. It would also be obvious that when the marketing of food drives farmers from the land, destroys local economies, and concentrates control over food within corporations, our lives are not thereby improved.

Unfortunately, this perspective is rare among policymakers. Virtually every government pursues policies that heavily favour the industrial, globalised food system, while punishing smaller scale, more localised producers and marketers. Until that imbalance is righted, the many grassroots efforts to create healthier and more sustainable food systems will have little chance to flourish and spread.

How can a shift in course be implemented? The policy shifts required can be broadly grouped into three basic imperatives:

1) Curtail the vast array of hidden subsidies that overwhelmingly favour large-scale enterprises oriented toward far-away markets

The globalisation of food is being propelled in part by massive subsidies. In some cases, particularly in the South, governments directly subsidize pesticides and chemical fertilisers as a means of encouraging large-scale agriculture for export. More often, the subsidies are hidden. Government expenditures on long-distance transport infrastructures, large-scale energy installations, high-speed communications networks, and high-tech agricultural research all enable huge agribusinesses and food corporations to produce and sell their products worldwide at artificially low prices. These subsidies not only offer few benefits for smaller, more ecological and locally-oriented producers and marketers, they harm them by making it easier for larger competitors to invade their markets.

In the North in particular, agribusinesses are also given huge tax breaks, such as the investment allowances and tax credits that are awarded to the capital- and energy-intensive technologies large producers depend on. On the other hand, smaller, more labour-intensive farms and markets are disproportionately burdened by levies on labour, such as income taxes, social welfare taxes, value-added taxes, and payroll taxes. Reversing these biases would go a long way towards implementing the shift from global to more local foods.

2) Renegotiate trade treaties

Enough pressure must be exerted from below to send governments back to the bargaining table to renegotiate trade treaties, this time with the interests of people and the environment at the forefront. Since challenging the hegemony of international finance would be daunting for even the most powerful nation, a turnabout would be most likely to occur if groups of nations joined together with this purpose in mind.

Among the new ‘rules of the game’ would be the careful use of trade tariffs to regulate imports of goods that could be produced locally. Rejecting the corporate-led trade mania does not mean that all trade in food would end; it does not mean that citrus fruits and bananas would be unavailable to people in higher latitudes; it does not mean that a community whose crops fail could not expect help in the form of food from elsewhere. It simply means regaining a healthy balance between trade and local production, putting to an end to the fiction that more trade is always better than less.

Such ‘protectionism’ would not be targeted against fellow citizens in other countries; rather, it would be a means to safeguard jobs and defend local resources against the excessive power of transnational corporations.

3) Change regulations that punish the small producer.

Many regulations would be unneeded were it not for the scale at which large producers now operate. The US Centres for Disease Control, for instance, points out that food-borne diseases are more likely today because of the trend toward fewer, bigger food production facilities and longer distance distribution.

But rather than reducing the scale of our food systems, the usual response to food safety problems is to call for ‘techno-fixes’ too expensive for small producers to implement. In the US, for example, the recent discovery of *E. coli* bacteria in some industrially-produced fruit juices is likely to result in regulations requiring *all* juices to be pasteurised. The high cost of industrial pasteurisers would put out of business hundreds of small producers – even when *E. coli* contamination is highly unlikely from their operations. Similarly, the EU demand that cheese producers install tile floors and stainless steel kitchens is putting an end to small farm-based cheese making in Europe. In both cases, the markets of these small, local producers will be taken over by larger, more highly capitalized producers that can more easily absorb the costs of these regulations.

Clearly, strict regulatory oversight is needed for the global food system, which depends on dangerous agricultural chemicals, antibiotics, growth hormones, and genetically-modified organisms, and requires perishable food to be transported from continent to continent. Unfortunately, corporate lobbyists and the ‘revolving door’ between industry and the government regulatory agencies assure that health and safety regulations do little to improve the safety of the global food industry. In the US, for example, over 100 million acres of farmland have been planted in genetically-altered seeds, all with the blessing of various regulatory bodies.

One solution to this dilemma is a two-tier system of regulations: stricter controls on large-scale producers and marketers and a simpler set of locally-determined regulations for small-scale localised enterprises, acknowledging that such enterprises involve far fewer processes likely to damage human

health, and are inherently less stressful on the environment. Such a system would also recognise that communities should have the right to monitor foods that are produced locally, for local consumption.

Inevitably, efforts to shift direction will be decried for entailing too much social and economic disruption. What this ignores, however, is the tremendous disruption and dislocation that the *global* system entails. In the name of progress, family farms and rural communities the world over are being driven to extinction and millions of people are being driven from the land. It is absurd to speak as though a shift in direction – one that will lessen all this social and economic hardship – would entail too much disruption.

Another objection is that the current system has so much momentum that its course cannot be fundamentally changed. But the crises of food and farming occurring today offer an unprecedented opportunity for powerful alliances among those working for systemic change. Today, urban citizens, small farmers, and rural communities in the North, as well as Southern farmers, villagers, and the newly urbanized poor all have a common cause. If these groups join hands, immense leverage can be exerted against the government support that the globalising model requires.

Despite the claims that globalisation is 'inevitable' and 'irreversible', experience shows that even a relatively small amount of public pressure can greatly influence government policy. Public resistance in Europe to the genetic modification of foods, for example, has so far prevented biotech multinationals and the United States government from forcing these foods down the throats of consumers. Thanks to the public outcry, many European governments have severely restricted or even banned imports of biotech seeds and foods, even at the risk of a trade war with the US. And the numerous protests against the global economic institutions have showed that forcing governments to rewrite international treaties is not impossible, once enough people become fully aware of their social, economic, and environmental implications.

As the many grassroots efforts to localise food production and marketing show, more and more people are aware that fundamental change is needed. The pressures exerted by the global marketplace are standardizing food and farming in ways that go fundamentally against nature. For the sake of a shortsighted goal of economic 'efficiency', governments and corporations have blindly set about reworking the entire agricultural landscape in ways that are contrary to the dictates of the natural world. In the process, we are being condemned to an unceasing battle with nature. It should be clear that shifting direction towards localising our food system is not only possible, it is imperative.

Development from the Heart

The economic changes discussed above must be accompanied by shifts at the personal level as well. In part, these involve rediscovering the deep psychological benefits – the joy – of living in community.

Another fundamental shift involves reinstilling a sense of connection with the place where we live. In the West, the globalisation of culture and information has led to a way of life in which what is nearby is treated with contempt. We get news from China, the Middle East or Washington, D.C., but remain ignorant about what is going on in our own backyard; at the touch of a button on a TV remote control, we have access to all the wildlife of Africa, and our immediate surroundings consequently seem dull and uninteresting by comparison. A sense of place means helping ourselves and our children to see the living environment around us: reconnecting with the sources of our food and learning to appreciate the cycles of seasons and the characteristics of the flora and fauna.

In Bhutan, there is a great opportunity to begin rebuilding the local economy and the vital social structures it supports, before it is completely steamrolled by globalisation. We hope that by sharing a glimpse of the problems caused by globalisation in this paper, we've helped to increase understanding of the vital need for a shift in direction. Ultimately, this involves a spiritual awakening that comes from making a connection with others, and with nature. It requires us to see the world within us – to experience more consciously the great interdependent web of life, of which we ourselves are part.

As we have shown there is still much to be done in order to shift away from certain ecological, economic and social collapse. It gives us great hope that there are already many initiatives that are working to reweave the local, the small-scale, the intimate, the natural. They show that, one way or another, nature will prevail, that it is a deeper *heart*-power and not money that truly makes the world go round. The question for all of us is a simple one: how soon will sufficient numbers of us learn to listen to our hearts?

Improving Unsustainable Western Economic Systems

FRANK DIXON

Bhutan's interest in developing a Gross National Happiness index (GNH) reflects great wisdom. GNH is intended to be a more accurate measure of social well-being than Gross National Product (GNP), the primary indicator of social well-being in Western nations. GNP is a crude measure that counts many social negatives as positive (incarceration, etc.). It also fails to count services that enhance social well-being (parents caring for children, etc.), degradation of critical assets (forests, water, air, etc.) and intangible factors, such as happiness (the ultimate goal of many people). It probably is no coincidence that Western economies are rapidly degrading environmental life support systems and making many unhappy (as indicated by growing obesity, anti-depressant drug use and other factors). What doesn't get measured doesn't get managed.

Developing GNH provides an opportunity for Bhutan to clarify economic and social priorities as it considers greater use of Western products and technologies. Developing countries often pay a high price for integrating with Western economies. Bhutan has many social strengths. It is one of the few regions where humans live in a sustainable or near sustainable manner. It also appears to have a high level of happiness (as indicated by lack of violence and other factors). The process of developing GNH can help Bhutan protect its strong culture by clarifying trade offs involved with Western integration. This clarification can show which development actions may or may not be worth it. In addition to maximizing the social well-being of Bhutan, GNH will provide a more sophisticated and effective economic development and measurement model for other regions.

To help guide development of the GNH, this paper analyzes Western economic systems. Drivers of environmental and social problems will be discussed with the goal of helping Bhutan avoid these pitfalls. The paper then suggests a strategy for developing the GNH as well as the economic and social programs that would underlie it.

Western Economic Systems

Western economic systems have produced great improvements in many areas including technology, medicine and the provision of essential and non-essential goods and services. However, as industrial economies continue to grow in a finite world the overall impact is increasingly negative. Inefficient use of resources, high levels of pollution and numerous social disruptions resulting from industrialization have caused human society to be grossly unsustainable.

Studies by the World Resources Institute and many others show that, with some regional exceptions, every life support system on the planet is in decline (ie: clean air, clean water, forests, topsoil, aquifers, fisheries, wetlands, biodiversity, etc.). Social pressure and turmoil are increasing around the world, driven by population growth, a widening gap between rich and poor and other factors. Social distress is evident even in prosperous regions. Americans, for example, medicate themselves with food (two thirds are overweight, one third are obese), television (four hours per day on average), and anti-depressant drugs (rapidly growing use).

Systems Perspective

Unsustainability is driven largely by the failure to adopt and act from a systems perspective. A cell cannot survive apart from the body. So the relevant perspective for human health is at the total body level. In the same way, a human cannot survive apart from the Earth. So the relevant perspective for human survival and prosperity is global. Every person, plant, animal and thing on this planet is part of one interconnected system. This total system is too complex for any one person to understand. As a result, systems are broken into parts (reductionism) and studied in isolation rather than in relation to each other.

Modern economic and business theories were developed from this limited perspective. Firms are seen as being separate from each other and the rest of society. It is believed that they must compete with each other for scarce resources. Modern economic theory also says profits must grow indefinitely. Failure to grow equals death. However, in the real world, failure to restrain growth equals death. Encouraging subcomponents of a system to compete with each other and grow indefinitely is analogous to cancer in the human body. Ultimately, the cancer kills the host, then dies itself. Despite the best of intentions, this is exactly what modern economic systems are doing to the Earth.

This shortsighted action on the part of humans is completely understandable. Nearly all academic knowledge has been developed from the perspective of the individual human mind (since that is the mechanism doing the contemplating). However, as noted above, this is not the relevant perspective for human survival and prosperity. The wisdom of Buddhism is in seeing beyond the illusion that the individual is separate from the rest of the world (fostered by the five senses) to the reality that everything is interconnected (a reality being shown by quantum physics and other branches of science). Through the experience of millions, Buddhism and other traditional religions have shown that expanding ones perspective from being an isolated individual to being part of one interconnected system leads to a more fulfilling, sustainable and effective existence.

The wisdom of Buddhism is as relevant for business and other human organizations as it is for the individual. Businesses actually are part of one

interconnected system (whether they realize it or not). Raising business consciousness means helping firms understand and act upon this knowledge of interconnectedness. From this perspective, firms maximize their own well-being by working to maximize the well-being of the overall system. (A paper called *Total Corporate Responsibility* by this author describes a model by which firms can improve financial performance through adoption of a systems perspective.)

Short-Term Thinking

Another key element of perspective is time frame. To the individual human mind, seventy years seems like a long time. But from the perspective of this planet (again, the relevant perspective for human survival and prosperity), seventy years is almost instantaneous. From the human perspective, firms competing with each other and generating some negative environmental and social impacts appears rational and acceptable, though perhaps suboptimal. However, from a global perspective, this action is irrational and suicidal. Seen from a larger perspective, business (as currently operated) appears to be a cancer on the planet.

Another illusion caused by the short human time frame is the idea of one person or business prospering relative to another. Under the current economic system, it is thought that groups of people and firms can prosper relative to others. In the short-term, this appears to be true. But if this “prospering” destroys the environmental and social systems that support humanity over the long-term, are these groups really prospering? This would be like dining in a luxury cabin on the Titanic as it sinks.

It is more realistic to think of human prosperity from the perspective of the human race over the long-term rather than from the individual perspective. Thinking from the individual perspective would be like thinking from the perspective of a cell in the body. In reality, the cell can only prosper if the body prospers. It is the same for humans in relation to the Earth – humans can only prosper if the Earth prospers.

Natural Wisdom

The short-term, narrow, survival-oriented perspective of the human mind is a key driver of unsustainability. From this perspective, it appears logical to maximize one’s well-being at the expense of others. However, as noted above, this “logic” is highly irrational when seen from a larger perspective. In a sense, the human ability to think has made humans the least intelligent creatures on the planet, as evidenced by the fact that life support systems are being destroyed while many are made unhappy.

All other creatures act on intuition and always do exactly the right thing, as evidenced by the fact that they are sustainable. Humanity has become quite arrogant. It is surrounded by infinitely greater intelligence, but nevertheless fails to recognize its lack of sophistication. The simplest of

natures' creations is infinitely more complex than the greatest of human inventions. Humans have access to this level of wisdom through greater use of the intuitive function. Unfortunately, the so called rational, scientific human mind often discounts or discredits information which it cannot understand, in part because of the human ego's need to understand and control.

More traditional cultures such as Bhutan that value contemplation have greater access to this intuitive wisdom, the wisdom of nature. Cultures such as these have lived sustainably for hundreds, even thousands of years, often with much higher levels of happiness (as indicated by family stability, lack of violence, etc.).

The US-Led Global Economy

The global economy is led by a young and immature nation, the United States. Like most young people, the US culture values physical beauty, physical strength and youth. Whereas older, more mature cultures value the elderly, wisdom that comes from a life well lived, peaceful co-existence, and inner rather than outer prosperity.

The principles upon which the US was founded are excellent – for example that each person has the right to life, liberty and the pursuit of happiness. The US has brought great benefits to the world over the years in supporting peace, democracy and human rights. US-led advances in technology and medicine have also brought great benefits. However, the large negative environmental and social impacts of the US are less obvious, especially to many Americans.

It is clear that the Founders of the US believed the primary obligation of government was to protect and provide for future generations. The Founders often used the word posterity. In his inaugural address, Thomas Jefferson spoke of preserving the Union for the ten thousandth generation.

However, economic and political systems have evolved in such a way that the US and other Western governments are forced to focus on the short-term. In what appears to be a logical economic strategy (from a short-term perspective), the US-led global economy is damaging, and in some cases destroying, the environmental and social systems needed for long-term prosperity.

Western System Flaws Driving Unsustainability

Perhaps the largest flaw of Western economic systems is the failure to hold firms fully responsible for their negative environmental and social impacts. Failing to hold firms responsible in a competitive market essentially forces firms to be irresponsible and unsustainable. This occurs because firms attempting to fully mitigate impacts would probably put themselves out of business (costs would become too high relative to peers).

Given the immense complexity of the overall Earth system, it is understandable that firms are not held fully responsible. It is difficult to quantify negative impacts (especially intangible impacts) and include them prices. Nevertheless, greater efforts must be made to hold firms fully accountable if human society ever hopes to achieve sustainability.

Economic System Flaws

Economic system flaws include failure to incorporate externalities into prices and failure to consider limits to growth. Coal-fired electricity illustrates one of many failures to incorporate externalities into prices. It is known that burning coal causes premature deaths, various types of illness, birth defects (from mercury), acid rain damaged forests and many other negative impacts. These are real costs paid by society that are not included in electricity prices. This creates the illusion that coal-fired electricity is cheap, when it actually may be the most expensive form of power generation. This subsidization of coal (and other fossil fuels) causes over-consumption and significantly drives humanity's unsustainable state. From society's perspective, it is inefficient to not incorporate externalities into prices since it is usually much more expensive to clean up pollution than to prevent it (assuming clean up is even possible).

Failure to consider limits to growth illustrates the simplistic and unsophisticated nature of human economic theories and systems. Natural systems are infinitely more sophisticated than human systems. Modeling human economic systems after nature would make humanity sustainable. In nature, systems such as forests grow then level off, forming a sustainable balance with other systems. The idea that a business or national economy should grow indefinitely in a finite world is unrealistic. A more sophisticated economic system would recognize that firms also have optimal sizes. Companies would be rewarded for achieving and maintaining optimal size. Growth beyond this would be penalized.

Political Systems Flaws

Political system flaws include the ability of companies to financially influence politicians (in effect, bribery). When politicians must rely on funding from corporations and their owners to get elected, the government becomes primarily focused on serving short-term corporate ends. This focus is illustrated by an 1872 mining law in the US that allows companies to buy rights to minerals on Federal lands for five dollars an acre. For many years, firms have lobbied and provided funding to politicians who vote to maintain this law. As a result, Chevron was able to pay \$10,000 for rights to platinum and palladium worth an estimated \$30 billion on 2,000 acres near Yellowstone Park.

Natural resources belong to current and future citizens, not to government. The government is supposed to manage resources fairly on

behalf of owners by selling them at market prices. When government receives campaign contributions from firms then sells resources to these firms at deep discounts, it lowers revenues that could have been used to reduce income taxes.

Another major political/legal system flaw is the limited liability corporate structure. This structure is intended to facilitate corporate investment by not holding firms and their owners fully responsible for negative impacts on society. As a result, taxpayers often must pay to remediate environmental and social problems caused by firms. As noted above, this process is grossly inefficient since remediation is virtually always far more expensive than prevention. Also as noted above, failing to hold firms responsible essentially forces them to be irresponsible.

The government is supposed to hold firms fully responsible when they negatively impact society, in the same way that government holds individuals responsible when they commit crimes. However, when firms are allowed to give money to politicians and when legal findings limit corporate and investor liability, it becomes impossible to hold firms fully responsible. This causes many negative impacts on society, such as over-consumption of resources (from under-pricing), increased pollution and related public health impacts (from not holding firms fully responsible for the negative impacts of pollution), and corporate welfare.

Corporate welfare occurs when taxpayers must pay for the negative impacts of firms and when national resources are sold below market value. Allowing these policies implements a reverse Robin Hood situation where wealth is taken from poor and middle-income taxpayers and given to the wealthy. Ending the ability of anyone to financially influence politicians and implementing complete public funding of political campaigns would make it much more difficult for companies to avoid being held responsible. It also would reduce taxes more than any other tax reduction activity. For example, ending the thousands of corporate welfare abuses, such as the Chevron example above, probably would reduce taxes in the range of hundreds of billions of dollars.

Social System Flaws

System flaws in the social area include the largely unregulated ability of firms to influence public opinion and values through advertising and media. Being focused on maximizing sales and earnings, companies view citizens primarily as consumers of goods and services. Advertising is used to create a perceived need and prompt a purchase. This is frequently done by taking advantage of human needs for self esteem, love and connection to others. Advertisements often use strong emotional appeals to imply purchasing a product will meet these non-material needs.

A common and intended consequence of advertising is that consumers feel inadequate without the product. Widespread use of this type of

advertising creates a pervasive sense of emptiness and low self esteem in society. Emotionally false advertising does not tell consumers that non-material needs are met through activities such as being a good spouse, parent and neighbor, doing fulfilling work or being in nature, since firms don't make money on this. Conventional advertising is one of the most destructive influences in society. It is a root cause of increasing compulsive behavior and depression.

With overwhelming financial resources, relative to other stakeholder groups, and control of many media outlets, firms have the ability to unfairly influence and mislead public opinion. The Founders of the United States were concerned about this abuse of power. They often spoke of the evils of democracy. The Founders were concerned that the uninformed public could be whipsawed by sound bites. As a result, they structured the country to be a republic, where politicians study complex issues and make expert decisions on behalf of current and future generations, rather than a democracy, where the uninformed majority rules, often through opinion polls.

Because politicians are often seen as serving corporate interests rather than the public good, they do not receive the public trust and support needed to make tough decisions. In this environment, public opinion is highly vulnerable to corporate misinformation campaigns. In pursuit of profit maximization, some firms seek to confuse the public about key issues in an effort to avoid being held responsible for their negative impacts. A good example is when oil companies publish ads questioning the reality of climate change, even though nearly all scientists not receiving funding from firms agree climate change is largely induced by human activities and will have significant negative impacts on society.

Gross National Product

Another flaw of Western economic systems is the method of measuring social well-being (GNP). In all fairness, GNP was never intended to be a measure of overall social well-being. Instead, it was intended to be a measure of economic growth. Western economic theory holds that economic growth will enhance social well-being. In some ways this is true, for example when basic human needs are better met. However, GNP is an incomplete measure. It does not account for the environmental and social degradations that often accompany economic development.

Economic growth is intended to be the means to the end of social well-being. However, as society focuses on what is being measured, the means become the end. In other words, Western nations make the mistake of equating economic growth to social well-being.

Social well-being is a complex measure consisting of many tangible and intangible factors. The measure cannot be reduced to one quantitative, monetized number. GNP is a misleading indicator of social well-being

because it counts growth in many social negatives as positive, such as incarceration, medical costs, anti-depressant use, environmental damage and related remediation, etc. The measure also does not value many of the services which contribute most to social well-being, such as parenting, mentoring and volunteer work.

GNP also fails as a measure of social well-being since it does not account for assets. Businesses gauge financial condition and performance by using a balance sheet and income statement. Using GNP to measure social well-being (or even economic performance) would be like a firm using only an income statement to measure financial condition. A more accurate indicator of social well-being would decline when assets, such as forests, clean air and clean water, are consumed. Finally GNP fails as an indicator of social well-being since it does not measure intangibles, such as inner peace and happiness (factors that many consider to be the ultimate goal of life).

It is critical that an alternative to GNP be developed in large part because society tends to manage what is measured. If humanity does not measure the state of its life support systems or the happiness of people, these issues will continue to be low priority (in relation to what is being measured – GNP). Failing to measure environmental and social conditions will drive further declines and cause humanity to become even more unsustainable.

Developing and Implementing Gross National Happiness

In perhaps the most important areas, Bhutan appears to be ahead of many Western nations. The country is one of the few regions where humans live at or near a sustainable level. In addition, the country seems to have higher levels of happiness as measured by family stability, lack of violence and other metrics. However, life is hard for many Bhutanese. Western technology, products and know how could help improve living conditions and better meet basic needs in many cases. The difficult part will be gaining these benefits while avoiding the environmental and social degradations that nearly always accompany Western style development.

Development is a misleading word since it implies improvement. Countries often wind up worse off in many ways from their exposure to Western ideas, marketing, technology and business practices. For example, Western business models force companies to focus primarily on growth. To increase sales, advertising is used to get people to buy products, often by making them feel inadequate without the product. In many cases, this type of advertising causes young people in developing countries to lose interest in their parents' values – values that have sustained these cultures for many years. As a result, young people often move from villages to cities where they frequently cannot find work. Through this process, advertising and Western media can cause social degradation by divorcing a country from its traditional values.

Economic development is often prompted by Western corporations seeking new markets and new sources of raw materials. Financial institutions, such as the World Bank, provide funding for infrastructure construction, which in turn provides revenues to Western firms. To pay off debt, developing countries are often compelled to adopt an export-oriented economy, which is usually built upon export of their natural resources. Through corruption, weak legal systems and intense economic pressure, countries often wind up selling their resources for much less than market value. This infrastructure-debt-export cycle can cause living conditions to worsen as economies shift from meeting internal needs to generating foreign exchange through exports. In addition, this process frequently results in severe environmental degradation and disruption of indigenous cultures.

GNH can be the measurement component of an overall plan to maximize social well-being. The first step in this process would be to identify a preferred society in the greatest detail possible. This information would be used to identify the relevant components and metrics of GNH. Finally, a practical plan for achieving GNH goals would be developed and implemented.

Establishing Goals

With input from all stakeholder groups in Bhutan, the components and goals of a preferred society should be identified. Social goals and priorities are implicitly known and conveyed through cultural processes in Bhutan. However, it will be important to make these goals more specific as Bhutan considers development. Having more specific social goals and priorities will help Bhutan decide which development actions would actually enhance social well-being, rather than degrade it.

Social goals should be established in great detail. The process would comprehensively look at all tangible and intangible aspects of society. Goals would be established in areas including education, health care, housing, clothing, food and nutrition, shelter, environmental and habitat protection, parents spending time with and raising children, arts, business practices, infrastructure, legal and regulatory issues, reported levels of happiness, etc.

This process could be achieved through various mechanisms. For example, an interdisciplinary group of experts might develop a report that addresses all these issues and makes proposals over the short, mid and long-term. This would serve as a starting point for dialogue among Bhutanese stakeholder groups. Over time, a consensus document could be produced that would guide development of GNH.

Developing GNH Metrics

Using the ideal state defined above, specific metrics can be identified to measure performance on every tangible and intangible aspect of social well-

being. For each metric, current performance would be quantified and short, mid and long-term goals would be established. The process may be highly complex as many intangible factors will be difficult to quantify. As a result, proxies will be needed to track performance for some intangible factors.

Complexity will be further increased by the likely need to develop alternative means of measuring success. Literacy and education provide good examples of this. Illiteracy is high in Bhutan. This would be seen as bad from a Western perspective. However, Bhutanese children may be far better educated on the most important aspects of life than American children. Bhutanese children spend much more time with their parents. In doing so, they learn cultural values, social skills, and the agricultural and other skills needed to sustain them over their lives.

In the US education system, children must learn the same set of knowledge (math, science, English, etc.). A competitive grading system teaches children to see peers as obstacles to their success (which weakens social skills). It also makes children feel inadequate if they are not good at a subject in which they may have no interest. This system encourages conformity, rather than encouraging children to find their own unique passions and interests, then build their lives upon them.

In addition, children are made to sit for up to seven hours per day, five days per week and listen to an adult talk to them, something few adults would want to do. Children are meant to be moving around and learning by doing. To an increasing degree, when children won't sit still in class (ie: when they act naturally), they are given drugs like Ritalin that numb their minds into obedience and passivity. Giving drugs to a young developing mind may permanently impair brain function.

Add to this obesity, drug use, teenage pregnancy, depression, suicide and weak academic performance relative to other nations and it appears Bhutanese children are far better educated than American children. This illustrates why it is critical to identify the preferred state of society and use this to guide selection of performance metrics. Simply accepting Western social performance standards might be a mistake.

Once metrics and performance standards have been established, they can be assembled into an overall GNH measure. Rather than attempting to render the state of society down to one number like GNP, GNH would provide a suite of performance indicators. The performance of society is highly complex and needs to be expressed on many dimensions. By following this approach, GNH would be an accurate measure of social well-being.

Developing a Strategy to Achieve GNH Goals

The above process of identifying ideal and actual social performance will reveal performance gaps. Through a stakeholder dialogue process, these gaps can be prioritized. This process could be expedited if the expert

report noted above contained suggestions for prioritizing areas needing improvement. Again, this report could serve as a basis for initiating stakeholder dialogue.

A specific action plan for maximizing GNH cannot be developed until social performance gaps are identified and prioritized. Once these are established, the following guidelines may be useful in developing a successful plan.

Minimize the Need for Foreign Exchange.

As noted above, less developed countries often pay a high environmental and social price for incurring debt and developing an export-oriented economy. This is why it is important to understand the trade offs that would occur from importing Western products and technology. Development strategies should be focused on getting the benefits of Western technology and products without having to pay high social costs. For example, rather than importing products, Bhutan may be able to work with other parties to build low cost factories that produce the desired products in Bhutan. This would create jobs, minimize import costs and reduced the need for foreign exchange.

Because Bhutan would be developing a more effective and sustainable economic system that could be used as a model by other nations, it is likely that several parties would help in this process. For example, foundations, non-governmental organizations, high net worth individuals, national governments and/or other organizations probably would provide some funding for such projects. These organizations could also help in developing creative strategies for minimizing the cost of factory construction and sourcing raw materials.

An emphasis should be placed on allowing only products and technologies that are environmentally and socially responsible. Priority probably should also be given to essential goods and services, rather than non-essential items. Areas to consider might include renewable energy, housing, organic agriculture and foods, clothing, medical care, etc.

Develop More Effective and Sustainable Business Models.

In the West, especially the US, the means have become the ends. Society appears to be focused on helping business prosper (as indicated by the short-term focus of government, the corruption of social values through advertising and many other factors). However, business is meant to serve society rather than dominate it.

Guiding principles, laws and regulations should be established to ensure that business always serves rather than dominates Bhutan. These principles should ensure that business is always held fully responsible for negative environmental and social impacts. If quantification of impacts is difficult (as it might be with intangible social impacts), a panel of unbiased

experts would estimate the cost and include this in prices. In this way, being fully responsible would be the profit maximizing path. As noted above, not holding firms responsible forces them to be irresponsible.

Another key guiding principle is that there should be no pressure for businesses to grow. Instead, firms should be incentivized to seek optimal size and become more efficient over time. This process could be modeled after the infinitely more sophisticated natural systems of which humanity is a part. In nature, systems grow then level off, achieving an optimal balance with other systems. Of course, it is much simpler to say firms should always grow. But this simplicity is destructive. The more difficult and sophisticated approach is to take a systems view and determine firms' optimal roles and sizes in the region(s) they serve.

In addition, as firms become more efficient, they should be delivering more value at a lower cost. This implies the ideal state for a business whose size has stabilized would be to have revenues declining. This raises concerns about the ability to attract investment. However, these and other problems can be solved if solving them becomes a priority for society. Nature is amazingly sophisticated and complex. Being part of nature, humans have the ability to replace their overly simplistic and destructive economic and business systems with ones that are more sophisticated and sustainable.

Prohibit Western Style Advertising.

The primary goal of Western nations is economic growth (as indicated by the focus of government and business and by the method used to measure success – GNP). To achieve economic growth, businesses must continually sell more goods and services. To not do so is to die in Western economic systems. To continually increase sales, businesses use advertising to compel consumption. As noted above, this is often done by taking advantage of human needs for love, self-esteem and acceptance by peers. Cultural messages define what it means to be successful and how one can be accepted by peers. Traditionally these messages were communicated by parents and the larger community. Traditional cultural messages taught and encouraged young people to be honest, kind and respectful to elderly people.

Advertising takes advantage of the strong influence cultural messages have over the way people live their lives. It often seeks to redefine social standards for the purpose of selling products. Rather than encouraging young people to be fair, honest and respectful (something firms make no money on), advertising usually implies that the way to be successful and admired by peers is to buy and consume certain products. Ads often show attractive people having a good time by owning or consuming the advertised product.

In the US, children see an average of over 100,000 commercials and advertisements by the time they graduate from high school. Each of these is

a mini sermon on the religion of materialism. They tell young people that the way to be accepted is to be attractive and to buy certain products. This drives an obsession with appearance, especially among young girls. This in turn drives depression, eating disorders, obesity, drug use and other compulsive behaviors. As noted above, advertising is probably the most destructive influence in Western society.

It is highly likely that Western advertising would be very destructive to the Bhutanese culture. Values are not fully formed until people mature. Therefore, young people are vulnerable to commercial messages that define success by appearance and material prosperity. The capacity for discernment and wisdom generally is acquired as one matures and goes through life experiences. Young people rely heavily on the five senses. As a result, it is often difficult for them to see the emptiness that lies behind a life based only on material prosperity. Because of this, every society should keep tight control over the cultural messages communicated to young people. Bhutan should guard against having their young peoples' values corrupted by commercial messages – messages designed to make them feel empty so they will buy something to fill the void.

If business has no artificially induced need to grow, then advertising is not needed to compel purchases. There are other ways to let people know that products and services are available. For example, public service announcements or honest advertising could be used. Honest advertising would simply describe product characteristics (features, price, performance, etc.). There would be no implicit or explicit suggestion that purchasing the product would enhance ones status in society.

Jealousy and competitiveness are characteristics of the immature, unwise, ego-based human mind. These characteristics would exist regardless of the presence of advertising. However, Western style advertising greatly increases these traits in society, and thereby greatly lowers social well-being. As a result, Western style advertising should be prohibited in Bhutan.

Infrastructure, Jobs, Barter, Etc.

Other guidelines for the development in Bhutan relate to infrastructure, jobs and barter. The Western development model often includes infrastructure development projects such as roads and railways. While these obviously can provide benefits to society, there are also associated costs. For example, industrial nations often promote transportation enhancements in developing countries to facilitate resource extraction. This frequently leads to environment degradation. In addition, building roads can increase pressure to switch to an unsustainable fossil fuel-based economy.

This is not to suggest that Bhutan should not increase the comfort and convenience of its people. But only that it should carefully consider the costs

and benefits of doing so. For example, it may decide that priority should be given to strong families, community-based living and inner prosperity. If this is the case, then it may be better to pursue a slower infrastructure development path, rather than the aggressive path usually sought by Western nations.

To provide jobs, especially for young people, Bhutan might consider developing a conservation corps and other groups like those developed in the US during the New Deal. These would provide adventure and experience to young people. Projects might include environmental restoration and protection, some infrastructure development, sustainable agriculture and housing, etc.

Also, much good work has been done around the world in the development of sustainable business and economic models, such as those based on greater use of bartering. Bhutan should consider sustainable economic systems that have worked in other regions.

Conclusion

Western economic systems are unsustainable because they were developed from a shortsighted reductionistic perspective. From a broader perspective, one sees that the economy and business are not separate from any other part of society or the total Earth system. From this perspective, it is understood that all impacts must be considered and factored into prices. This is true capitalism. The system now operating in the West is a destructive form of capitalism that sends grossly distorted price signals causing market players to make suboptimal, unsustainable purchase decisions.

Bhutan could greatly benefit other nations by demonstrating that it is possible to develop an economy based on a total system perspective. Wisdom must increase if humanity is to become sustainable. Wisdom involves recognizing that all things are interconnected and acting from this perspective. Bhutan can help Western nations recognize this by showing how a more effective and sustainable economy can be developed.

Western economies have demonstrated great creativity and progress in technology, medicine, business and other areas. In addition, Western nations have sacrificed greatly to support democracy, human rights and freedom from oppression and tyranny around the world. In the US, business and political leaders appear to be strongly committed to doing what is best for society. However, economic and political systems often force well-intentioned leaders to do the wrong thing for children, the environment and society overall.

Western economies are so large and entrenched that it will be difficult to improve their destructive, unsustainable systems. However, these systems can only negatively impact the environmental and social realms for so long before there is a price to pay. There is no free lunch. Sooner or later

system change will be forced upon Western nations if they cannot develop the wisdom to act first.

Change is difficult. People often defend a destructive system because uncertainty is frightening to the human ego. It feels safer to stick with a destructive, familiar system rather than to deal with the uncertainty involved in trying to improve it. Frequently people will irrationally defend a destructive system by pointing out its benefits. It is as if they were saying Western economic systems should be allowed to continue degrading life support systems and making people unhappy because they provide benefits.

There appears to be a profound lack of leadership wisdom, especially in the US (driven by the subjugation of leadership free will to the omnipresent need to maximize earnings and economic growth). Given the young and immature nature of the US, this is perhaps understandable as wisdom is acquired through age and maturity. It should be made clear however that there is great wisdom in the American people, as there was in the Founders of the US. Many US citizens strongly disagree with the policies of their government. Unfortunately, at the highest levels of government and business, a simplistic corporate structure forces leaders to place short-term profits above all else and often not act on their best intentions. Wisdom is lacking in the US system, not in its people.

Reflecting this lack of wisdom, the US appears to be setting itself up to lose the war on terrorism, in the same way it lost the war on drugs. The US lost the war on drugs because it failed to address the demand side. It made strong efforts on the supply side (ie: eradicating crops and blocking drug shipments). But it failed to ask why so many Americans are so unhappy that they must take drugs to feel better. This would require some serious soul searching in America. It would require challenging the materialistic values upon which the US currently operates (many well intentioned people in the US often speak of traditional and family values, but the focus on economic growth causes materialistic values to dominate). Questioning the role that advertising plays in US society would threaten the economic growth model upon which the US is based. So it has not been done, yet.

In the war on terrorism, the US is making strong efforts on the supply side (ie: increasing military action against suspected terrorists and strengthening domestic security). However, worse than ignoring the demand side of terrorism, the US appears to be fanning the flames that cause it. The demand for terrorism relates to why so many people around the world do not like America. Of course some of these are irrational fanatics. But millions have legitimate grievances against the US. As noted above, US economic expansion has often caused environmental and social degradation in developing countries.

More recently, the US appears to be increasing the demand for terrorism in many ways. For example, being by far the world's largest

polluter, it fails to enter global environmental protection treaties such as Kyoto. Through the World Trade Organization, it seeks to override the environmental and social protections and preferences of other nations. Also, as its corporations use advertising to expand into new regions, traditional cultures and values are disrupted and degraded. Even the strongest US allies are increasingly concerned about growing US unilateralism. Terrorism is a war that cannot be won by focusing only on the supply side. The US is setting itself up for disaster if it does not adopt a wiser, more sophisticated approach to economic development and global relations.

Bhutan also has problems. However, Bhutan appears to be more advanced in key areas than many Western nations – it is sustainable (or nearly so) and its people appear to be happier. GNH can help Bhutan address internal issues and further enhance social well-being. Also, by developing GNH, Bhutan will show other nations that it is possible to organize society in a sustainable manner, a manner that reflects great wisdom.

Operationalising Gross National Happiness

TRACY WORCESTER

This paper looks at how measuring human progress and well-being in terms of financial transactions, i.e. Gross Domestic Produce (GDP), is flawed. When people are encouraged to shift from providing for their needs themselves, (in traditional rural cultures) to purchasing everything (in modern urban cultures), much is lost.

It shows the consequences of a development process that puts economic interest before human welfare and describes solutions that include implementing a measurement of progress that incorporates a psychological, spiritual and environmental perspective, i.e. Gross Domestic Happiness (GNH).

It argues that we have to fundamentally change direction, from a centralised system controlled by unaccountable bodies such as banks and corporations, to a decentralised system that protects communities, diverse cultures, local democracy and small-scale trade.

Bhutan is a living example of interconnected communities radiating happiness while living within the limits of our fragile planet. The continued erosion of human well-being is inevitable until the flaws in the corporate capitalist system that urbanises people and centralises trade and finance, are exposed, not least within the education system

What is wrong with GDP?

Governments across the globe seem to believe that increasing financial transactions equates with increasingly healthy, contented people i.e. progress. However, I question whether such growth promotes or measures human and environmental well-being.

Using the number of times money is transacted (i.e. GDP) as a measure of progress, jobs done voluntarily - where no money is exchanged - are undervalued and diminished.. For example, Government subsidies encourage mothers to leave home to earn money by paying for childcare, and old age homes. The psychological well-being of both child, mother and elderly relative is compromised. Plus, when measuring GDP, many negatives in our lives are counted as positives. So, if I divorce my husband, have a car crash or have cancer, I will have to pay for a lawyer, a new car, and medication. All are a great boost to GDP. In the same way, damage done to the environment automatically increases GDP as the necessary clean-up operations result in more financial transactions.

Many disparate areas of breakdown are directly related to governments putting the well-being of a flawed consumer culture before their citizens and environment. It is therefore essential and urgent, that we

embrace the King of Bhutan's idea to measure progress in terms of Gross National Happiness. In Buddhism this inevitably puts spiritual and philosophical well-being alongside material well-being and includes our relationship with nature itself.

I have lived in many western cities from Paris, to London, New York and Rome so have experience of living where GDP is high. I have also visited many countries with far lower GDP; e.g. former communist countries like Russia, Mongolia and Poland and rural communities in the Southern Hemisphere - including Ethiopia, Lusoto, Turkey, Kenya, Ladakh, China, India and Pakistan where many people are largely self-reliant, so few or no financial transactions take place.

By considering the seven fundamental needs - food, water, shelter, health, clothes, education, happiness and love, we can see whether cultures with a high or low GDP are better off. Firstly we shall examine lifestyles in the so-called 'first world' and the urban elite in the third world where both have a high GDP.

Seven Fundamental Human Needs in the Northern Hemisphere and Urban Elite in the South

Food

Urban people's lives are dictated by large companies and compliant governments. Together these forces have moulded a centralised system in which people have lost touch with the processes of food production, processing and often even cooking. Many are nervous of the cocktail of chemicals added to their food - the pesticides, preservatives, colouring agents, emulsifiers, antibiotics and hormones. In the intensive production process, artificial fertilizers restrict natural nutrients and minerals from being absorbed. Only the wealthy can afford to buy dietary supplements.

However, the more artificially and intensively produced and processed the food, the more financial transactions have taken place so the higher the profits for corporations and banks. Unprocessed, fresh whole food, produced with human labour, is mostly nature's own work, so only minimally increases GDP. Thanks to subsidies into energy and transportation, intensively produced food has often travelled long distances. Thus the food is artificially cheap. On average the ingredients of a UK Sunday meal have travelled 26,000 miles - that is the equivalent of a journey round the planet! Global transport, with food being a major component, contributes 29% of CO₂ emissions, so is a significant contributor to climate change. Through pricing and advertising, we are persuaded to put quantity over quality, with the resulting health hazards like obesity, heart disease and cancer.

Subsidising farmers to maximise production puts tax payers money directly into the pockets of agri-chemical companies. While farmers gross

income is high, after paying for inputs, their net income is very low, thus forcing small farmers into bankruptcy. European and US subsidised food is distorting global prices and the excess dumped on global markets thereby forcing small farmers in the south off the land.

In 1995 the EU subsidised the destruction of 6,000 acres of apple orchards in the UK, and this policy has been reinstated in 2004. The result is we now rely largely on foreign imports.

In spite of increasing consumer opposition to unfair trade, debt and agri-industry, corporations continue to increase their domination of global markets. A few powerful agri-industries have been invited by compliant governments to develop a first world style centralised agricultural system where food and profits are centralised into the hands of the few at the expense of the many.

For example, recently, through a development charity headed by Jimmy Carter and a Japanese entrepreneur, Ethiopia was sold subsidised fertiliser, "to solve the problem of starvation". Government Agricultural Representatives, persuaded farmers to sell their animals and buy the fertiliser to grow export crops. However, with such a dry climate the two varieties of fertiliser provided were unsuitable so yields failed. Debts and destitution followed with farmers across Ethiopia demonstrating against their government's ignorance, arrogance and greed.

Where trade liberalisation has been imposed on Africa, Asia and Latin America, each continent has exchanged its food security with dependence on food imports. In the name of 'comparative advantage', the IMF and World Bank have advised them to stop growing food and to import cheaper (heavily subsidised) food. However, countries earning next to nothing from the goods they export, have been told to take out loans for the imports. Dependency on imported food and debts give outside bodies the power to dictate domestic policy.

Water

In urban centers across the globe, water is distributed through a centralised system that requires heavy chemical treatment, expensive infrastructure and results in large-scale waste. The wealthy can afford to install expensive purifying filtering systems, or buy bottled water often shipped thousands of miles. With each flush of the toilet, gallons of drinking water are poured down the drain. After a region in the UK experienced water shortages (partly due to climate change), rather than advocating conserving water or local small scale collection, the 'solution' proposed was to flood 4 square miles of countryside.

Presently in the South, governments are privatising water, treating the basis for life as a commodity little different to trading Nike shoes. The urban rich can afford the flush toilets and swimming pools while the poor lose access to water.

Shelter

On average in the UK people are £40,000 in debt thanks to the house buying mortgage system. With compounding interest, after repayment in 20 years, the owner will have paid two and a half, to three times the amount of the original cost. Forty years ago, only the husband needed to go to work to keep his family, today both are forced to work to meet mortgage repayments. Many a mother must take her tiny baby to kindergarten so that she could join her husband at work, to repay their mortgage for a two-bedroom town flat. After working their entire life to repay the mortgage, elderly house owners often have to sell their homes to pay for residential care.

Health

We are increasingly aware that the giant pharmaceutical companies are so concerned with maintaining growth margins that they are rushing new drugs to market that have not been sufficiently tested. For example, it has recently been shown that a wonder drug - HRT - taken by 3 million menopausal women, significantly increased cancer-risk.

Modern medicine seems mainly concerned with masking the effects of our unhealthy lifestyles with painkillers, anti-depressants and behavioural drugs for disruptive children. At present, the medical system ignores both prevention and the root causes of diverse illnesses. The side effects of chemical treatments and conditions in mega-hospitals are making us sicker. Lifestyle illnesses such as stress, depression, heart disease, cancers and obesity are at epidemic levels. Due to the influence of the pharmaceutical industry, the National Health Service, and Research and Development, only allopathic medicines are funded; ignoring the proven success of a diverse range of medicines like Ayurvedic and Chinese.

Education

Presently we are educating children to live in a reductionist world, divided into separate subject boxes. Banks and businesses create growth and profits by manipulating nature to make products to sell. Children's minds must therefore be taught to think as specialists in production, services or intellectual property, in order to find employment to sustain their dependent urban lives. In the classroom children must compete against each other. Children are deemed "clever" or "stupid", depending on how mentally adapted they are to conventional teaching. Some are drugged to calm their bored minds and restless bodies.

Mental creativity is abandoned in the pursuit of cramming vulnerable brains with information to regurgitate in exams. The school may have a high place in the league tables, but it does little to develop the child's ability to understand the world. The formal education curriculum is training children to exploit the planet for maximum profit.

Minds in the third world are being molded into a development paradigm that serves the needs of the illusory job. For example, in Ethiopia, staying with a couple and their young children, a self-important man strutted into the garden. He grandly declared that he was Gabriel's teacher and exclaimed, "Gabriel has a diploma in carpentry and should be in Addis Ababa earning a living". In fact Gabriel had tried and failed to find a job in the capital, Addis and he'd even tried to migrate to Saudi Arabia but was caught and returned to run his family farm.

A boy in Ladakh, said that education had mentally marginalised him from his family of self-reliant farmers so, though he didn't want to leave his culture, he would only find a job appropriate to his level of education in Delhi.

Education persuades many that modern hi-tech life is available in the city and once a village has electricity, television shortly follows, portraying a glamorous and exciting city life, to which the young become intrigued and enamoured. Older generations try to stem this overpowering influence to move to town. For example, in Ethiopia the pastoralists refused to send their children to school; they know that the young will never return to the life they love. Some said that they would perhaps have an extra child to send to school only because in times of drought that child could provide an alternative income. Others were refusing to send their children to school because there were no jobs and many had turned to crime, ruining the family name. A mother I met in Turkey, who lived with her family in a beautiful town house said that, though she couldn't be happier, she felt that she must follow her community to the city to give her family better opportunities

Clothes

Clothes are largely concerned with status and the manufacturers are only too keen to make us feel inadequate if we don't wear the latest label. Thanks to the propaganda from advertising, we become addicted to fashion at an early age and will 'shop till we drop' to keep up with the latest advertised fad. In China, pictures of models from the west have resulted in women having their legs surgically lengthened and eyes rounded. In the UK, Africans have their hair straightened and dyed blonde, whilst westerners perm or straighten and chemically dye their hair and tan their own bodies, despite the heightened risk of skin cancer. They are obsessed with the shapes of their bodies, resulting in an explosion of eating disorders, with girls as young as seven (and even men) starving themselves, whilst cosmetic surgery is on the increase. People are supposed to feel inadequate, so the all-embracing "cure" is to buy "solutions", e.g. expensive diet fad-food, diet drugs, cosmetic surgery, hair-dyes. People hate the very bodies they are born into.

Happiness and Love

The countries with highest rates of suicides amongst young men are all industrialised countries. The highest cause of deaths of UK men under 30 is no longer road accidents, but suicide; it is our secret and shameful domestic epidemic. Over 70% of people don't enjoy their jobs, and in spite of mechanisation, people have to work ever-longer hours to repay debts. In fear of not finding a job to maintain mortgage repayments, many remain trapped in jobs they detest.

People are enslaved by debt and the result is stress and depression. Massive increases in mental illnesses, not least in young children and adolescents, has massively increased sales of prescribed drugs, like Prozac (that has also been proven to increase suicides), rather than look at life-style changes. When both husband and wife have to go out to work, it puts huge pressure on the family unit, often resulting in divorce, insecurity and psychologically damaged children. In the UK, two out of five marriages end in divorce and one in three people live alone. Many mothers who bring children up in a city are so isolated, bored and under-valued that they often prefer returning to work, even if their entire wage only pays for the childcare. With the homogenisation of male and female roles, there is no longer respect for traditional female roles of looking after the young and the old, the latter often being left to die in homes.

Both capitalism and socialism centralise people, power and money. There may seem to be positives to abandoning community self-sufficiency to become dependent on the all-powerful, all-knowing state or corporation. If we lose our jobs the state will give us welfare benefits so we will not starve to death or be homeless. The state and corporation also pay for healthcare and pensions. However, government money to pay for these social benefits is running out because, in the global competition, TNCs have replaced small local businesses and will only locate in countries with low taxes. Fewer taxes from TNCs means ever higher labour taxes or less money for social benefits such as hospitals, schools and welfare benefits. The very threat of a TNC leaving a nation ensures governments remain compliant with low taxes, rights and environmental protection. Production is about growth margins, not human need. When corporations don't survive the global competition, worker pensions disappear.

Is it worth sacrificing our self-sufficiency, family and community support for a demoralising safety net? If we cannot find work, we are cocooned into a safe, but grindingly meaningless existence where we survive, but feel of no use to society. In areas of massive, long-term unemployment, deprivation and crime, our impoverished 'welfare net' has become an excuse for not solving the real problems of long-term employment.

Seven Fundamentals Human Needs in Traditional Rural Societies in the Southern Hemisphere

Food

Food is usually grown on inherited land, harvested, then prepared within the family and community unit. Food is part of their culture and identity, of which they are proud. If governments invested in rural not urban communities, people could continue to develop within their community units and nature's limits

Water

Water is revered as the source of all life and communities build sophisticated, small-scale irrigation systems. Unwritten laws ensure community water remains pure.

Shelter

Vernacular houses are built from materials gathered in the locality, with the community sharing labour with the minimum of financial exchange. In Ethiopia, a community building a woven wattle and daub house, resemble joyous party rather than a building site. In Ladakh and Bhutan, palaces are built from locally moulded bricks and ornately carved wood. In Turkey, though breeze-block or cement have largely replaced local materials, with interest-free loans borrowed within the family and community, no mortgages are required. Within 3 years, on a basic income, debts are repaid.

Health

A nutritious diet and physical exercise - whether working in the fields or walking to market, sustains good health. Knowledge of traditional medicine is commonplace and doctors are highly skilled. In Ethiopia bone-doctors, through manipulation, mend broken bones, and in Bhutan and India, centuries old Ayurvedic medicine is still dominant and highly respected. In Turkey, farmers use chemical fertiliser to maximise production for market but believe that this poorer quality food makes their urban relatives less healthy.

Clothes

Spinning, dyeing and weaving are jobs cherished by the community. Clothes are long lasting, colourful and elegant, and give the wearer an identity that is individual, but egalitarian. The King of Lusoto tried to encourage local production for local needs, such as school clothes. For this and other attempts to encourage self-sufficiency, his Government threw him out of the country.

Happiness and Love

A recent report in the *New Scientist* stated that the 10 happiest nations were all from the Third World. Most rural cultures still have a strong identity, supportive communities, believe in reciprocity and adhere to a philosophy rooted in spiritual well-being with little concept of accumulating material wealth. To share daily chores and share the proceeds with those you love must be rewarding. I can only put my authority in the smiles, laughter, stories, songs and conversations I've had with people who are still interconnected within their extended family and community. Human happiness and well-being of the whole is a very Buddhist ideal.

When a friend asked a Ladakhi boy to show her the poor area, the boy replied that no one was poor. Eight years later, she overheard the very same boy, now dressed in a track suit and working as tourist guide, ask his American client to "help the Ladakhi's - we are so poor". With a formal curriculum and corporate media invading self-sufficient communities, the young see themselves as primitive and backward.

Who is Developed?

The paradox of our age - *Dalai Lama*

We have bigger houses but smaller families
More conveniences, but less time
More knowledge but less judgement
More experts but more problems
More medicine, but less healthiness
We've been all the way to the moon and back, but have trouble
crossing the street to meet a new neighbour.

We build more computers to hold more information, to produce
more copies than ever, but have less communication.
We have become long on quantity but short on quality.
These are times of fast foods, but slow digestion.
Tall men but short character
Steep profits but shallow relationships
It is a time when there is much in the window, but nothing in the
room.

Background to the Present Centralised System that Enriches Few at the Expense of Many

To serve the industrial revolution, people in the Northern Hemisphere were pushed off the land to work in factories. While small scale self-sufficient farmers in the South were pushed off their land to be the cheap labour for plantations and mines. People throughout the world have become the producers and consumers for a centralised economy, controlled

by western companies and banks and supported by compliant Governments. With intense propaganda and education, the populace is led to believe that they are on the ladder to wealth, freedom and leisure enjoyed by the affluent few.

Who Really Benefits from Aid?

However, third world people were never supposed to share in the material wealth. The truth behind the term 'aid' is revealed in these unusually frank quotes from various First World leaders.

In 1961 President Kennedy said, "*Foreign aid is a method by which the United States maintains a position of influence and control around the world..*" Seven years later President Nixon added: "the main purpose of aid is not to help other nations but to help ourselves."

Eugene Black, head of the World Bank in the 1950's: "Our foreign aid programs constitute a distinct benefit to American business. The three major benefits are: 1) foreign aid provides a substantial and immediate market for US goods and services 2) foreign aid stimulates the development of new overseas markets for US companies 3) foreign aid orientates national economies towards a free market system in which US firms prosper."

USAID (US Agency for International Development) Washington DC, 1987: "Countries that have received substantial American aid have increased their imports from the US at a 30% faster rate than their purchases from other nations. In 1981 alone, South Korea imported \$2.1billion worth of our agricultural products - more than the value of all US food aid provided to that country between 1955 and 1959.... The record shows that food assistance can produce lucrative trade relationships and can generate new commercial markets."

Senator Hubert Humphrey in 1957: "I have heard that people may become dependent on us for food. To me that is good news - because before people can do anything, they have got to eat. And if you are looking for a ways to get people to lean on you and be dependent on you, in terms of their co-operation with you, it seems to me that food dependence would be terrific."

President Ronald Regan: "Our foreign aid is not only a symbol of American's tradition of generosity and good will, but also a servant of our national interest."

Christopher Patten, Britain's Overseas Development Minister said: "We should not be coy about the extent to which to do what is right can also be to do what is good for Britain." He added: "Most British bilateral aid has to be spent on British goods and services."

Post World War II Global Institutions

As prescribed by the above leaders. Money and resources have been siphoned from the South to the North. Promoted by post world war

institutions like the World Bank, IMF and WTO, resource exploitation, capital flight and cultural genocide has, in the last 20 years, increased dramatically.

Research by Dembe Dembele, an economist from Senegal, shows that even if you measure progress and wealth in wages, the promises given by the Development Institutions of greater prosperity for the South, have not materialised. According to World Bank statistics, pre 1980 there were about 160 million Africans living under the poverty line of \$1 a day. In the early 1980's, the WB and IMF said that they would help solve the debt crisis. Many expected poverty to go down, and economic growth to go up. However, 20 years later, according to the WB, those living on less that \$1 a day in Africa has doubled to 340 million - more than half the population.

Under IMF Structural Adjustment Policies, rural people have been marginalised from self-sufficient communities and forced to seek a wage, often producing and exporting the same commodities as other countries in IMF Structural Adjustment Programs. Inevitably there have been gluts in the market and a collapse in African commodity prices. These countries now have to sell twice as much as in 1980's to get the same goods coming from developed countries.

As a result, over the last 20 years African debt has increased. When the IMF and WB arrived, foreign debt repayments accounted for 24% of the combined national income of African countries. It now accounts for 71%. In order for Africa to repay its entire debt, African nations would have to spend more than 3/4 of their annual income. In some cases, they would have to spend more than their entire annual income.

As mentioned before, stooge governments have their share of responsibility. However, for all objective observers the IMF and the World Bank have done most of the damage. This is not restricted to Africa, but includes Asia and Latin America, for example the Philippines, the Asian financial crisis of 1998, Brazil and, more recently, Argentina. World Bank and IMF policies are imposed on recipient countries regardless of their level of social and economic development, culture or political system. The domestic economic policies upon which they insist- trade liberalisation, privatisation, limited state intervention, lifting capital controls, deregulation of domestic markets - have resulted in widespread poverty.

Apparently in the WB headquarters it says "we dream of a world free of poverty". However, the truth is that their flawed economic policies have pushed the world into a downward spiral of increasing poverty and oppression. So, if we are to count wealth in WB and IMF terms - i.e. income earned - poverty has doubled. Land, liberty, livelihood and the cultures enjoyed by self-sufficient rural communities have been sacrificed on the altar of increasing markets for corporate and bank profits.

Most of the so-called aid going to Third World countries are, in fact, loans conditional on building the infrastructure that facilitates an export

economy. This is great for Western markets, as it requires high tech expertise to build the roads and airports, the energy infrastructure and information technology. To attract foreign investment, Governments are encouraged to keep wages low, suppress trade unions, and grant the freedom to dump chemical waste into the natural environment. These 'good investment climates' ensure that these countries have the competitive edge over other countries, equally desperate to attract foreign investment. The mere threat of relocating ensures governments keep the company's needs firmly above the needs of employees and environment. The law says that companies must prioritise share value.

For example, indigenous people in the Ecuadorian Amazon want to take Texaco/ Mobil to court for polluting 200 square miles of the Amazon's water, forest and air. The Government of Ecuador, desperate not to deter foreign investment, is keeping the judicial hearing in their country, as opposed to the USA, to ensure the penalty is kept to a minimum.

In spite of UNCTAD's own admission that more resources are going out of Africa than resources going in, they continue to prescribe the same flawed solutions. UNCTAD has recently launched the '20b2b' programme; this is a \$20 billion corporate investment into Africa to bring 2 billion people to 'the market'. This will shift people away from self-sufficiency on the land into jobs for export markets, all good to boost growth in foreign exchange to repay debts to foreign banks, but bad for retaining a vibrant rural economy that sustains community, culture and sustainability.

A recent example of this lunacy is the World Bank, along with DIFID, (the UK development agency), giving \$65 million to the Indian Government to consolidate farms in Andhra Pradesh to grow export crops. This means that the 70%, currently earning their living from the land, must be reduced to 40%; ie 20 million people must leave the land. When 10 potentially marginalised women came to the UK to meet with Claire Short, the former Development Minister, she refused to see them. When I asked her why, she said, " I never meet with people behind client Government's backs, particularly activists."

In spite of many First World manufacturing and service jobs going to the Third World, not least India, there simply aren't enough jobs to absorb growing urban populations created by western development policies. The marginalised from development projects end up in urban slums as virtual slave labour, begging or in crime.

According to a recent UN report, the number of people living their days in slums is almost one billion - one-sixth of the world's population. By 2050, they say there may be 3.5 billion slum-dwellers, out of a total urban population of about six billion. The head of its human settlements programme says, "the persistence of slums should shame the entire world".

The appalling conditions suffered force many to abandon their families to follow their money to the western Hemisphere. There they earn the

foreign exchange to send back to their families who remain trapped in the spiral of poverty molded by western development programmes.

Former Communist Countries

The Third World is not alone in this corporate stranglehold. The centralised economies of former communist countries, are easy prey to the corporate capitalist system. For example, in Poland, thanks to a \$25million loan from the EBRD, (a bank guaranteed by EU tax payers), Smithfield, the biggest pig-rearing factory in the US, is in the process of buying recently modernised, former State pig farms - at discount prices. By flooding the Polish market with mass produced pork, 2 million traditional small-scale farms face bankruptcy. Just when many people are crying out for organic produce, Poland's small-scale, humane and organic methods are being replaced by massive mechanised farming techniques - a system heavily subsidised and promoted by corrupt government officials.

EU Development Bank loans are allegedly given to help modernise former communist countries. But how can the small companies compete in this so-called free market when the head of the agricultural department at EBRD confessed, "the most high-tech and capital-rich companies get most of the loans as they can guarantee repayment". Governments take out loans to pay for transport and energy infrastructure to encourage big foreign investors to their shores and impose strict regulations that further undermine small local businesses. Supermarkets came to Poland in the 1970s on condition that all farmers markets were closed. Whilst travelling in Poland, talking to farmers, I heard that this order was, where necessary, violently enforced.

The First World

The First World is also enslaved by global competition. CEO's cannot be holistic and question the external impacts of the manufacturing process, as their company will lose the competitive edge and shareholders will be persuaded to merge with a more ruthless company.

In industrial countries, only 2% earn their livelihoods from the land. High employment in agriculture has been deemed 'inefficient' and the majority of people are now dependent on monotonous, soulless jobs in urban centres. In the absence of love and fulfillment generated by community life and a connection to nature, they are supposed to believe the myth that happiness comes from a higher standard of living namely, material wealth. Yet the statistics prove that countries with the higher material wealth and high GDP have higher levels of depression, stress and suicide.

We Are Ready for the Solutions

Bhutan, with the strength and vision of the King and the fantastic start made by the Gross domestic Happiness Conference, could be a model for the world. Up to 90% of third world populations still live off the land retaining skills and supportive communities needed to sustain self reliance. However, these cultures need urgent protection.

Many in the West recognise that quality of life has been sacrificed for a higher standard of living. They dream of abandoning the rat race and would willingly sacrifice their stressful, high paid city jobs and fast cars to live lives enjoyed by 'backward' societies.

Recently a Russian man put an advert on the radio asking people to contact him if they were tired of living in over crowded cities, working in poorly paid jobs, surrounded by violence, crime and addiction and wanted to join him in rebuilding a village community. 5,000 people contacted him!

Many countries are now dependent on the global economy to buy or service hi-tech western infrastructure. So if disconnection is too sudden, the consequences will be similar to the aftermath of sanctions imposed on Iraq. Their oil had bought them into a centralised system, designed by Western technocrats, bankers and economists. Traditional small-scale transport, healthcare and farming techniques had largely been abandoned. So the population became destitute without trucks, drugs and high tech equipment. Whilst maintaining the sanctions that precipitated the poverty, America then exchanged oil for food. Though western citizens were persuaded that this was an act of compassion, it was the final nail in the coffin for Iraqi farmers, who could have supplied the food had sanctions been lifted. This was a clever ploy to ensure that, in its most basic needs, Iraq remained dependent on imports.

However, disconnect we must. The sooner a country starts to disentangle itself from dependence on payments for exports to pay for its hi-tech aspirations, the better. If we are to abandon this sinking ship we must seek other sympathetic nations with which to disconnect from the global economy. John Bunzel, in his book *Simultaneous Policy*, recommends that countries 'simultaneously' disengage from the stranglehold of competition. Without this, governments will continue to renege on the social and environmental treaties described below, as their economies would be at a competitive disadvantage.

I believe that the solution to dependence on outside nations is local interdependence. However, protecting communities, local economies and democracy is not enough if the present global economic system is not radically changed. This must be achieved though working on both the local (micro) and national and international (macro) level.

Before I begin listing some of the changes, I must also recommend John Joplin and Roy Madron's book, *GAIAN DEMOCRACIES - Redefining*

Globalisation and People Power and Ancient Futures by Helena Norberg-Hodge.

Macro level Solutions

World Social and Environmental Organisation

On the macro level the WTO (World Trade Organisation) must be replaced by a body such as a World Social and Environmental Organisation (WSEO), which is fully democratic, transparent, and accountable, not to corporations, but to citizens of the world. It should demand trade policies that promote and protect local trade as a priority. Regional and national trade, and lastly global trade, would be for excess produce. The WSEO would also ensure that any trading prioritised environmental protection.

I am not saying there should be no global trade, only that we put an end to the absurdly wasteful process of shipping basic foods like wheat and milk thousands of miles when they could be produced locally. In Mongolia, which has 25 million head of cattle, the butter in a hotel in Ulan Bator was served pre-packaged from Denmark. In England, New Zealand butter is cheaper than British. Shortening the distance between producers and consumers would provide an enormous range of benefits, from the creation of jobs to a healthier environment, as well as a more equitable distribution of resources.

World Environment Court

This World Social and Environmental Organisation would need to be backed up by a World Environment Court; and it would have to have teeth that hurt. Michael Meacher, former UK Environment Minister, recommends that such a court must give painful fines to curb the corporate rape of our fragile environment. These fines would directly fund the court itself.

Eco-tax Reform

As an instrument for change, we should adopt eco-tax reform, shifting the tax-burden away from income tax and onto destructive practices, such as non-renewable energy, resource depletion, damage to the environment, waste, and pollution. This would promote greater efficiency, reduce pollution, strengthen the economy for cleaner technologies and create new jobs.

The Transferal of Subsidies

Subsidies to transport, energy and R&D should go from supporting export economies towards promoting local production and consumption. Many projectionist policies would become unnecessary once the true costs of industrial export trade (namely subsidies that build transport and energy infrastructure and pay for environmental degradation) are internalised into

the retail price. The playing field would then be levelled to enable small businesses, that don't need subsidies, to survive to serve local needs. Local renewable energy infrastructure would be cheaper if the true costs of nuclear and fossil fuel energy were internalised.

Eliminating Debt and Controlling Money

Every religion has outlawed usury. Yet banks continue to make a colossal amount of profit by issuing money and claiming interest. Large TNC's also benefit because banks pressurise governments to ensure TNC's profit over the rate of interest. This debt-money system is a key driver in price increases and the pressure on modern economies to continually grow.

Economic growth is seen as an absolute imperative and is imposed on governments by the nature of the current money system and the rules of the WTO. To avoid the apocalyptic scenario we see ahead of us, it is essential that the debt based monetary system is radically changed. Governments must take back the issuance of money and base the value of money on a valued commodity so that our economies are based upon a stable exchange medium. Many aspects of economic democracy could be reclaimed if money issuance were in the control of governments so that they were no longer subservient to the profit-motive of banks and TNC's for investment, jobs and funds.

Three US Presidents, Thomas Jefferson, Abraham Lincoln and Franklin Roosevelt have wanted the control and distribution of money to be in the hands of governments, not private banks. For example, Thomas Jefferson said, "*if the American people ever allow the banks to control the issuance of their currency, first by inflation then deflation, the banks and corporations that will grow up around them will deprive the people of all property till their children will wake up homeless on the continent their fathers occupied.*"

Local exchange and trading systems, that still exist between interconnected communities in remote rural areas in the so-called third world, not least Bhutan, must be protected. To help exchange goods and services to a wider area, local currencies could be used, thereby, retaining the integrity of the national economy from the volatile global economy. Ethiopia, for example, not having joined the WTO, retains its strong control of foreign money and goods coming into the country, by having currency auctions. Pegging weak currencies to strong currencies, as in Senegal, takes financial control away from the government's ability to regulate trade in the interests of citizens.

Funding for Elections

To ensure neutrality and equality, all party political funding must come from the public purse not from big businesses. I heard one of Clinton's lawyers say that Clinton was unable to introduce his social welfare policies because, big business, to whom he owed so much, blocked his proposals.

An American shopping Mall developer said that he gave \$2million to both the Republican and Democratic party so, whichever ever won, would grant him his demands.

The Tobin Tax

The above time scale modulated tax must be imposed to regulate and deter short term financial speculation. This money would help fund many of the recommended GDH changes.

Relaxing Regulations for Small Producers

Laws are rightly imposed to protect our health in a global system that promotes mass production. However, small-scale producers, whose local production and marketing systems cannot afford and do not need such regulations, are forced into bankruptcy. Instead, there should be a two-tier system in which laws should be vigilant for the large-scale producers and processors, whereas local communities would regulate the small-scale producers.

Conserving Natural Resources

To minimise our ecological footprint, we must minimise exploitation of our precious natural resources. Amery Lovins, author of *Natural Capital*, says that companies should make products to rent rather than sell. It would thereby be in the interest of the company to make them durable with profits coming from servicing the product.

In addition to these macro changes: No patents on life. As well as making innovation available for the benefit of all mankind, the incentive to develop genetic engineering for simple profit would diminish.

All products should be biodegradable. If not, the producer should offer a financial reward to have their product/container returned. Novel chemicals should be banned until proven safe and there should be no testing on animals.

Advertisements directed at children must be stopped, and free airtime for public awareness information would reveal the hidden costs of purchasing most advertised products.

A global tribunal to ensure fair trading should be given powers to have a far more stringent regulatory environment that could stop all further mergers and de-merge over sized and excessively powerful businesses. Without the advantages of scale enjoyed by vast companies, small, decentralised businesses could survive.

A single company or individual can only own one media outlet.

The wealth of a nation should be measured in terms of Genuine Progress Indicators. Thereby all economic transactions measured must take into account any negative impacts.

With these macro policy and fiscal changes in place, our seven fundamental human needs could be met within a system that puts people and the planet first.

The Seven Fundamental Needs After Fundamental Changes

Food

Today, many popular Non Governmental Organisations (NGO's) in both first, second and third world see national food security as a priority. They want local production for local consumption.

As an instrument for change, subsidies that promote export trade must go and pollution taxes would reveal the true cost of agri-business food criss-crossing the globe, thus making local production cheaper. Protecting local markets from cheap imports would also prevent heavily subsidised commodities from the North undermining local food markets. Were the true costs of transportation included in the price, and value placed on fresh, nutritious food and food security, UK crops would be cheaper than imports, fewer UK farmers would be going out of business, and the Southern countries would be free to use their land and labour and skills to feed themselves.

It is therefore essential that we support farmers in both the North and the South. For example, while we in the UK tucked into Zambia's Brussel sprouts last Christmas, the Zambians were starving and our farmers in the UK were going bankrupt with one farmer a week committing suicide. By buying at local markets, consumers avoid the big middlemen like supermarkets. A local food economy keeps money in the rural economy, providing much-desired rural jobs and ensuring both farmer and consumer get a fair price. Selling directly from farmer to consumer would revitalise small farmers who, by diversifying their production, could more easily grow without chemicals.

It is a myth that there is not enough land to sustain a vibrant rural population. We should grow food for ourselves and be far healthier if we ate less meat. During the Second World War, meat was scarce and people grew fruit, vegetables and grain in every field and garden, thereby gaining health that we haven't since obtained.

Conventional economists may say these proposals will create upheaval. This may be in part true, but nothing compared to the environmental and social breakdown created by the present system.

Water

Small-scale local water management and irrigation should replace large reservoirs and dams in the North and South.

Shelter

Individuals should be able to afford to buy their home, once we abandon the debt-based economy

No one should be expected to abandon their roots, family and community to find work so, as in Italy, businesses should go to the village.

In planning, there should be no division between work place and home. People should not have to commute long distances to get to work and the work place should not be a hideous, polluting, industrial sight. Planning laws should allow a sensitive combination of residential and workplace development, where attractive small-scale labour intensive industrial units can be built, which add to, rather than blight, a community.

Buildings higher than a tree must be prohibited and city size should be limited to what is sustainable for food to be grown in the hinterland, whilst sewage and other waste should be recycled as useful compost. In Calcutta, sewage is pumped thorough a series of canals with reed beds that purify the water and sustain fish life, which is then fed back to the people through the vibrant Calcutta markets.

Health

With the help of macro policies mentioned above, Governments would be free from the strangle hold of growth so pharmaceutical companies would loose their leverage to obtain 'good investment climates'. Without patents on life, medicines would be developed for their tried and tested success, not simply on the profits they create. Wisdom passed through generations of testing could triumph over the patents and profits. Health funding should go to the myriad of proven, alternative medicines and research into the root causes of illness, rather than simply curing symptoms, and building more and more hi-tech hospitals.

The former cricketer, now statesman, Imran Khan opened a giant high tech cancer hospital in Pakistan. It costs so much money to run that it is almost impossible to sustain. When he realised that 80% of the patients came from areas with intensive agriculture, he diverted some of the money and enthusiasm towards low-tech alternative research into prevention, diet and a myriad of complimentary remedies.

Education

The skills developed over centuries to live rich, rural lives must be urgently protected, cherished and passed on. Appropriate schools should be local and small scale and emphasise the value of local traditions, culture, mythology, language, religion, philosophy and crafts, e.g. maintaining crucial knowledge about the tradition of exchanging seeds adapted to local needs of soil and climate conditions.

An awareness of the material world is essential, not least to show its flaws and intrinsic exploitation. Economics should be taught to show how a

debt-based money enriches a few at the expense of the majority. With appropriately monitored programming, the propaganda machine will be limited in its ability to manipulate the truth. Children must be taught about the dire consequences of a clever mind devoid of wisdom.

Clothes

If a country is less reliant on cash-crop exports to purchase their basic needs from abroad, then resources and time could instead be directed into strengthening new and old skills like making cloths, carpets, homes, pots and pans, and renewable energy from local skills and materials. With a dynamic culture, people will not be looking outside to form their identity through shallow fashions.

Happiness and Love

By protecting local trade, and directing work and money to promote small-scale businesses, people can live close to their roots, extended family and supportive community. Work is a pleasure if it is to provide for and look after loved ones. For example, an exquisite skirt or beautiful carpet is made for the producer and their community to enjoy. Going to a market to sell something you are proud of and exchanging it for something you need, is a joy not a chore.

While painting his fishing boat on the beach, a fisherman was approached by a friendly American tourist who told him that he could improve his life. If he worked harder he could buy another boat and sell more fish. The fisherman asked what he would do with his wealth. The American said that he could buy a fleet of fishing boats and become even richer. The fisherman asked what he would do with these vast profits. The American said that he could afford to come to a beautiful beach, relax and enjoy the sunset-a life that the fisherman already enjoys.

Information and Communications Technology and Gross National Happiness – Who Serves Whom?

CHRISTOPHER B. FARIS

Abstract

I would like to remind our youth that the television and the Internet provide a whole range of possibilities which can be both beneficial as well as negative for the individual and the society. I trust that you will exercise your good sense and judgement in using the Internet and television.

King Jigme Singye Wangchuck, 2 June 1999¹

The concept of Gross National Happiness (GNH) is a uniquely indigenous expression of aspirations for government and development activity in Bhutan. Starting from a brief examination of the accepted definitions of GNH and information and communications technology (ICT), this paper will focus on the potential positive and negative impacts of ICT on the defined components of GNH.

It will then discuss some more general issues of the nature and impact of ICT, including ICT impact on labour issues, the relationship between ICT and innovation, and openness. The paper argues that ICT is a powerful engine for accelerating development, but that care needs to be taken in determining the direction and implementation of ICT usage, to ensure GNH determines the implementation of ICT, not the other way around.

Introduction

Technology is destructive only in the hands of people who do not realize that they are one and the same process as the universe.

Alan Watts²

During the last few generations mankind has made an extraordinary advance in the natural sciences and in their technical application and has established his control over nature in a way never before imagined. ... Men are proud of those achievements, and have a right to be. But they seem to have observed that this newly-won power over space and time, this subjugation of the forces of nature, which is the fulfillment of a longing that goes back thousands of years, has not increased the amount of pleasurable satisfaction which they may expect from life and has not made them feel happier.

Sigmund Freud, *Civilisation and its discontents*³

¹ Cited in Siok Sian Pek, *Media Impact Study 2003 (2003) 19* (hereinafter "MIS")

² <<http://www.heartquotes.net/Technology.html>>, as at 1 February 2004

There can be few countries in the world where the overarching goal of national development is so simply articulated and so well known as it is in Bhutan. The centrality of the concept of “Gross National Happiness”, while still not precisely defined, provides Bhutan with a set of values to guide its development on its own terms.

However, as this paper will argue, the introduction of new technologies and information and communications technology (ICT) in particular, threatens to put the cart before the development horse. ICT can be a powerful tool to accelerate identified priority development processes. However, it can also knock development processes off course by becoming the end of development projects rather than the means and, because of their unique nature and characteristics, affect development in Bhutan in ways both unexpected and difficult to control.

Starting with a discussion and definition of key concepts, this paper will explore the ways in which ICT can affect the achievement of the component goals of Gross National Happiness, both positively and negatively. It will then consider three more general social fields where ICT can have a transformative effect.

It concludes with some thoughts and observations on the inherent potential and risks of ICT in operationalising Gross National Happiness.

Definitions

Gross National Happiness

The concept of “Gross National Happiness” (GNH) has been the subject of much inquiry.⁴ It is not the object of this paper to dwell in detail on the definition of GNH, but it is a pre-requisite to have a working definition for this paper’s discussion.

What becomes rapidly apparent upon examination of the concept is that, perhaps surprisingly, there is no fixed definition of GNH. As can be seen from Table 1, different authorities at different points in time have defined various component elements of GNH.

As can be seen from Table 1, all definitions have the following elements in common: economic/human development, environmental preservation and cultural preservation. Four of the definitions include a specific good governance element. Further, most commentaries recognise the balance of material and non-material aspects of development as the underpinning idea.

³ Cited on <<http://www.primitivism.com/discontents.htm>>, as at 1 February 2004

⁴ See, for example, the selection of essays and speeches published in Sonam Kinga, Karma Galay, Phuntsho Raptan and Adam Pain (eds), *Gross National Happiness*, 1999.

Table 1 – Components of Gross National Happiness

	Jigmi Thinley (1998) ⁵	Stefan Priesner (1998) ⁶	Bhutan 2020 ⁷ (1999)	RGoB at UN (2001) ⁸	9FYP (2002) ⁹
Economic development					
“Economic self-reliance”	✓				
“Economic growth and development”					✓
“Self-reliance”		✓			
Human development					
“Human development”		✓	✓	✓	
“Balanced and equitable development”			✓	✓	
Environment					
“Environmental preservation/conservation”	✓	✓		✓	
“Environmentally sustainable development”			✓		
“Preservation and Sustainable Use of the Environment”					✓
Culture / Heritage					
“Cultural promotion”	✓	✓			
“Preservation and promotion of cultural heritage”					✓
“Cultural development”			✓		
“Culture and heritage”				✓	
Good Governance					
“Institutional development”			✓		
“Good governance”	✓			✓	✓
Number of elements	4	4	5	5	4

⁵ Lyonpo Jigmi Thinley, “Values and Development: Gross National Happiness”, reproduced in Sonam Kinga et al Eds, above n4,12.

⁶ Stefan Priesner, “Gross National Happiness – Bhutan’s Vision of Development and its Challenges”, in Sonam Kinga et al Eds, above n4, 24.

⁷ Planning Commission RGoB, Bhutan 2020: A Vision for Peace, Prosperity and Happiness, 1999

⁸ RGoB, Report of Royal Government of Bhutan to Third UN Conference on the Least Developed Countries, 14-20 May 2001, 40-1. The discussion of GNH herein weaves in the six main principles of RGoB, Vision 2020 (1999) at 49, namely “identity, unity and harmony, stability, self-reliance, sustainability and flexibility.”

⁹ Planning Commission, RGoB, Ninth Five Year Plan (2002) at 4-6 (hereinafter “9FYP”).

Some of the commentaries further elucidate the characteristics of these primary elements. For example, Lyonpo Jigme Thinley notes that good governance is characterized by “integrity, accountability and transparency of government.”¹⁰

This paper therefore proposes to adopt the ‘four pillars’ definition of GNH outlined below.¹¹ It makes no claim to this being a definitive definition; it is based primarily on the definition of GNH from the Ninth Five Year Plan¹² as elucidated by key commentators and Royal Government of Bhutan (RGoB) documents. As the concept and understanding of GNH evolves, it may become timely to revisit the relationship between ICT and GNH.¹³

Economic Growth and Development

RGoB recognizes that “economic growth is essential to support and nurture the spiritual and social needs of the community.”¹⁴ Further, economic growth should be balanced and equitable so as to prevent wide disparities in income and opportunities¹⁵, with the benefits of development distributed equally through different income groups and different regions. This will promote “social harmony, stability and unity”¹⁶. According to Lyonpo Jigme Thinley, the existing social fabric of honour for the individual, respect for the elderly, and the maintenance of extended families and communities needs to be preserved in the face of “the pursuit of individual self-interests during modernisation.”¹⁷ Overall, economic growth should be viewed in light of the desire for national self-reliance.¹⁸

¹⁰ Lyonpo Jigmi Thinley, above n5, at 22.

¹¹ Discussions at the Centre for Bhutan Studies Conference on “Operationalising Gross National Happiness” in February 2003 revealed a number of insights. Some commentators believed that GNH springs from inherently Buddhist values, which poses questions about its universality. Other speakers noted that in a complex world, the ‘four pillars’ approach might not capture some of the dynamic interactions in complex social and economic structures.

¹² RGoB 9FYP, above n8, at 4-6.

¹³ It may be noted that the definition proposed in this paper does not include any element of education or knowledge. The storage, sharing and dissemination of knowledge, including education resources, are amongst ICT’s natural strengths. However, as it is not within the proposed definition of GNH for the purposes of this paper, it will not be discussed.

¹⁴ RGoB 9FYP, above n8, at 4

¹⁵ RGoB 9FYP, above n8, at 5; RGoB, Development Towards Gross National Happiness; Seventh Round Table Meeting, 7-9 November 2000, Thimphu, Bhutan, (2000) at 10

¹⁶ RGoB 9FYP, above n8, at 40

¹⁷ Lyonpo Jigmi Thinley, above n5, at 22.

¹⁸ RGOB, Bhutan 2003: People at the centre of Development: Eighth Round Table Meeting, February 2003 (2003) at 5 (hereinafter 8RTM)

Preservation and Promotion of Cultural Heritage

Bhutan believes that “preservation of its rich cultural heritage is critical to its very survival as a nation state”.¹⁹ The Ninth Five Year Plan notes that the preservation of cultural heritage “acts as a source of values for a society in transformation and is expected to help cushion the negative impacts of rapid modernisation.”²⁰ Preservation and promotion of cultural heritage serves to safeguard a sense of identity; further, Additionally, “the preservation of the rich cultural heritage also provides a strong link and support between the individual and the society at large acting as an effective social security net.”²¹

Preservation and Sustainable Use of the Environment

Bhutan values the environment both in its own right, and as an important economic asset for the country.²² The intrinsic respect for nature is rooted in Buddhist precepts which hold that “human beings and nature not only live symbiotically; they are indistinguishable from each other for analytical purposes;”²³ “environmental preservation is a way of life.”²⁴ The economic value of the environment underpins industries such as tourism and energy.²⁵

Good Governance

Bhutan aims to establish “a system of governance that promotes well-being and happiness of its citizens.”²⁶ Good governance is characterized by the pursuit of integrity,²⁷ efficiency,²⁸ accountability²⁹ and transparency³⁰, as well as the people’s participation in the decision-making process³¹. It will be effected by continued development and evolution of relevant institutions,

¹⁹ RGoB 9FYP at 5; also see RGoB, *Development Toward Gross National Happiness: Seventh Round Table Meeting, 7-9 November 2000 (2000)* at 18 (hereinafter 7RTM). Note however that Priesner dates this belief to the latter half of the 1980s; see Priesner above n6, at 42

²⁰ RGoB 9FYP, above n8, at 40; see also RGoB 8RTM above n15, at 47

²¹ RGoB 9FYP, above n8, at 5

²² RGoB 9FYP, above n8, at 5

²³ RGoB 7RTM above n19, at 23.

²⁴ RGoB 7RTM above n19, at 17

²⁵ RGoB 9FYP, above n8, at 5

²⁶ *Ibid.*

²⁷ Lyonpo Jigmi Thinley, above n5, at 22

²⁸ RGoB 9FYP, above n8 at 21; RGoB 7RTM above n19 at 13; RGoB, *Enhancing Good Governance: Promoting Efficiency, Transparency and Accountability for Gross National Happiness (1999)*, RGoB 8RTM above n15, at 15

²⁹ Lyonpo Jigmi Thinley, above n5, at 22; RGoB 7RTM above n19 at 13, 23; RGoB 8RTM above n15, at 15

³⁰ Lyonpo Jigmi Thinley, above n5, at 22; RGoB 7RTM above n19, at 13, 23; RGoB 8RTM above n15, at 15

³¹ RGoB 9FYP, above n8 at 6; RGoB 8RTM above n15 at 15

processes and systems.³² Further, the ongoing process of decentralisation and devolution of power from the King has been identified with good governance,³³ and the King himself has acknowledged the importance of creating a democratic political system and institutions³⁴ to allow for increased popular participation. Finally, good governance should strive for equitable access to public services and goods.³⁵

Information and Communications Technology (ICT)

Put simply, ICTs are information-handling tools – a wide variety of goods, applications and services that capture, produce, store, process, distribute, display and exchange information.

ICTs have amplified brain power in much the same way that the 19th century industrial revolution amplified muscle power.³⁶

These technologies include “old” ICTs like radio³⁷ and television, the wave of new consumer and corporate computing and telecommunications products, and the systems and networks that link them, including cellular telephone networks, satellite communications and most famously the Internet.

From the 1980s onwards, ICT has utilized digitisation, the process through which information, whether relayed through sound, text, voice or image, is converted into the binary language of computers to store, process and distribute it more efficiently, reliably, cheaply and speedily. Digitisation does not discriminate between sound, data or pictures; all are stored and transmitted using essentially the same technology. Digitisation, therefore, allows the increasing interaction and convergence of computers, telecommunications equipment and consumer electronics to facilitate their increasing integration and form the larger category of ICT. Digital transmission allows greatly increased data flow and storage capacity to older analog systems because it is more efficient and “non-degradable”; that is, the signal arrives perfectly or not at all.³⁸

Some of the specific characteristics of ICT give room for optimism about the role it can play it assisting poor countries accelerate their development. First, new ICT investments can ‘piggy-back’ on existing technology infrastructure. Satellite radios build on and enhance the value of

³² RGoB 9FYP, above n8 at 5

³³ Lyonpo Jigmi Thinley, above n5 at 22; RGoB 7RTM above n19 at 21

³⁴ RGoB 9FYP, above n8 at 6

³⁵ RGOB 8RTM above n15 at 15

³⁶ UNDP Evaluation Office, *Essentials – Information and Communications Technology for Development*, September 2001 at 2.

³⁷ Radio is the most widespread ICT in Bhutan; BBS estimates that about 400,000 people, or 60 per cent of the population, listen to the radio (MIS above n1 at 18), while the MIS study itself estimates 77 per cent of the population : MIS above n1 at 37. It has been acknowledged that “radio will continue to be the most effective media for some time to come”: RGoB 7RTM above n19 at 70

³⁸See Cees Hamelink, “New Information And Communication Technologies, Social Development And Cultural Change”, Discussion Paper No 86, UNRISD, June 1997, at 9-12

a satellite network. Hence, there can be substantial gains for limited investments. Secondly, new technologies such as wireless last mile connections increase the reach, and reduce the cost, of connections. Thirdly, new technologies are multi-user in nature; many can benefit from one investment, for example in a shared public telephone. Fourthly, evolution of ICT equipment means that real investment requirements decline over time. Fifthly, countries investing in ICT for the first time now can benefit from the best systems and standards, and avoid the problems of being tied to old technologies.³⁹ Sixthly, communication networks exhibit unusual network economies, as there are positive returns to the growth of the network.⁴⁰ The value to an individual telephone subscriber of the telephone network increases with every new subscriber.

However, ICT is just a tool that amplifies rather than changes human actions and motivations. Radio can be used to promote peace in line with the motto of the BBC World Service ("Nation shall speak peace unto nation"), established in the aftermath of World War One. It can just as effectively be used to incite and organise genocide, as Rwandan Radio Mille Collines is said to have done in 1994.⁴¹

It is well to consider the underlying nature of ICT and their impact on operationalising GNH.

This paper will argue in section five below that the interaction between globalisation and ICT creates certain characteristics and effects, and promotes certain societal developments, which will almost inevitably have an impact on Bhutan's development, and should be considered in light of the overarching goal of GNH.

First, ICT will transform traditional labour arrangements because they enhance automation especially in knowledge intensive activities. Second, ICT both requires and promotes innovation and entrepreneurialism, and tends to empower the individual within society. Third, ICT requires, and then promotes, openness and free movement of knowledge, capital, labour and services. All of the above factors may impact on GNH, and should be considered carefully in working towards this goal.

Impact of ICT on Elements of GNH

ICT is a tool to accelerate processes, especially knowledge intensive processes. It is becoming increasingly evident from global experience that ICT can wield a transformative effect, and that if properly harnessed and in

³⁹ See KJ Joseph, "Growth of ICT and ICT for Development : Realities of the Myths of the Indian Experience" (Discussion Paper No 2002/78, United Nations University World Institute for Development Economics Research, August 2002) at 1

⁴⁰ John Daly, ICT, Economic Growth and Poverty Reduction (2003) *Development Gateway* <http://www.developmentgateway.org/node/133831/sdm/docview?docid=495495> as at 1 February 2004

⁴¹ Editorial, "What the Internet cannot do", *The Economist*, 17 August 2000

the right conditions, can advance a development agenda. Specific examples will be provided in the discussion below.

This paper will assume the ‘four pillars’ definition of GNH as outlined above, focusing on four major components. For each component, the potential positive impact, and the potential negative impact of ICT on that component will be discussed, along with some conclusions for Bhutan.⁴²

In terms of potential positive impact, It is suggested that ICT has the most potential to enhance GNH in good governance, followed by economic development, preservation of cultural heritage and the environment.

Economic Growth and Development

Wealth is evidently not the good we are seeking, for it is merely useful for the sake of something else.

Aristotle⁴³

The often-quoted Easterlin paradox states that above a basic level at which basic needs are assured, economic well-being does not produce more individual happiness. The Easterlin paradox provides material for an entirely separate paper, and will not be examined here, although it is interesting to note a similar pre-existing Buddhist concept of “*delwa-jorpa*”. In describing *delwa-jorpa*, Karma Ura notes that “wealth is necessary to a certain degree but only to get freedom from wants to pursue fulfilling activities”⁴⁴. For current purposes, it can be observed that the correlation between economic well-being and individual happiness is not linear, and that this may suggest certain policy measures to ensure that societal wealth is distributed to maximise individual happiness. This issue will be discussed below.

Potential Positive Impact of ICT

It has been observed that technological change “plays a pivotal role in long-term economic growth”,⁴⁵ and that today the availability and use of ICT is “a pre-requisite for economic ... development”.⁴⁶

ICT can impact positively on economic development in at least four ways.

⁴² It should be noted that the components of GNH are more inter-related than this formal treatment might indicate. For example, good governance through decentralisation can lead to preservation of the environment through fewer requirements to travel to access services.

⁴³ Cited in UNDP Human Development Report 2001: Making New Technologies Work For Human Development (2001) at 9 (hereinafter “UNDP HDR 2001”)

⁴⁴ Karma Ura, “The Bhutanese development story”, Kuensel (Thimphu, Bhutan), 24 January 2004, at 6

⁴⁵ UNDP HDR 2001, above n43 at 29

⁴⁶ Manuel Castells, “Information Technology, Globalization and Social Development” (Discussion Paper No 114, UNRISD, September 1999) at 3

First, ICT can enhance efficiency through its application across government and all industry sectors. There has been recent debate about the relationship in the West between the intensive investment in ICT through the 1990s and the subsequent economic boom. While some commentators initially argued that the economic growth was due to the growth of the ICT sector itself, increasingly a consensus has emerged that application of ICT across all industry sectors led to efficiency gains and economic growth.⁴⁷

Turning to Bhutan, ICT can have an impact on the efficiency of key economic sectors. Tourism could benefit from the application of ICT. Business processes could be made more efficient, and the Internet could be more effectively used as a marketing tool with global reach. Electronic payment systems could be introduced to link overseas clients with Bhutanese operators, and improve the efficiency of payment transactions.

In agriculture, ICT such as radio can be used to spread information about improved farming techniques. In Zambia, a project established radio programs and forums targeting farmers which focussed on efficient agriculture. A survey of 21,000 farmers enrolled in the project found that 90% found programs relevant and more than 50% credited the programs and forums with increasing their crop yields.⁴⁸ In India, farmers use a network of telecentres to access market information to ensure that their crops of tomatoes do not all hit the market at the same time, flooding the market and decreasing prices.⁴⁹

ICT can also be applied to systems which impact on many industry sectors, such as customs and taxation systems. The United Nations Conference on Trade and Development (UNCTAD) has developed a customs automation system to manage tariff collection, which speeds up movement of goods and reduces transport costs. It has been deployed in over 70 developing countries.⁵⁰ In Mirzapur, India, the local government computerized property assessment and tax records as well as tax billing and collection. This has resulted in a 44 percent increase in properties registered, a systematic and more equitable property tax analysis system, property tax bills actually issued for the first time in 17 years, and a 42 percent increase in total tax revenues.⁵¹

⁴⁷ See e.g., KJ Joseph above n39 at 1; Tamim Bayoumi and Markus Haacker, "It's not what you make, it's how you use IT; Measuring the benefits of the IT Revolution Across Countries" (Working Paper 02/117, IMF, 2001); although *contra* Charles Kenny, "The Internet and Economic Growth in Least Developed Countries" (Discussion Paper No 2002/75, United Nations University World Institute for Development Economics Research), August 2002

⁴⁸ Roger Harris, "ICT for Poverty Alleviation Framework" (Workshop for UNDP Country Office ICT Programme Officers/Focal Points in Asia-Pacific, 2002), 14

⁴⁹ *ibid* 27

⁵⁰ C. Kenny, J. Navas-Sabater, C. Qiang, "Information and Communication Technologies and Poverty" (World Bank discussion draft, 2001) at 27

⁵¹ *ibid*.

Second, ICT can increase the efficiency of markets, by increasing the flow of market-related information and hence removing “information asymmetries”, where the two parties to a transaction have different access to market information, and hence leading to a more efficient allocation of resources.⁵²

In a survey of 3,800 households in 200 Chinese villages over four years, it was found that access to a telephone reduced the price paid and the variation in price for three of four basic commodities. Further, the same data revealed that the introduction of telephones to a village resulted in dramatic increases in income within a two-year period.⁵³ Similarly, for clients of Grameen Phone in Bangladesh, it has been estimated that a single phone call provides real savings of three to ten per cent of a family’s monthly income by saving them the necessity of gathering information by more expensive or time-consuming means.⁵⁴

Another example of more efficient markets combines the introduction of new technology with the entrepreneurial spirit of the poor. The Grameen Phone enterprise in Bangladesh provides micro-entrepreneurs with mobile telephones for hire. Based on the successful business model of the Grameen Bank microfinance institutions, Grameen Phone has been able to identify viable new markets for technology services by increasing the size of a relatively small and poor market, and leveraging the entrepreneurial spirit of the poor.

Third, through e-commerce ICT might allow developing countries such as Bhutan access to developed nation markets. Theoretically, ICT can “disintermediate” markets by removing middle-men in supply chains, and hence ensuring more income to the producer of goods and services. Unfortunately, experience so far demonstrates difficult in translating this theory into practice. For example, www.peoplink.org was referred to by many ICT studies in the late 1990s as an excellent example of e-commerce improving market access for craft producers in India and Bangladesh. However, a later study found no evidence of significant sales of craft goods using e-commerce,⁵⁵ and the website temporarily closed.⁵⁶

Challenges to the successful establishment of “South-North” e-commerce include high establishment costs, difficulty in marketing,

⁵² Richard Curtain, “Information and Communications Technologies and Development: Help or Hindrance?” (AUSAID, 2003) at 14

⁵³ *Ibid* at 17. Note however that the “extent to which farmers can benefit from good information will vary according to other factors such as proximity of markets, available means of transportation, and their productive resources to respond to the opportunities information sources might provide.”

⁵⁴ UNDP HDR 2001, above n43 at 33

⁵⁵ UNDP Evaluation Office above n 36 at 12

⁵⁶ Curtain above n52 at 16. There are numerous other examples of failed “South-North” e-commerce projects; see e.g. UNDP Evaluation Office above n 36 at 12 regarding the “Earth MarketPlace Initiative”.

building customer trust and ensuring delivery of goods, varying standards of goods delivered and the absence of international payment systems.

Fourth, the ICT industry⁵⁷ has demonstrated extraordinary growth as an industry sector in its own right.⁵⁸ Despite the bursting of the “dot-com bubble” in 2000, indicative growth rates of the ICT sector in nine countries between 1996 and 2000 run between 30 and 55 per cent.⁵⁹

Bhutan does not have to look far to see the best global example of ICT driving economic growth in a developing nation.⁶⁰ From 1990 to 2003, ICT exports had grown from \$150 million to \$9.9 billion.⁶¹ The disparity in labour costs for qualified Indian engineers and western engineers in-country⁶², combined with the establishment of reliable telecommunications networks, has allowed Indian software and service companies such as Infosys and Wipro to establish billion dollar export companies on the outskirts of India’s cities. This growth has been reinforced by the increased wealth and technical expertise of India’s ICT diaspora, who re-invest in Indian companies and society.

Undoubtedly the boom in export-focussed software and services firms has boosted the overall wealth and economic development of India. It has demonstrated to developing countries that with the right fundamentals in place, lower levels of overall development and physical dislocation from markets need not limit the growth of an ICT industry.

This economic growth is not an overnight phenomenon. Far from being the result of “benign state neglect”, the phenomenon of India’s ICT industry was based on some long term investment and policy settings. The foundations were laid soon after India’s independence with the establishment of, and heavy investment in, the Indian Institutes of Technology, which have produced a steady flow of engineers ever since. In 1999, India’s education system produced more than 67,785 software professional per year.⁶³ Government promotion of the ICT sector dates back to 1972, and has involved tax breaks and subsidies.⁶⁴ More recently, India

⁵⁷ The ICT industry has been defined by the International Telecommunications Union as the convergence of the following six formerly distinct industries “(i) telecommunications equipment, (ii) telecommunications network services, (iii) computer hardware, (iv) computer operating software, (v) multimedia (or audiovisual) distribution networks, and (vi) multimedia (audiovisual) content. All of these industries are now converging, both in technology and in the marketplace; e.g., computing over the telecommunications network, and voice communications using computer hardware and software”

⁵⁸ Charles Kenny above n47 at 7 notes that the profits and productivity of information revolution are concentrated in the invention and production of ICT.

⁵⁹ Bayoumi and Haacker, above n 47 at 10

⁶⁰ Although note the reservations of overall national economic benefit from this export-focussed strategy in Joseph above n39.

⁶¹ UNDP HDR 2001, above n43 at 3; also “Resource Centre” NASSCOM, http://www.nasscom.org/artdisplay.asp?cat_id=314 as at 17 May 2004.

⁶² In 1995, labour costs for Indian systems analysts, systems designers, programmers and network designers was less than one third of their American counterparts : Joseph above n39 at 20

⁶³ *Ibid*, 12

⁶⁴ *Ibid*, 7-9

has focused on creating friendly regulatory environments (especially in relation to FDI), and world-class competitive telecommunications infrastructure. When combined with a pre-existing thriving entrepreneurial spirit and an intellectual and cultural environment open to new ideas and innovations, these policies have resulted in the “high-tech habitat” in which the ICT export sector has boomed.

There are other unexpected examples of developing countries harnessing the ICT sector as an engine for economic growth. Since adopting an aggressive policy of promoting the ICT sector, Costa Rica has experienced a twenty per cent annual increase in national exports; it now produces one third of all Intel microprocessors.⁶⁵ In Asia, Malaysia has pursued a similarly aggressive policy of attracting foreign investment in the ICT sector, which helped Malaysia rebound from the Asia economic crisis. In 1999, its GNP rose 5.4 per cent, with ICT comprising 36.5 per cent of total GNP.⁶⁶

ICT gives rise to business opportunities which did not exist 10 years ago, and which utilise ICT's ability to overcome the barriers of distance through “location-less work”. In addition to the software services example of India, several countries have leveraged English-speaking educated workforces to create call-centres or data entry factories to support developed nation businesses. Companies such as Dell, IBM, Accenture and Compaq have now outsourced their help-desk functions. Calls from New York are answered by help desk operators in New Delhi, where “Kanika becomes Kelly and Siddharth becomes Sid.”⁶⁷

Potential Negative Impact of ICT

The application of ICT for efficiency and better flow of market-related information can also act against exporters and weaker domestic companies in developing countries such as Bhutan. For example, by improving purchasers' access to price information ICT can reduce the prices that suppliers can charge for their goods. Further, a foreign company which utilises ICT to improve its own efficiency can underprice a local competitor.⁶⁸

There is a risk that limited access to ICT can create an internal “digital divide”. ICT is more affordable and accessible to dense, literate, wealthy, urban populations than to sparse, illiterate, poor rural ones.⁶⁹ This might present a challenge for Bhutan in attempting to spread the benefits of ICT

⁶⁵ Accenture, Markle Foundation and UNDP, *Digital Opportunity Report (2001) at 20* (hereinafter “DOI”)

⁶⁶ *Ibid* at 64-65

⁶⁷ S. Mitra Kalita, “India Calling” (15 July 2001) *Newsday*, <http://www.newsday.com/business/my-biz-india0715.story> as at 3 February 2004

⁶⁸ C. Kenny et al, above n50 at 26

⁶⁹ Charles Kenny, “The Costs And Benefits Of ICTs For Direct Poverty Alleviation”, (Draft Paper) January 2002 at 1

equitably through a society that largely consists of subsistence agricultural workers.

Further, it can be argued that productivity gains from ICT may widen the gulf between the most affluent nations and those that lack the skills, resources and infrastructure to invest in information technology. Bhutan, therefore, runs the risk of “missing the boat” and finding its ability to develop economically increasingly far behind those countries that have harnessed ICT.

Turning to the Indian example, it becomes apparent that the extraordinary economic success of the ICT sector has not been evenly shared. Workers with ICT skills are being hired in greater numbers and being paid increasingly more than their pay unskilled, less educated colleagues.⁷⁰ The “trickle-down” effect does not appear to be working. Opportunities to access education are unevenly distributed; while India has the seventh highest number of engineers of any country, mean years of schooling are only 5.1, and adult literacy is still 44 per cent.⁷¹ Regionally, the benefits of the ICT export industries have been confined to the four major centres (Bangalore, Mumbai, Delhi and Chennai).⁷²

Lessons Learnt

A policy of pursuing economic growth through ICT can enhance GNH if married to appropriate social policies.

There is little doubt that economic growth can provide an economic boon of jobs and wealth, enhancing both societal and individual economic well-being. Further, economic growth such as this can contribute to government taxation revenues through personal and company taxation, thus working towards the policy aim of self-reliance.

The Indian example also demonstrates that it is difficult to avoid disparities in incomes when one sector of a developing economy grows rapidly. This suggests that appropriate social policies need to be in place to counter the tendency towards disparities in incomes. This is reinforced by the critics. Castells comments that “left to market forces, there is an undeniable tendency toward a polarized social structure” between countries and within countries.⁷³ Similarly, the increased efficiency that ICT can bring to existing business operations may serve to further benefit the proprietors of those businesses.⁷⁴

The social impact of unevenly distributed economic benefit from this growth and increased efficiency, which has been less well studied, may well be significant. In India, it is quite likely that the impact of the ICT industry

⁷⁰ *Ibid* at 8

⁷¹ UNDP HDR 2001 at 38

⁷² Joseph above n39 at 15

⁷³ *Ibid* 4

⁷⁴ Kenny 2002, above n69 at p11

wealth has served to heighten existing social inequalities, and could continue to do so in the future. Indeed, some critics argue that an internal digital divide has opened up within India, widening the gap between those with access to education and ICT employment opportunities and those without.⁷⁵

The state has an important role to play in establishing the framework in which industry will develop and benefits will be shared. ICT policies can ensure that access is spread evenly throughout the country by employing universal service funds to subsidise otherwise unprofitable regional infrastructure. Social policies, including taxation policies, can ensure that the economic benefits of an ICT industry boom do not cluster in the hands of a few individuals, but are shared throughout society to increase the happiness of many, consistent with the Easterlin paradox and the concept of *delwa-jorpa*. Bhutan has already specifically acknowledged the link between a progressive income taxation regime and poverty alleviation.⁷⁶

If these policies are not in place before an ICT-driven economic boom, entrenched interests will make it difficult to impose them retroactively.⁷⁷

In addition to this proactive role of the state in setting the framework for development of an ICT sector, policy-makers may wish to consider ways to address the changes in the social fabric which may accompany the rise of an empowered wealthy ICT entrepreneur class.

Before turning to the second component of GNH, some further observations on developing an ICT industry sector might be considered.

The challenge of growing a globally competitive ICT sector is great. The list of fundamental requirements for growth of an ICT sector includes: heavy long-term investment in technical education, access to start-up and expansion capital, highest level political leadership, friendly regulatory environment for foreign investment, tax breaks and subsidies for local and foreign companies, government-funded research and development, incentives for private research and development, intellectual property protection, an innovation culture, world-class competitive telecommunications infrastructure and research facilities.

Importantly, the transformation to a knowledge society depends on “the capacity of the whole society to be educated, and to be able to assimilate and process complex information”,⁷⁸ and of the entire social organisation to encourage innovation.⁷⁹ The transformation from agrarian to knowledge society proposed by some Bhutan-watchers is unlikely to be simple or rapid.

⁷⁵ See e.g., Joseph above n39

⁷⁶ RGOB 8RTM above n15 at 29

⁷⁷ I am indebted to Dr Ram Jakhu for this concept of the proactive state in establishing the framework for ICT.

⁷⁸ Castells above n46 at 3

⁷⁹ *Ibid* 11

Further, recent global trends in industry policy have emphasized the importance of identifying a nation's competitive advantage: those elements which a nation holds uniquely which offer it an advantage in creating competitive industries.⁸⁰ This paper proposes that although Bhutan currently faces many challenges in developing an ICT industry, it does hold some competitive advantages. First, its remote location and stable socio-economic situation (at least by regional standards) are competitive advantages in the data warehousing industry segment. Indian ICT companies might prove to be amongst the first clients, especially given the terabytes of data generated by the Indian ICT industry.⁸¹ Secondly, Bhutan's unique cultural inheritance could be turned to its advantage by focusing on electronic archiving of its cultural heritage. This could be focused on archiving purely for preservation, or for sharing the culture with a world which is increasingly recognizing the attractions of Buddhist cultures and belief, and in Bhutan as the last remaining Vajrayana Buddhist kingdom⁸². A concerted national effort to digitise this content would create not only a national digital cultural asset, but also develop a cluster of expertise in multi-media and cultural preservation which could become a future export industry.

Preservation and Promotion of Cultural Heritage

There are in the heart of the vast Himalayas some strange marketplaces where one can barter the whirlwind of life for infinite wisdom.

Milarepa⁸³

ICT offers great and expanding opportunities for the preservation and promotion of cultural heritage. At the same time, ICT inherently moves cultural content around the globe, and is a key enabler of the homogenisation of global culture.⁸⁴ The challenge for Bhutan is to harness the many potentialities of ICT for preserving its unique culture, as well as implementing policies to limit the homogenizing and potentially harmful effects of global culture streaming down TV cables and through Internet connections.

The definitions section above identified three elements to this GNH component. First, it serves to safeguard identity which is seen as crucial to Bhutan's survival as a nation state. Second, preservation of cultural heritage

⁸⁰ See generally Michael Porter, *The Competitive Advantage of Nations* (1998)

⁸¹ I am grateful to Mr Randeep Sudan for this insight.

⁸² See RGOB 7RTM above n19 at 20

⁸³ *Planning Commission RGoB, Bhutan National Human Development Report 2000 (2000) at 50 (hereinafter "BHDR 2000")*

⁸⁴ See, e.g., RGOB 7RTM above n19 at 67

acts as a source of values. Third, it can provide a link between the individual and society, acting as an effective social security net.

This paper does not propose to explore exactly what Bhutanese “cultural heritage” is. Others⁸⁵ have noted that culture is dynamic and evolving, and it is beyond the scope of this paper to explore these issues in depth.

Potential Positive Impact of ICT

ICT can assist in the preservation of underlying documents, artefacts, texts and other cultural assets. Provided that religious rules allow, Buddhist texts can be digitized and archived against the rigours of time. Rinpoches can have their voices recorded; monasteries can be photographed and preserved in digital images. This activity, in fact, could be used to leverage the global interest in Buddhist cultures and beliefs as mentioned above.

For example, in New York, the Tibetan Buddhist Resource Center, with the help of the Himalayan Art Project, the University of Virginia and the Tibetan Knowledge Consortium is scanning Tibetan books and storing and distributing them on CD-ROM.⁸⁶

More broadly, as Bhutan transforms into a society more open to outside cultural influence, ICT can be used to record the living history of the nation’s older generation. Bhutan is largely a society with strong oral traditions;⁸⁷ such histories could be recorded and genealogical records made, capturing the knowledge of the older generations who have seen amazing transformations within Bhutan in their lifetimes.

For example, the Oral Testimony Program of the Panos Foundation is supporting a program of mountain people interviewing each other, with the interviews then transcribed and published online and in booklets.⁸⁸

Bhutanese cultural institutions can play a leading role. The National Library’s priceless collection of texts from both Bhutan and Tibet might be digitized, and a selection placed online. The National Museum’s collection of artefacts could be digitally recorded, as could the collections of the Folk and Textile Museums.

One example of a museum leading a national effort for creating cultural heritage online is the Egyptian Museum, whose website⁸⁹ contains video files of recent discoveries as well as photographs of many of the masterpieces of the collection.

⁸⁵ See e.g. Priesner, above n6 at 43, who notes that “It is perhaps the biggest challenge of Gross National Happiness to give sufficient attention to the preservation of Bhutan’s unique culture and by the same token redefine the concept dynamically in order to attract the young generation and serve nation building.”

⁸⁶ Alfred Hermida, “Tibetan culture finds digital saviour” (24 September 2002) BBC News <<http://news.bbc.co.uk/2/hi/technology/2271016.stm>> as at 2 February 2004

⁸⁷ MIS above n1 at 3

⁸⁸ see www.mountainvoices.org

⁸⁹ www.egyptianmuseum.gov.eg

Minority indigenous cultures can also be preserved and promoted through online sites. New Zealand Maori culture is showcased at maori.culture.co.nz, where visitors can read histories of the Maori people, view images of cultural artefacts and the unique tattoo patterns common among Maori men, obtain Maori recipes, and order cultural products from an online shop.⁹⁰

ICT can be used to capture, disseminate and revitalize minority cultures in Bhutan. Sharchop is being spread through BBS radio; a girl in Trongsa reported learning Sharchop songs through the radio.

Digitizing cultural heritage in this way serves to preserve it. Making it accessible through online distribution serves to promote it. This accessibility can connect communities with their culture, foster a wider appreciation of the culture's value and importance, and promote a more inclusive approach to the use and interpretation of these artefacts.⁹¹ Of course, online access opens the culture up to a broader audience, and can assist to promote an appreciation of Bhutan's cultural heritage on a global scale.

In northern Thailand, a UNESCO-backed project is creating a virtual museum featuring digital pictures, digital videos, and an on-line talking dictionary to record and preserve the culture of threatened hilltribes.⁹²

Further, digital recording of cultural heritage can help to establish claims of custodial ownership over traditional and indigenous knowledge and intellectual property (including rights of interpretation and commercialisation).

The information age provides Bhutan opportunities to assert the reality of its nationhood and sovereignty. Entry into the United Nations family of nations in 1971⁹³ helped buttress Bhutan's claims to nation status. Recognition by international ICT bodies such as the International Telecommunications Union and the World Summit on the Information Society helps reinforce Bhutan's national sovereignty. Further, the effective control and regulation of the ".bt" domain name is a more modern manifestation of Bhutan's individual national status. In Afghanistan, the Taliban sold the rights to the ".af" domain name to a businessman who disappeared. The rights were only recently recovered, with UNDP assistance, after a year of detective work. As has been noted, "For Afghanistan to recover .af is like putting a flag in cyberspace, saying 'we exist.'" ⁹⁴ Similarly, the creation of a Dzongkha 'Unicode', the underlying system that allows the national language to be incorporated into word

⁹⁰ *Ibid*

⁹¹ Harris above n 48 at 26

⁹² "Indigenous Tribal Culture Virtual Museum", *Digital Dividend*, <http://wriwos1.digitaldividend.org/wri/app/navigate? action=opencapsule&dbld=389bc698%>, as at 3 February 2004

⁹³ RGOB BHDR 2000 above n83 at 41

⁹⁴ UNDP Resident Representative Ercan Murat, quoted in Nick Meo, "The Information Age Dawns on Afghanistan" (December 2003) UNDP Choices 10, 12.

processing and other software systems, is another way of asserting Bhutan's sovereignty in the information age.

The impact of global media is spurring local media to improve the professionalism of their content, both in terms of quality and quantity.⁹⁵

Finally, the Bhutanese diaspora is starting to form e-communities, maintaining contact with friends through email and instant messaging, and keeping up with Bhutanese news through Kuensel Online, reinforcing and projecting Bhutanese culture through these communities.⁹⁶

Potential Negative impact of ICT

ICT is a means for opening up Bhutan to outside cultural influences. The most obvious example to a resident of Bhutan is the impact of television in importing cultural values. Commentators, especially journalists,⁹⁷ often overstate the immediate impact of the official introduction⁹⁸ of television services in 1999 on Bhutanese culture, overlooking the fact that Indian and Western movies and videos were available to many Bhutanese before then.⁹⁹ However, there can be little doubt that the availability of over forty channels of non-Bhutanese material, in contrast to one Bhutanese television channel, must be having some impact on cultural values. The three month monopoly granted to BBS in 1999 did not stop it being 'swamped' by the introduction of international cable TV.¹⁰⁰

There is, however, debate as to the exact extent that television impacts on culture. There are three schools of thought. The first argues that the impact is "immense and totally pervasive", and needs to be addressed by immediate regulation. The middle school argues that there is insufficient data to make a categorical assessment of the impact. The third school argues that national communication policies correct the worst excesses, and in any case the process will right itself over time if there are fewer restrictions.¹⁰¹

The homogenisation of global culture can be demonstrated by some figures about the USA trade surplus in culture and entertainment. As one commentator wryly notes, "Pop culture is America's hottest export item today."¹⁰² In 1997, American movies, music, TV programs and home video contributed to a US\$8 billion trade surplus in this sector. In the past five years the overseas revenues of Hollywood studios have doubled. The US\$20

⁹⁵ MIS above n1 at 28

⁹⁶ Ibid 55

⁹⁷ See "Fast forward to trouble", *Guardian* (London, UK) 12 June 2003

⁹⁸ Some southern areas were able to access television transmissions from India before 1999.

⁹⁹ In 1980, there were an estimated 1000 video players in Bhutan, and by 1998, there were 95 licenses issued for video cassette shops : MIS above n1 at 24, 25.

¹⁰⁰ Ibid 39

¹⁰¹ Ibid 29

¹⁰² Hamelink, above n 38 at 20

billion music industry earns approximately 70 per cent of its revenues outside the United States.

The balance of trade in culture is almost entirely one-way; Bhutan imports far more than it exports, although it is likely that this is the case with most countries except USA. Moreover, the combined impact of ICT and globalisation is having a homogenizing effect on minority cultures.

It is not just US culture that is impinging on Bhutan. During the telecasts of Indian cricket matches, Bhutanese children can be witnessed whittling cricket bats and the flight of *khuru* and *dha* is replaced by cricket balls. Almost three quarters of respondents to the MIS identified Indian culture as the most common culture on television.¹⁰³

The impact of television on lifestyle in urban areas has been substantial. According to a Kuensel Online survey in 2003, over 75 per cent of respondents said their lifestyle had changed partially or completely since the introduction of television. According to the Media Impact Study¹⁰⁴ (MIS), “people ... are sleeping later at night and adjusting their housework, even office work, to TV. ... Some of the elderly say that they sometimes forget to do their *mani* because they are so engrossed in the serial on TV.”¹⁰⁵ People have less time for office-, house- and home-work and delay their dinner and bedtimes around television programming.

To the extent the cultural heritage is associated with the close social network of families and extended families which Bhutan currently enjoys,¹⁰⁶ it has been observed that television impacts on the way families spend their leisure time together. The MIS found that some families say they now socialise more by watching television together. A general complaint is that “families are always so engrossed in watching TV even during their meal times that they do not get to talk as much as they did before they had television.”¹⁰⁷

Television is not the only way that ICT can impact on family life and leisure time. The introduction of ICT into workplaces, along with other changes impacting on work culture, has resulted in fewer people working longer hours. Even when a family member is physically present, work has extended its reach into the home with the introduction of computerized home offices and mobile phones.¹⁰⁸

Television has also impacted on social values, particularly in urban areas, with the “growing acceptability of international modes of behaviour”¹⁰⁹. Public displays of affection are now more accepted, even

¹⁰³ MIS above n1 at 57

¹⁰⁴ MIS above n1 at 48

¹⁰⁵ *Ibid*

¹⁰⁶ Lyonpo Jigmi Thinley above n5 at 15

¹⁰⁷ MIS above n1 at 49

¹⁰⁸ Emmanuel C. Lallana “The Information Age” (*e-ASEAN Task Force / UNDP-APDIP, May 2003*) at 24

¹⁰⁹ RGOB 7RTM above n19 at 71

though a majority of MIS survey respondents admitted to not enjoying watching kissing and promiscuous scenes on television.¹¹⁰ Violence is acceptable,¹¹¹ stereotypes of women in Indian serials are contrasting with the practical role of Bhutanese women in rural settings,¹¹² and viewers are increasingly exposed to the middle-class lifestyles of urban Indians.

Youth are, perhaps, particularly vulnerable to the values presented on television. Teachers have observed that students are more tired in class since the introduction of television: “less focused in class, obsessed with TV characters, and picking up language and mannerisms from Hindi and western films.”¹¹³ Many young people reported picking up slang¹¹⁴ and fashion ideas from television.¹¹⁵ Wrestling developed a cult following amongst children; one headmistress reported that a child broke his leg in when thrown wrestling-style by a friend.¹¹⁶ One youth surveyed observed that at parties, youth are “ashamed of speaking Dzongkha”, and that those who don’t speak English are “conservative, old-fashioned, orthodox-type people.”¹¹⁷

Yet, according to the MIS, over half of parents do not restrict their children’s television viewing,¹¹⁸ and parents in rural areas believe their children will benefit from watching television.¹¹⁹ Most parents and teachers emphasise the educative power of television¹²⁰, and overall 66 per cent of people think that television has a good impact on Bhutanese society.¹²¹

Lessons Learnt

ICT improves the storage and dissemination of culture; it is blind to its origins. Currently, the flow of culture seems to be all one-way, namely into Bhutan. However, the power of ICT which brings global culture into Bhutan can be harnessed to preserve and distribute Bhutan’s culture to the world, and “push back” against the prevailing tide of cultural flow.

Intelligent application of ICT can digitize, store and disseminate Bhutan’s cultural heritage, through the Internet, television, radio and film. This can provide greater access to Bhutan’s cultural heritage to Bhutanese, as well as to foreigners interested in Bhutan’s culture. Media can help

¹¹⁰ MIS above n1 at 49

¹¹¹ *Ibid* 50

¹¹² *Ibid*

¹¹³ *Ibid* 51

¹¹⁴ *Ibid* 58

¹¹⁵ 28 per cent of respondents: *Ibid* 57

¹¹⁶ *Ibid* 52

¹¹⁷ *Ibid* 54

¹¹⁸ *Ibid* 52; 56 per cent of parents interviewed.

¹¹⁹ *Ibid*

¹²⁰ *Ibid*; over 50 per cent of parents let children watch television “to learn”; a Thimphu survey by Bhutan Telecommunications Authority found that 90 per cent of teachers and parents felt that cable television was educational.

¹²¹ *Ibid* 53

project national issues and views across borders; today, BBS radio receives 300 letters a week from listeners in surrounding areas of India and Nepal.¹²²

Also, ICT can be a strong force for unifying regional people into a sense of nationhood. The MIS found that *chimis* were arguing in favour of expanding the reach of BBS television, saying that Bhutanese TV will instill a sense of nationhood.¹²³

However combatting the momentum of global culture requires careful policy and planning measures. While it seems impossible for Bhutan to produce “enough local content to match the massive inflow of media”,¹²⁴ further funding¹²⁵ for Bhutanese television and radio content and distribution would be welcomed by regional populations. The training of Bhutanese writers and programmers¹²⁶ might also assist in boosting the capacity for local production of quality local content. Similarly, projects for digitizing and disseminating Bhutanese cultural heritage can increase Bhutan’s cultural footprint on the world stage, as well as opening up this cultural heritage to Bhutan’s citizens.

Developed countries such as Australia and Canada have sought to increase the quality and quantity of local cultural content by long-term support for public broadcasting as well as specific television licence conditions which require a certain proportion of locally developed content. Further, community radio and television have been utilised as cost-effective ways to increase the number of local voices being heard in the local media.

The impact of WTO regulations on cultural preservation should be carefully considered when Bhutan weighs up the advantages and disadvantages of acceding. WTO rules may limit the ability of governments to promote local content creation by requiring or subsidizing national content creation, as this can be seen as unfairly favouring national producers over international producers of cultural content.

A final observation; if modernisation is seen as contradictory to culture and tradition, then there is a risk that youth might choose modernisation over tradition.¹²⁷ A more evolutionary understanding of culture will ease this tension, and allow media-saturated youth to navigate between maintaining contact with traditional culture and taking the best that global culture has to offer. Indeed, globalisation offers opportunities for Bhutanese artists to create and innovate¹²⁸ with new cultural inputs and ICT tools,¹²⁹

¹²² *Ibid* 62

¹²³ *Ibid* 38

¹²⁴ *Ibid* 28

¹²⁵ Interestingly, the MIS above n1 at 46 found that 70% of respondents said they were willing to pay for BBS TV, especially if it improved programming.

¹²⁶ RGOB 7RTM above n19 at 67

¹²⁷ MIS above n1 at 49

¹²⁸ *Ibid*.

¹²⁹ See also Priesner, above n6 at 43

hence not only preserving the cultural but also, more dynamically, conserving it.

Preservation and Sustainable Use of the Environment

Potential Positive Impact of ICT

ICT can improve environmental efficiency in industry sectors, improve environmental information management, and help to predict and mitigate the effects of natural disasters.

ICT industries are generally service industries, and therefore tend to have lower environmental impact than manufacturing industries; the term “weightless economy” was coined to describe this knowledge-based economy that produce “weightless” services, information and content. This is related to the phenomenon of “de-materialisation”, whereby activities which currently require physical goods which consume resources in production can be replaced by centralized ICT systems. For example, 50 individual household answering machines can be replaced by a centralized digital answering system run by a communications company, with much lower net environmental impact.¹³⁰ Reading the newspaper online saves paper and transport costs.

Similarly, the services generated by ICT industries often do not require transportation, but can be delivered through the information infrastructure. This phenomenon of “de-transportation” can also reduce the environmental impact of individual’s travel, by allowing people to utilise ICT to lessen the need to travel. This can be achieved through the remote delivery of government services saving a trip to Thimphu to renew a licence, or perhaps in the future downloading movies through a broadband network eliminating a trip to the video store.

ICT can also be applied across industry sectors to improve efficiency and reduce consumption of natural resources.¹³¹ To take an extreme example, Amazon online bookstores has an energy cost per \$100 of sales of just 3 cents, compared with 44 cents for a non-virtual bookstore.¹³²

The role of ICT in improving the design and efficiency of cars, manufacturing processes and transportation¹³³ has been linked to the constant levels of energy consumption in the US between 1973 and 2000, despite GDP increasing by 75 per cent in the same time.¹³⁴ Similarly computer-aided design in housing construction can assist in

¹³⁰ Dennis Pamlin, “Technology and Our Future”, (22 May 2003) World Wildlife Fund, <http://www.panda.org/news_facts/publications/general/ict/e-europe_London_030522.pdf> as at 3 February 2004

¹³¹ DOI above n65 at 16

¹³² Dennis Pamlin, above n 130.

¹³³ See John Daly, *ICT and Ensuring Environmental Sustainability* (2003), *Development Gateway* <<http://www.developmentgateway.org/node/133831/sdm/docview?docid=569545>> as at 1 February 2004

¹³⁴ *Ibid*

environmentally-friendly design and construction and limit the need for excessive heating and cooling.

Environmental information systems can greatly assist environmental management, which is constantly challenged by a lack of relevant and reliable information. By collecting, processing and disseminating environmental information, ICT can assist our understanding of issues like biodiversity and climate change and help monitor ecological conditions to allow for prevention and mitigation measures.¹³⁵

Similarly, environmental information systems can be used to mitigate the effects of natural disasters. In Bhutan, geological data of glacial lakes and seismic data could be gathered and analysed to help predict, and thus mitigate, the effects of bursting lakes and earthquakes.

ICT can be used to monitor and respond to environment disasters. For example in Mexico fire emergency teams used satellite imagery to direct response teams to threatened areas, thereby substantially reducing casualties and property loss.¹³⁶

Geo-spatial information systems can be used to map the environment in a particular area and monitor its usage and condition over time. For example, the Arun River basin has been mapped using computer imaging, and the resulting database was used to design and implement a land management program.¹³⁷

ICT networks can assist in environmental preservation by allowing citizens to form networks to monitor environmental abuses and alert authorities. For example, in Indonesia environmental officials created a public database for rating industry compliance with water standards. Citizens groups began monitoring local industries against these standards and reporting underperformance to officials. Within the first 15 months of this activism, one-third of non-complying factories had improved their performance up to the regulated standards.¹³⁸

The global system is slowly acknowledging the importance of our global environment, and creating systems to reward good environmental behaviour, such as the contemplated systems of global carbon trading. These systems promise to reward Bhutan economically for the preservation of its environment; ICT will underpin these systems.

Less directly, ICT can improve processes which are linked to environmental sustainability. ICT can help stem population growth by contributing to the education and empowerment of women. It can help stem rural-urban migration by assisting the service delivery underpinning de-centralisation efforts. It can assist in land tenure systems, increasing the

¹³⁵ DOI above n65 at 16

¹³⁶ *Ibid*

¹³⁷ *Ibid*

¹³⁸ *Ibid*

degree of ownership and long-term environmental care of citizens for their immediate environments.¹³⁹

Potential Negative Impact of ICT

ICT can have several negative impacts on the environment. Firstly, ICT equipment itself requires high levels of resources to produce. “The production of a single personal computer requires approximately as much energy as the average electricity consumption of a mid-European household per year.”¹⁴⁰ Further, ICT equipment including television screens and batteries can have high concentration of heavy metals such as cadmium and lead which constitute a waste management issue.

Secondly, the installation of ICT infrastructure, such as mobile telephone towers and fibre-optic cable, can have intrusive impacts on the environment, although improving wireless technologies are overcoming the requirement for large amounts of built infrastructure.

Thirdly, at a conceptual level, the contribution of ICT to economic productivity “implies the strong likelihood that more industrial production leads to higher levels of consumption and therefore in the end to more pollution”.¹⁴¹

Lessons Learnt

ICT can be harnessed to promote the GNH goal of sustainable use of the environment. In particular, given Bhutan’s rugged terrain, the remote delivery of information and ICT-enabled services can reduce the need for resource-hungry travel. This is particularly pertinent given the priority on de-centralisation, discussed further below. Information systems can also be used to monitor Bhutan’s unique environment, to conserve biodiversity, plan best land usage, and mitigate against the effects of natural disasters.

It is not certain whether, on balance, ICT equipment uses more energy resources than it saves. Government should consider ways to ensure that ICT is employed efficiently from an environmental perspective.

Safeguards should be put in place to minimise the potential negative environmental impacts of installation of ICT infrastructure and disposal of ICT goods.

Good Governance

Good governance is perhaps the component of GNH in which ICT can be of most benefit. As defined above, good governance is characterized by efficiency, integrity, accountability, transparency and citizen participation. In the medium term, the policy objectives under-pinning governance in

¹³⁹ See John Daly, above note 133

¹⁴⁰ Hamelink, above n 38 at 22

¹⁴¹ *Ibid*

Bhutan are decentralisation, democratisation and devolution of power from the King.

ICT, through its ability to improve workflows, disseminate information and allow two-way communication, provides great promise in efficiency, transparency and participation in governance. Participation in collective choices has been identified in Bhutan as a precondition of human happiness.¹⁴²

Potential Positive Impact of ICT

ICT is designed to process and distribute information. By its nature, it reduces the negative impacts of distance and time. It can increase the speed, volume, quality, and transparency of transactions.¹⁴³ ICT also makes possible entirely new procedures, interaction among people, information, and communications,¹⁴⁴ which were previously impossible because of high cost or unmanageability, allowing the public sector to innovate in its delivery of information and services to citizens.

It is therefore perfectly suited to enhance transparency, improve citizens' access to information, and if properly applied, can improve efficiency of government services to citizens and citizen participation in decision-making.¹⁴⁵ Indeed the application of ICT to government has been given a distinct moniker, "e-government", which applies to a range of activities discussed below.

Specifically, ICT can assist good governance in the following ways. Firstly, ICT can improve the efficiency of government through improving internal business-processes, procurement and information sharing between different sectors of government.¹⁴⁶

Secondly, ICT can be used as a tool for improved decision-making through better access to population, economic and other data, as well as a tool for accessing overseas policy experience.

Thirdly, ICT can improve the delivery of public information to citizens, such as laws, statistics, land registration and health information.¹⁴⁷

In Karnataka, India, the Bhoomi project has computerized 20 million records of land ownership. Over 330,000 farmers have now accessed their Record of Rights, Tenancy and Crops (RTC) through Internet kiosks for a fee of 15 rupees in less than 30 minutes; the process used to take weeks if

¹⁴² RGOB 8RTM above n15 at 16

¹⁴³ Asia Development Bank *Information and Communication Technology for Development in the Pacific* (2003), 31

¹⁴⁴ For example, discussion groups, audio and video teleconferencing, 24-hour operations, online payment, online authorisation, one-stop shop processing, and overall transaction process monitoring and prompting for more effective transaction management; *Ibid.*

¹⁴⁵ Richard Heeks. "Information Age Reform of the Public Sector: The Potential and Problems of IT for India," (Information Systems for Public Sector Management Working Paper Series, Paper No. 6, Institute for Development Policy and Management (IDPM), October 1998)

¹⁴⁶ Sometimes referred to as the "G2G" (government to government) component of e-government.

¹⁴⁷ Sometimes referred to as the "G2C" (government to citizen) component of e-government.

not months. This system has eliminated many opportunities for corruption, as well as empowered farmers who require the RTC for many tasks including obtaining bank loans.¹⁴⁸

Fourthly, ICT can improve the provision of information to citizens in support of government services such as health, education and transport. This is in support of the RGoB policy to provide information as a right.¹⁴⁹

Fifthly, ICT can improve citizen participation in decision-making by providing the information required to make decisions. Further, civil society organisations have adopted ICT tools to organise and voice their concerns, to form and work effectively, and be a conduit for the citizen's voice to be heard.¹⁵⁰ ICT has been credited with a role in helping civil society organise for the downfall of President Estrada of the Philippines. Following his impeachment, an electronic advocacy network was established and collected 150,000 petition signatures and targeted a letter-writing campaign to Senators who would vote on the impeachment.¹⁵¹

Further, the implementation of a comprehensive e-government agenda can help to boost the capabilities of the local ICT industry by creating opportunities for high-value ICT work and spill-overs of expertise and know-how from international joint venture partners.

Another important impact of ICT is its ability to support the media in its traditional role as the "fourth estate" in democratic systems.¹⁵² This is especially important to support the evolution of institutions of good governance. The online public discourse is becoming an increasing phenomenon, with frank views being expressed through Kuensel Online,¹⁵³ and some senior government officers using it as a barometer of public opinion.¹⁵⁴ Further, Kuensel itself is gradually becoming more open and critical of public decision-making; the MIS identifies Kuensel's discussion of the income tax issue in the National Assembly in 2003 as a potential watershed in critical media coverage within Bhutan.¹⁵⁵

Potential Negative Impact of ICT

E-government is not without risks. The diversion of funds to ICT-enabled governance projects can inadvertently leave "non-virtual" government services under-funded. This can result in reduced access to government services from citizens, such as the elderly and non-literate, who are not comfortable with, or able to access, ICT.

¹⁴⁸ Harris above n 48 at 23

¹⁴⁹ MIS above n1 at 15

¹⁵⁰ Sometimes referred to as the "C2G" (citizen to government) component of e-government.

¹⁵¹ UNDP HDR 2001, above n43 at 32.

¹⁵² MIS above n1 at 30, 61

¹⁵³ Ibid 27

¹⁵⁴ Ibid 61

¹⁵⁵ Ibid at 62

Further, e-government involves the risks inherent in all ICT projects. Poor project design can lead to poorly targeted services, and cost and time over-runs. This carries the risk not only of the lost financial and human resources devoted to the project, but also the risk of tarnishing the image of ICT as a tool for development.

Lessons Learnt

ICT holds great promise for improving good governance. For Bhutan, it can be used for the remote delivery of services in support of decentralisation, which is always a challenge given the topography. It can improve citizen's access to information and inform citizen participation and input into decision-making.

Further, ICT tends to render government processes transparent. In other countries, electronic procurement systems have limited the opportunity for unscrupulous public officials to corrupt the process.

However, ICT will not of itself create a strong and efficient state; indeed it is more likely to require one as a pre-requisite for its utility.¹⁵⁶

Successful programs utilizing ICT for good governance require a high degree of cross-sector co-operation in setting standards to enable data-sharing, co-ordinating infrastructure needs, and sharing expertise from advanced ministries to those just starting out.

Clear understanding of the potentials and limitations of ICT, as well as good project design focused on an identified development objective,¹⁵⁷ will increase the chances of e-government projects being successfully implemented.

Other Impacts of ICT

The paper thus far has discussed in some detail the impact that ICT can have in Bhutan by focusing on the defined elements of GNH. However, the impact that ICT will have on Bhutanese society due to its inherent characteristics and its dynamic interaction with the broader phenomenon of globalisation are also worthy of discussion. Further, when considering the impact of ICT on development globally, it has been observed that the impact in individual countries "pale[s] into insignificance when compared with the role of expanding computing power in changing the economies and societies of advanced industrial countries, and thus the nature of the world system."¹⁵⁸

The next section of the paper will address three more overarching thematic areas where ICT is having an impact globally on the way people work, interact and behave. Should ICT become infused into Bhutanese

¹⁵⁶ Hewitt above n158 at vi

¹⁵⁷ Curtain above n52 at 19

¹⁵⁸ Cynthia Hewitt de Alcántara, "The Development Divide in a Digital Age: An Issues Paper" (Technology Business and Society Programme Paper Number 4, UNRISD, August 2001), 4

society, it is to be expected that the impact will be similar. The paper will discuss briefly how these global phenomena might manifest themselves in Bhutan, and how policy-makers in Bhutan might anticipate and react to them, in order to ensure that the national aspiration to GNH remains paramount.

ICT and Labour

New technologies do not induce unemployment, as has been demonstrated by empirical research.¹⁵⁹ “There will always be room for workers, but the areas or fields of demand will change.”¹⁶⁰ However, they do have the potential to transform the way labour is deployed within an organisation and within the global economy. It is wise to consider the impact of ICT on labour markets and its relationship with GNH.

ICT changes where work can be done. It allows information intensive work to be done from anywhere. American newspapers can be scanned and archived in Mongolia; software code for British banking systems can be written in Bangalore. This means that corporations can now shop globally for the cheapest deliverer of this work. Production is organized among separate players in horizontal networks: subcontractors, suppliers, research laboratories and distributors.¹⁶¹ Outsourcing is one of the key drivers of the efficiency boom of during the nineties.

ICT changes workplaces and business processes. Where previously information intensive activities were consigned to paper and handled by administrative clerks, ICT allows information flows to be electronic (“paperless”), and reduces the need for clerks performing menial “paperwork”.

ICT speeds up work. Automation and the processing power of ICT means that information intensive work can be done faster, and clients are demanding more speed. Emails demand quicker responses than letters. Mobile phones make sure we are accessible 24 hours a day. The fashion photographer who used to have twelve hour breaks while his film was developed now downloads the photos from his digital camera to his laptop. His can deliver faster products, and clients are demanding it. His twelve hour work gaps are a thing of the past.

Each of these phenomena has possible impacts on Bhutan. The phenomenon of “location-less work” creates both opportunities and threats. On the one hand, outsourcing creates new markets (for example, call centres) in which Bhutan can participate, because the traditional barriers of distance or mountainous topography can be overcome.¹⁶² (As noted above, however, there are substantial barriers to Bhutan successfully entering this

¹⁵⁹ Castells above n46 at 10

¹⁶⁰ Lallana above n108 at 19

¹⁶¹ UNDP HDR 2001, above n43 at 31

¹⁶² RGOB 8RTM above n15 at 46

market.) On the other hand, outsourcing creates a threat to Bhutan's industries if they are not efficient. If the telecommunications infrastructure allows it, it may be cheaper to outsource the layout of Kuensel to a Bangalore online publishing firm. Further, the impact of WTO regulations in the future may even *require* that such government work be tendered out to an open and global market.

Changes to workplaces and business processes precipitated by ICT may have significant impact on the typical Bhutanese office. ICT allows the streamlining of processes and employment relating to information intensive clerical tasks. For example, a human resources software system could replace several clerical positions. This "business process re-engineering" might be expected to have a significant impact on the structure of the typical Bhutanese office, as well as pose challenges to the current regulation of labour.

The economic logic of business process re-engineering in developed nations depends on the high establishment cost of ICT systems being paid for by, or at least justified in terms of, future salary savings from a re-configured and reduced workforce. Therefore the logic of investment in ICT systems assumes flexibility in labour arrangements (allowing staff to be made redundant), salaries savings can be kept by the organisation making the saving, and off-set against the cost of the ICT system. It is not clear that these assumptions are valid in Bhutan, especially within the Civil Service, so the developed nation logic of business process re-engineering within RGoB organisations may not hold.

Finally, the speeding up of work is a typical feature of ICT-intensive countries. Typically, workforces are smaller, more flexible and harder working.¹⁶³ In developed nations, this has resulted in longer working hours and challenges to accepted notions of leisure and family time.

What are the lessons for Bhutan? Firstly, decisions regarding deployment of ICT in the workplace should be informed as to their possible consequences, and measured against the over-arching goal of GNH. In particular, the potential for the speeding up of work to impact adversely on lifestyle and time for family and leisure needs to be considered, especially if "tranquility" is an element of GNH, as one commentator has suggested.¹⁶⁴ If "human development" means "the process of enabling more people to have wider choices",¹⁶⁵ then perhaps there is an inconsistency with a working culture where long hours are the norm.

Secondly, if it is a desirable goal to deploy ICT in the workplace to promote efficiency, labour regulation will need to be reviewed; otherwise the business logic of investment in ICT will not apply.

¹⁶³ Lallana *above* n103 at 19

¹⁶⁴ Lyonpo Jigmi Thinley, *above* n5 at 15

¹⁶⁵ See Peter Uvin, *Aiding Violence* (1998) 105

Thirdly, ICT will change the types of workers required. In order to lessen the social impact of deploying ICT in the workplace, workers whose roles are replaced by ICT should be given the opportunity to retrain for positions which are still required to be humanized, or in ICT skills which will make them employable in the new work environment.

ICT, Innovation and the Cult of the Individual

The Internet and the ICT revolution have created “sovereign individuals”— individuals who are empowered because they have access to new learning opportunities; are able to sell their own ideas, services or products directly to others.¹⁶⁶

ICT enables the individualisation of labour,¹⁶⁷ markets of one,¹⁶⁸ and the empowerment of the individual. Individuals can now project their voice deep into cyberspace to an audience of millions by writing diaries known as “weblogs”. They can create one-person information businesses, and generate wealth without the interactions with their immediate society which we once thought necessary. Labour is de-socialised and individualised;¹⁶⁹ the individual becomes sovereign.

This individualisation is reinforced by the social structures of the ICT industry. Classically, the start-up ICT company is the brainchild of one or two individuals, who are motivated by individual gain. The enterprise takes on some of the personality and characteristics of its founders. Alternatively, larger enterprises seek and attract the most talented individuals with attractive salaries, and workplaces catering to individual whims, complete with basketball rings, espresso machines and bean bags.

The success of these enterprises requires a social and business setting which sanctifies this extreme individualism. One commentator has remarked that “[p]ersonal freedom (and therefore liberty in its fullest sense) is a prerequisite for entrepreneurialism.”¹⁷⁰

Further, underlying the success of innovative ICT companies in developed nations, and classically in Silicon Valley, has been a disruptive lack of deference for traditional ways of doing things, an ability to think “out of the box”, which allows innovation to happen.

Indeed, to gain the maximum “transformative” advantage from an ICT project, the technology is shaped by the innovation of the implementers, creating new more appropriate applications and outcomes that may not

¹⁶⁶ Lallana above n108 at 23

¹⁶⁷ Castells above n46 at 8

¹⁶⁸ DOI above n65 at 10

¹⁶⁹ Castells above n46 at 8

¹⁷⁰ *Ibid* 11

have been initially planned.¹⁷¹ Similarly, in order to gain the maximum social benefit from ICT specifically and innovation more generally, the social culture must inspire innovation and creativity.¹⁷² “It is the entire social organisation that becomes productive or, on the contrary, an obstacle for innovation, and thus for productivity growth.”¹⁷³

Thus ICT tends to both demand and create an atmosphere of individualisation and innovation.

For Bhutan, it should be considered what the impact of this individualisation and innovation might be on society and GNH. Some commentators suggest that inherent to the notion of GNH is a culture of deference, where “[t]he pursuit of individual self-interests during modernisation often threatens the rich bonding of individuals as members of extended families and communities.”¹⁷⁴

This, on the face of it, seems antithetical to the culture of innovation and individualisation which ICT both demands and creates.

Perhaps Bhutan may wish to look to the alternative models of east Asian economies, such as Singapore, which have established successful information societies and ICT sectors while appearing to retain more “traditional” values.

ICT, Globalisation and Openness

Nobel Laureate Joseph Stiglitz defines globalisation as:

...the closer integration of the countries and peoples of the world which has been brought about by the enormous reduction of costs of transportation and communication, and the breaking down of artificial barriers to the flows of goods, services, capital, knowledge, and (to a lesser extent) people across borders.¹⁷⁵

As with its relationship to innovation and individualisation, ICT both *enables* and *demands* these characteristics of the open globalised world. Even before the invention of the microprocessor in 1971, ICT has underpinned the international air transport network since 1949 and the international banking settlement system since the 1960s.¹⁷⁶ ICT facilitates the virtually instantaneous movement of capital across borders, now totaling over a trillion dollars a day. It enables the increasing movement of people and goods through enhanced air, sea and terrestrial transport systems. ICT enables the free flow of ideas, information and culture through the pipelines

¹⁷¹ Harris above n 48 at 9

¹⁷² UNDP HDR 2001, above n43 at 79

¹⁷³ Castells above n46 at 11

¹⁷⁴ Lyonpo Jigmi Thinley, above n5 at 22

¹⁷⁵ Cited in Lallana above n108 at 26

¹⁷⁶ Hewitt above n158 at 4

of the global information infrastructure, from satellite television to the Internet.

Conversely, ICT industries now demand and require this globalisation and openness. Capital intensive ICT start-ups seek expansion capital on the global venture capital markets. ICT firms in USA outsource software coding to Bangalore and Hyderabad. Good software engineers are recruited globally; not for nothing in Silicon Valley is ICT said to be an abbreviation for “Indian and Chinese Taipei”.

By contrast, Bhutan followed a policy of isolationism up until 1959,¹⁷⁷ and has generally sought to control its engagement with the outside world since then. Today, regulations control the flow of skilled labour and Western visitors. Foreign investment and capital flows are similarly regulated according to a philosophy of control rather than openness.

There have been changes recently, with the official introduction of cable television and Internet in 1999, and already this is having an impact on the way people gather information, and on how access to information is controlled. During the recent conflict in the south, anecdotal evidence suggests that many Bhutanese office workers used the Internet to access Indian newspaper websites to access up-to-date information not available through official channels. As noted in the MIS, “[t]oday ... communication is not a tool for social control but it is integral to socio-cultural change.”¹⁷⁸

This paper does not pretend to make a judgement of where on the spectrum between “open society” and “closed society” Bhutan should place itself. It merely makes the observation that once deployed, ICT has a strong tendency to enable, and then demand, openness in information, capital, ideas, people and products, and that this might require policy consideration if the overarching goal of GNH is to be served.

Conclusions

GNH reminds us that the means must always be considered in terms of the end and that, therefore, every step in material development and change must be measured and evaluated to ensure that it will lead to happiness, not just more development.¹⁷⁹

As discussed in section five, the relationship between ICT and globalisation is symbiotic. If Bhutan wishes to engage with this globalised world, then it will inevitably need to embrace ICT. The question for Bhutan therefore becomes not whether to deploy ICT, but how.

Bhutan’s guiding development philosophy of GNH provides guidance for policy-makers.

ICT has significant potential to advance Bhutan’s progress towards the goal of GNH. In the area of economic growth, ICT offers the promise of

¹⁷⁷ Priesner above n6 at 27

¹⁷⁸ MIS above n1 at i

¹⁷⁹ RGOB 7RTM above n19 at 22.

industries which lessen the traditional disadvantages of geographic isolation. In cultural heritage, ICT tools can be used to archive and disseminate the artefacts of Bhutan's unique culture. Environmentally, ICT can reduce environmental impact through de-materialisation and de-transportation. In good governance, ICT can enhance efficiency, accountability and transparency, and allow greater citizen participation in decision-making.

However, ICT can also impact negatively on the components of GNH. The benefits of economic growth will tend to be inequitably shared without government intervention. Bhutan's cultural heritage, which has developed largely in isolation from the outside world, is threatened by the global culture which ICT brings with it. ICTs contain heavy metals and absorb large amounts of electricity which can threaten the environment. Poorly implemented e-government projects can divert financial and personnel resources.

To unlock the positive potential of ICT and limit the negative effects, Bhutan needs to measure its ICT activities against the guiding philosophy of GNH. Further, Bhutan needs to consider and plan for the skills required in order to increase the chances of successful ICT deployment.

Policy-makers need to be more aware of the potential benefits and hazards of ICT, some of which are discussed in section five. Institutional and regulatory capacity needs to be boosted to ensure that national policy goals can be successfully implemented. Project management skills are needed to avoid missed opportunities and poorly designed and implemented projects. Bhutan needs to increase the quality and quantity of its pool of ICT technicians, to be able to adopt ICT to Bhutan's requirements. Finally, ICT should not just be for technicians; professionals in all areas should be ICT-familiar, and hence able to recognize opportunities to deploy ICT in their fields of expertise.

There is room for optimism. Bhutan's policy-makers have already identified many of the concerns raised in this paper about the negative potential of ICT on GNH. Opportunities do exist to harness ICT to further the national goal of GNH. Bhutan is not an early adapter of ICT, so it has the opportunity to learn from the mistakes of other developing nations, and may wish to utilize the global knowledge networks of its donor community to ensure old mistakes from elsewhere are not repeated here.

As one commentator has noted:

We have the obligation to think first of the kind of society we want to see in future, and then to influence the design and deployment of new technologies in ways that are most likely to further our goals.¹⁸⁰

¹⁸⁰ Hamelink, above n 38 at i

The greatest cause for optimism, therefore, is the fact that Bhutan's unique perspective on development focuses on the benefit to the people of Bhutan. This will help ensure that ICT is always seen for what it is: a tool to accelerate development if deployed with care.

Cherry Picking in Bhutan

MICHAEL ROWBOTHAM

Introduction

It is a great honour to be invited to Bhutan to address this conference. In writing this discussion paper, three considerations were uppermost in my mind. I wanted to express my admiration for the work already being undertaken by the Bhutanese Government under His Majesty the King, Jigme Singye Wangchuck. The concept of Gross National Happiness (GNH) represents an original and highly significant initiative and the Government has been diligent in finding ways to apply this policy as broadly and honestly as possible.¹ Secondly, I wanted to express my appreciation of the work of others. Those papers and extracts I have had the opportunity to read show a deep appreciation of the issues involved, not least the acute dangers to developing nations presented by the modern global economy.² With this in mind, my third consideration was that I wanted to make an original contribution - not duplicate the work already done by others nor simply echo other delegates. This paper is offered in the hope that it will integrate with this earlier work.

It is important to state at the outset what is omitted from this paper. What I do not discuss in depth is the debate over the nature of happiness itself, and the extent to which this derives from material/social/external considerations and from inner, spiritual ones. This has been well covered by those more qualified than myself.³ Material well-being clearly contributes to happiness, yet we are all aware that a state of happiness lies much deeper. Paradoxically, happiness actually lies deeper than many of the important social and non-material considerations that are excluded by conventional economics and embraced by GNH. Ultimately, happiness is a matter of perception; a state of mind; a fact that is fully acknowledged by Buddhism and other world faiths.

What this paper focuses on is the way that orthodox economic policies can erode and destroy the happiness of a society and its people. It also outlines a range of economic policies and ethics which have the potential to provide a structure within which GNH might be more effectively created. This is by avoiding some of the mistakes of orthodoxy, and considering alternative 'New Economic' policies that provide room for the many subtle elements that contribute to GNH to emerge.

The aim is to try to add to the debate in the following ways;

- 1) Draw attention to important economic considerations omitted from orthodox economics, which are embraced by the concept of Gross National Happiness

2) Highlight the flaws in conventional economic policies and institutions that can erode Gross National Happiness and disadvantage developing or smaller nations, such as Bhutan

3) Emphasise the dangers faced by small nations such as Bhutan in their engagement in the global economy

4) Outline the wide range of economic policies that might ameliorate the impact of the global economy and promote a more benign, sustainable form of economic activity

5) Discuss the potential application and relevance of these policies to key economic and social sectors in Bhutan

Bhutan is not alone in facing the challenge of development in the 21st century and the opportunity exists to draw as widely as possible on the experience of other countries in informing this discussion.

Economic Considerations Omitted by Orthodox Economics, which are Embraced by the Concept of Gross National Happiness.

Although this area has been discussed in other papers, it is worth summarising some of the points already made, hopefully adding to the analysis.

Gross National Happiness is a magnificent ethic. The substitution of a single word, 'happiness' for the word 'product' injects humanity, in all its rich complexity, into economics. Many tenets of economic orthodoxy are challenged, most obviously the assumption that increasing material wealth automatically equates with increasing levels of human happiness. It has been broadly conceded by writers in the GNH forum that material wealth *can* contribute to human happiness, but that this is only one element in a complex array of considerations. Perhaps the most succinct statement of this is that humans are not wealth 'maximisers', but 'satisfiers'⁴. The majority of people pursue material goals only to a certain level, either to a level where non-material considerations become more important (such as leisure or family concerns) or to a level that provides them with a sense of security - a perception that is at least in part non-material. The contention that human desire for material wealth can be satisfied in turn casts doubt on the deeply traditional premise that economics is a study of 'the allocation of scarce resources' - essentially a study of conflict. The falsehood of this premise is also attested by the observation that our access to material wealth is not limited by the finite nature of the world, but rather by our ability to create and willingness to distribute that material wealth.⁵

As well as challenging orthodox assumptions, the concept of GNH allows and obliges us to include many considerations omitted from orthodox economics. The satisfaction (or lack of it) from work has no relevance in orthodox economics - labour is seen merely as a factor of production and is thereby utterly dehumanised. Similarly, the impact of economic development on families and community structure, the health of

the environment, the depletion of natural resources and the prospects for future generations; all these considerations, which are of the first importance in GNH, only figure in orthodox economics to the extent that they can be demonstrated to impact on the production of material wealth.

The 'voluntary economy' that revolves around family/community/social ties, and which can be affected so disastrously by conventional economic policies, is completely omitted from GDP. Yet, as has been indicated by many studies, this voluntary economy actually contributes some 50% of the true economy of a nation. GDP as a concept, focusing on monetised exchanges, is therefore a deeply flawed measure of the true material wealth of a nation.

GDP also assumes all monetary transactions are inherently desirable, and so includes many aspects of the 'negative economy' as positive outcomes. For instance, the restoration of environmental damage, anti-pollution systems, excessive transport, growing demands on the legal system, measures to combat rising crime and deteriorating health, drugs programmes - all these register as increases in GDP. The New Economics movement has for many years been developing GPI (Genuine Progress Indicators) that attempt to embrace the glaring omissions and contradictions of GDP.⁶

It might be argued that the wealthy nations do not, in fact, pursue GDP growth blindly, but entertain other policy considerations alongside this goal. However, these policies are generally an afterthought and fail to acknowledge that the problems they attempt to address are frequently caused by the relentless pursuit of economic growth. By contrast, the policy of GNH deliberately places non-material outcomes at the forefront; it widens the debate to include everything of relevance to humanity - dramatically broadening the scope of our economic and political concern. This also complicates a government's decision-making, since it is not just immediate and obvious outcomes, but knock-on effects of policies that are relevant.

Flaws in Conventional Economic Policies and Institutions that can Erode Gross National Happiness and Disadvantage Developing and Smaller Nations, such as Bhutan

Although much has already been said in criticism of orthodox economic priorities, again it is worth adding to this critique. It is important to have as complete an analysis as possible in understanding the defects of the economic system prevailing nationally and internationally.

The above section notes the extent to which the register of GDP is a redundant and flawed measure of progress. But the pursuit of GDP is but one of a host of assumptions, ethics, policies and institutions that characterise and drive forward the modern economy. To provide an exhaustive discussion of these is beyond the scope of this paper and many

have already informed the debate over GNH. However, the following are, I believe, key issues.

Debt-based Financial System

One of the greatest institutional failings shared by the majority of national economies is the monetary, or financial system upon which they rely. My first book, *The Grip of Death*, is subtitled *A Study of Modern Money, Debt Slavery and Destructive Economics*.⁷ It discusses how an out-dated financial system, based almost exclusively upon fractional reserve banking, still dominates modern economies. This 'debt-based financial system' renders economies permanently unstable and creates a pressure towards constant growth, regardless of need or the desires of the population. A debt-based financial system is characterised by deteriorating personal solvency and the acute financial exposure of both commerce and government. This general lack of liquidity leads directly to the predominance of low-cost, mass-produced goods and services, and thereby to the over-centralisation of production, distribution and retailing. The pressure to find and provide new employment in an economy where labour is constantly displaced by technology results in a ceaseless stream of new products and services, which people are encouraged to purchase through an entire industry devoted to mass-persuasion and the manipulation of desires. In the over-centralised, debt-ridden, 'rich-but-poor' wealthy nations, public services, commerce and agriculture have all been deeply affected, transport systems are grossly overloaded and even residential and commercial patterns of development now reflect the failings of the inadequate financial system upon which the entire economy is based.

The debt-based financial system also has far-reaching effects internationally. Due in part to the tendency towards overproduction and in part to the lack of liquidity, there is a pressure on nations to seek overseas markets for goods that cannot be sold domestically. This pressure to export is intensified by the influx of foreign goods from other economies similarly seeking adequate markets for their unsold goods. Trade, which ought to involve a balanced and fair exchange of goods to the mutual advantage of all nations, is now little more than thinly disguised economic warfare.

The extension of fractional reserve banking/debt-finance into the field of development has created the single greatest disaster of the last century - the institution of International, or 'Third World' Debt. The prime lending and advisory institutions, the IMF and World Bank, have presided over the slow-motion destruction of countless countries under the banner of 'progress'.

Sub-Saharan Africa's development, like that of so much of the Third World, has been a horrifying tragedy in which 'progress' has been accompanied and countered by the most appalling suffering, starvation and wretchedness. Millions now find

themselves marginalised within their own society, existing in the midst of an economic degradation so profound that it not only fails to provide them with food, water and shelter, but has destroyed their culture, their past, their future and all hope.⁸

The historical record of the IMF and World Bank, documented in literally thousands of books protesting at their false economic priorities and failed policies, stands as an enduring testament to the wholesale failure of neo-classical economic wisdom to address the sensitive issues of development. Meanwhile, the failure of Western nations to cope with their own development, by maturing into stable, contented societies, underlines the inadequacies of their own economic institutions, priorities and policies. The debt-based financial system is by no means the only factor contributing to this failure, but it is certainly a major component.

Wealth, Poverty and the Free Market

In the West, it is accepted almost without question that the activities of the business or 'entrepreneurial' sector within an economy lead to the creation of wealth, and that this in turn leads to a general increase in the material wealth of the society as a whole. This assumption has been challenged on two fronts.

First, as David Korten discusses in his book *When Corporations rule the World*, much activity by the business sector is not, in fact, creative of wealth, and may even be destructive of wealth.⁹ The absolute priority of the business sector is to make a monetary profit. This may involve wealth creation, but much activity by the business sector actually involves the *abstraction* or *appropriation* of material wealth that has already *been* created, the pursuit of market share and the elimination of rival commerce. If one firm takes over another firm and shows an increased profit, this is deemed a business success and automatically 'good for the country'. The business venture may indeed be a success for those directly involved. But this may involve thousands of workers losing their employment, the closing down of factories and retail outlets, a decrease in the range and quality of products available, workers being obliged to travel further to new employment and consumer dissatisfaction. This example is not intended as an argument against free enterprise or capitalism, simply an observation that business success does not automatically equate with wealth creation. Business success is just that - business success.

Second, the success of a business, whether it involves the creation of wealth or not, does not automatically lead to the increased *distribution* of wealth. The 'trickle down theory' - the assertion that wealth generated by the business/entrepreneurial sector percolates throughout the economy - is one of the ethics dearest to orthodox economics. This belief, born of faith in a mythical 'perfect market', is far from proven. The growth of poverty in

wealthy nations such as the USA and UK coupled with a markedly increased 'gini coefficient' (measuring the disparity between wealthy and poor sectors) strongly suggest that confidence in the 'trickle down theory' is wildly misplaced. Since Adam Smith, economists have warned that 'unequal exchange' may lead to the progressive aggregation of wealth and impoverishment of the poor. This remains true despite the fact that there appears to be an increased flow of material goods to citizens as consumers; the spiralling levels of personal debt in the West underline the fact that access to this 'created wealth' is problematic, to say the least.

The above points are not intended to argue against free markets, nor denigrate the entrepreneurial sector. They warn of the need for fairer and more effective regulation in business, proper employment rights and policies that ensure the distribution of wealth is more just.

Inefficient Allocation of Resources

Another axiom of conventional economics is that a free market will lead to the most efficient use, or 'allocation' of resources. Those businesses that survive and succeed in the market achieve this success because they utilise the available resources most effectively, producing and selling goods at the most competitive price, whilst other less efficient firms do not survive. Over time, the available resources will be used most effectively by the most efficient firms.

According to this rationale, consumers in the developed nations 'want' their products to be increasingly unreliable, with an ever-shorter lifespan; they 'want' to have to make and buy those throw-away products repeatedly; they 'want' to eat food that is increasingly tasteless and lacking in nutritional content; they 'want' to be barraged by imagery that undermines their self-esteem if they do not conform to advertising stereotypes; they 'want' to work in an economy that is destroying the planet on which they depend.

Perhaps the most glaring example of the 'misallocation', or inefficient use of resources involves the trend towards the globalisation of food production. Land within the poorer, developing nations that is desperately needed to grow food for their own population is utilised to grow crops for export. The foodstuffs produced are then transported by sea and air to Europe, North America and other wealthy nations. Meanwhile, farmers in these more advanced economies, who are often perfectly capable of producing the crops being imported, are driven out of business. Three ecosystems suffer. Farming in the UK struggles to survive and land usage declines; prime agricultural land in impoverished nations is diverted towards export crops instead of feeding the indigenous peoples; meanwhile the global ecosystem suffers from the excessive transport of goods.

Orthodox economics argues either that this *is* the most efficient allocation of resources (the free market cannot be wrong) or that a more

efficient allocation of resources *will* come about through the 'doctrine of convergence' - the wealthy farmers in the UK will have to compete their way back into the market by lowering their income expectations, whilst the success of farming in the developing nations will raise incomes there. Thus, the grotesque misuse of land we now see is perceived as a stepping stone along the road to greater global equality. All the evidence of the past century is that this 'doctrine of convergence' is another totally redundant economic ethic, rendered meaningless by the existence of global food monopolies and the overhang of crippling debt that obliges developing nations to feed the world rather than their own peoples, acting as the cheap manufacturing and agricultural outposts for powerful western corporations.

This 'development debacle' does far more than warn of the dangers of focusing on export products in a glutted world market. It emphasises yet again that commercial success is not an automatic good, and certainly does not imply the most efficient use of resources. This warning applies within nations as well as between nations. Long before globalisation of food reached its current level, UK farming was suffering a damaging trend in which the most effective and genuinely productive farms - medium sized, mixed farms - were being driven out by ever-larger, more wasteful but more cost-effective agricultural businesses, operating in alliance with giant supermarket chains.

Trade Is Not An Automatic 'Good'

Trade between nations is, rather like GDP, taken by orthodox economics to be an incontrovertible indicator of progress. Trade is 'good'. That this is not the case takes only a moments application of common-sense. If trade were an automatic sign of progress, Bhutan could produce everything needed by Nepal, and Nepal could produce everything needed by Bhutan; the goods could be exchanged and everyone would be better off - except of course, they wouldn't be. Trade involves transport and transport involves a substantial cost. Once the gross inequities of the international markets is appreciated, the glaring cost associated with modern trade becomes apparent. Near-identical products criss-cross the planet, goods that could be produced locally or regionally are manufactured in remote countries and exported globally, patterns of production and supply are forever changing, involving constant and repeated re-investment - the waste is simply incalculable. The proper purpose and value of trade is well understood and reasonably obvious, but to confuse today's burgeoning exchanges with progress is quite wrong. This excessive and ever-changing trade is, as discussed in a later section, a product of the volatile global markets created by the international debt crisis and the wholly inadequate trading architecture devised at Bretton Woods and since.

Dangers Faced by Small Nations such as Bhutan in their Engagement in the Global Economy

It might seem, with all the effort being put into the policy of GNH, that there is little likelihood of Bhutan being drawn down the road of 'Western style development'. With all their glaring defects, the wealthy nations are clearly not a model, either in terms of their material possessions, their social priorities nor their rampant pace of change. Surely, the culture of Bhutan is too proudly revered and GNH is too robust a policy?

However, the danger is very real of Bhutan being drawn either towards excessive materialism of the West, or the poverty of other developing nations, or indeed a blend of both. The global economy is a highly aggressive environment and the pressure of external debt has obliged the majority of developing nations gradually to divert economic effort and resources away from their own citizens' real needs. As the unrepayable debts mount, these countries are forced to accede to deregulatory policies that progressively expose their economies to global commerce, with disastrous results.

There is yet another danger. The perception of affluence within the wealthy nations can have a profound influence on the citizens of poorer nations, generating a growing dissatisfaction and ultimately a rejection of their own culture, which is substituted by a craving for Western material wealth and the image of happiness it conveys. The loss of traditions and erosion of cultural identity can, like the breakdown of family and community structures, happen rapidly and irreversibly.

But perhaps the greatest threat is an insidious one, coming from the aggregate impact of the material wealth of the global economy in which technological progress and materialism is so prevalent.

There is a tendency to suggest that technology and material goods are, in themselves, 'neutral'; it is the use to which they are put that is of importance. In fact, nothing in life is truly neutral - neutrality is an abstract, essentially scientific and mathematical concept. Material goods have existence. If a country suddenly invents a technology or imports a type of product it did not have before, that country is altered. If a country imports a technology or improves an item it already had, it is changed. This can be as simple as knives and forks or clothing, or as complex as cars, tractors, mobile phones and televisions. The culture is changed.

Technology and material goods are not neutral; their existence changes patterns of life. And this is the problem. We are not discussing a single product - such as mobile phones - but a vast range of material goods which, in aggregate, represent a wholly different way of life. All these are waiting beyond the borders of Bhutan - motorbikes, microwaves, crockery, computer games, stainless steel kitchen equipment. If these are imported en masse, where then is traditional kitchen? Where then is the traditional way of making Bhutanese plates? If tractors and chemical fertilisers become

widespread, where then is traditional agriculture, its field size, structure of the landscape, land tenure and the communities they supported?

Neither are we simply considering a threat from material consumption, but methods also. When an item is produced in a different way, there is an effect on working patterns. When goods are imported, a domestic industry often dies. Viewing technology and material goods as 'neutral' is a Western perspective with limited views, ignoring the socio-cultural impact of the product, how it is produced and what it replaces. Instead, we should always be asking "what is the effect of this change or that change?"

In essence, if you really want to keep Bhutan as it is, you must change nothing. Just put up the barriers and refuse all change. This, I am anticipating, is not an option. Cultures naturally evolve and change, albeit far more slowly than under the economic pressures recently experienced in the West. Normally, they change from within or in response to gradual influence and changes elsewhere. Bhutan's isolation, which has served it so well, means the country is now faced with a flood of advance representing changes that Western citizens found difficulty in adjusting to over a far longer period.

This leaves Bhutan's leaders with the vital but immensely complex task of monitoring and regulating the nature and pace of change - a momentously challenging responsibility. However, Bhutan should realise that it is not by any means alone. Although it may seem as if the entire world has either adopted western consumer culture or is in avid pursuit of that culture, this is actually part of the myth of western consumerism. The vast majority of the world's population actually live in communities, regions and nations that value their own culture, prize their independence and are seeking to find ways, like Bhutan, of preserving their inheritance and identity.

Economic Policies that might Ameliorate the Impact of the Global Economy and Promote a More Benign, Sustainable Form of Economic Activity

It is one of the great intellectual failings of recent years that political and economic debate has been reduced to a simplistic contest between socialism and capitalism. The only alternative to the deregulated free enterprise and market capitalism that now prevails is portrayed as state socialism or communism, in which powerless and property-less citizens are directed by an omnipotent government dictatorship. To contend that these caricatures comprise the only possible political/economic options is absurd. Lip service is sometimes paid to the notion of a mixed economy, involving a blend of welfare provision and free market capitalism, but the 'mix' is far from certain. With the collapse of communism, neo-liberal capitalism is clearly the ascendant ethic, indeed The UK Chancellor, Gordon Brown has

declared that "...there is no alternative". But of course, there is. Indeed, there are countless alternatives.

Just how lacking is the theoretical debate can be seen even in the GNH forum, for example, in discussions over the role of competition and the hypothetical free market. It has been asserted in several past GNH papers that competition is an inevitable and at times positive element in economic activity. This may be true, but the nature of competition can be dramatically affected and outcomes altered by economic policies. For instance, the level of competition for land in an economy where very large land holdings are permitted and are customary will be very different from the competition for land in an economy where a size-limit on land holdings exists, permitting more farmers to enter the market whilst restricting the power of established farmers to monopolise land and food production. As another example, the degree of commercial competition for sales in an economy where adequate purchasing power is distributed amongst the majority of consumers will be very different from that in an economy where a significant number of consumers lack adequate purchasing power. To discuss the notion of 'competition' but ignore the factors that affect the nature of competition is a virtually meaningless exercise.

It may well be that the most optimistic future for economics lies in dispensing with intellectual slavery to any one 'ism', whether it be capitalism, socialism, environmentalism or New Economic-ism. If that is the case, it leaves politicians free to exercise their judgement and consider likely outcomes rather than fond hopes and misplaced faith. In this, the concept of GNH would seem to represent an ideal that is far superior to any intellectual system or single programme. A government that embraces GNH is free to adopt and adapt policies at will from a multitude of sources, old and new.

This brings us to the opposite of the statement made by Larry Summers formerly of the World Bank, who once infamously stated to the Indian Government, "... governments need to understand that there is no longer such a thing as a separate and distinct Indian economics - there is only economics".¹⁰ There is, or should be, an economics that is distinctive for each and every country. This conference represents part of the search for a specifically Bhutanese economics in which the priorities, culture, specific problems and opportunities of this country are given primacy. Countries have the right to cherry-pick amongst the vast array of contending and available policies and make their own decisions.

The following section discusses a wide range of topics and policies. Some of these reflect the range of analysis, practical policies and ethics that derive from the New Economics movement. In other cases, key sectors of the economy are discussed in terms that emphasise their significance to developing nations, their importance to the concept of GNH and their sensitivity to policy initiatives.

Audit and Inventory;
Import Substitution;
Licences, tariffs, quotas and subsidies;
Agriculture and Rural Communities;
Transport;
Capital Development Projects (hydro-electric power);
International Debts;
Currency Valuation and Trade Deficit;
Monetary reform;
Taxation;
Fixed Limits;
Service Sector and Tourism; and
Education, Culture and Celebration;

Potential Application and Relevance of these Policies to Key Economic and Social Sectors in Bhutan

This section attempts to highlight the nature and scope of the initiatives that might be undertaken by a government wishing to engage in the global economy, secure a prosperous future for its people and also maintain the identity and integrity of its culture. Some of the policies are regulatory, some supportive, some are creative. There is a blend of what might be termed New Economic reforms, well-known (if sometimes unfashionable) policies, and *ad hoc* suggestions. The discussion is deliberately open-ended. Rather than advocate any specific programme, the aim is to identify the *type* of decisions that could be made and powers exercised in crucial economic sectors. The overall intention is to emphasise the enormous scope for action and equally enormous responsibility placed on a government committed to a policy as demanding as GNH. Everything matters.

Audit and Inventory

Those who are happy know they are blessed with many gifts... So, in line with all good moral advice, “count your blessings”. In addition to its social fabric, Bhutan already has considerable material wealth. Some is natural capital; some has been created by human endeavour. Although the focus is not simply on material issues, it is a valuable exercise to assess a country’s material wealth; its natural capital, tapped and untapped; its agricultural and industrial capacity; its homes, villages and cities; roads, waterways and infrastructure. Such an audit can be highly useful in informing policy-making across the range from industry and agriculture to education and the environment. A country’s intellectual and cultural capital is of course beyond measure, and sight should never be lost of it. But that which can be counted is worth counting.

Import Substitution

Section 3 above discussed how central to a culture are the myriad small things of everyday life; how we dress, household items, consumer goods, what these represent and how they are produced. The influx of Western consumer goods has the capacity to change a culture beyond recognition. Not only are the daily routines of life in the home altered, but domestically produced products are replaced, whilst the need for money to buy the imported goods creates a resultant pressure to export/earn revenue - all these can exert massive aggregate changes across an economy.

One policy pursued very vigorously and effectively by a number of Asian countries in the 1950s and 1960s was that of import substitution. Whilst exerting a strict protectionist ethic (backed up by the lack of foreign currency to buy imported goods) nations such as Japan and South Korea found ways to produce and market their own versions of western consumer products.¹¹ This policy has many virtues. First, the reality of actually *making* an item is brought home to a people and their economy. Second, a specifically indigenous character can be instilled into the product. Third, the pace of change is regulated and slowed since the policy requires some development. Fourth, the monetary balance and integrity of the country's economy is maintained.

The policy of import substitution does, however, have a problem - or at least an apparent weakness. Goods that are easy to make, and which Bhutan could produce itself without too much effort, are precisely those goods that are already available cheaply on world markets. There is therefore a great temptation simply to import them. By the same token, products that are complex to manufacture are likely to be more expensive and place greater revenue demands but, since they may require an industrial base that the country lacks, the country feels it has no option other than to import them.

But this apparent problem actually proves the validity of the policy. It is precisely *because* import substitution is no 'quick fix' that the policy has such merit. A country is obliged to develop a genuine industrial base and this takes time. The old maxim "look after the pennies and the pounds will look after themselves" is highly relevant. Savings that are made by import-substitution of cheaper products can then allow the judicious import of more high-tech capital goods, leading to modest but progressive industrialisation.

It may not be feasible for Bhutan to manufacture its own mobile phones and televisions, but it is certainly possible for it to produce many simpler household items, from crockery and cutlery to furniture and fittings. Precisely what Bhutan is capable of producing for itself, learning from Western technology and adapting this to its own material needs and cultural priorities, is an adventure in itself. To have a healthy acceptance that change is inevitable and healthy, but defiant that this should be *Bhutanese* change, is a policy that must have relevance to GNH. It is

astonishing what a small country can actually produce for itself, especially in an era when expertise and technology is capable of meeting a demand for small and medium-scale production.

The potential for import substitution emphasises the value of an economic audit, since intelligent planning can be undertaken; energy can be directed towards key processes and products that provide a maturing and gradually diversifying industrial base. It is worth also noting Bhutan's close economic links with India, as well as its other main trading partners. These links could be highly valuable in any programme of modest industrialisation and import substitution in supplying raw materials, semi-manufactured goods, equipment and expertise.

Licences, Tariffs, Quotas and Subsidies

Investment in import substitution can be coupled with restrictions or heavy tariffs on chosen foreign goods. Policies such as import licences, tariffs, quotas and subsidies - all of which 'interfere with free trade' - are frowned upon by orthodox economists. Yet a country clearly has every right to adopt a programme that vigorously defends and seeks to improve the welfare of its people. If the United States is justified in placing tariffs on imported steel to protect its steel industry, Bhutan is equally justified in placing tariffs that help it prevent or regulate the mass exodus of currency on cheap consumer goods from abroad, whilst gradually developing its own industrial base and protecting its cultural integrity.

A special note has to be made with regard to subsidies. As with tariffs, modern Western nations and their economists frown on developing nations when they grant subsidies, yet such financial assistance is rife in the wealthy nations. This involves not only the more obvious instances such as EU farm support, but direct grants to private firms involved in public services (such as railways), multi-million dollar deals to entice multinationals to invest in a country and countless regional support programmes that allow businesses to apply for government grants and funding. These are investment and support subsidies, pure and simple. They have no greater validity in terms of 'free market' economics than food subsidies in developing nations. In short, subsidies are everywhere.

In discussing tariffs and subsidies, it is worth drawing attention to the seminal work of Tim Lang and Colin Hines. Their book *The New Protectionism*, whilst acknowledging the value of free enterprise, vigorously defends the right of governments to adopt policies that regulate imports and support indigenous production.¹² Colin Hines more recent book, *Localisation; A Global Manifesto*, is equally important.¹³

Agriculture and Rural Communities

All the evidence of the past 50 years warns of the danger of an over-emphasis on the production of foodstuffs for export. World markets in food

commodities are mostly glutted and prices are notoriously volatile. The first duty of a government is to feed its people and the first priority of land should be to produce food for domestic consumption; not export. A domestic market is predictable and stable, crops that conform to the climate and soil are already known and farming systems and land tenure are well established and constitute a vital element of rural culture.

This does not mean that indigenous agricultural systems are incapable of improvement. In many developing nations, much work has gone into improving traditional methods, drawing on the experience of farming elsewhere and the ingenuity of intermediate technology. More effective tools and equipment, advances in crop varieties, irrigation systems and cooperative marketing and machinery schemes - all these have in various countries given great support to subsistence agriculture to the point where life is easier and productivity markedly improved.

Land tenure/usage is a vital aspect of traditional rural culture. Any policy or sequence of events that seriously affects land tenure threatens the foundation of rural communities. This in turn is potentially disastrous for the continuity of those communities and the practical lifestyle that binds them together. People simply cannot be expected to adhere to a traditional cultures and values if the link between land, labour and community is drastically or rapidly altered. In a country such as Bhutan, where some 50% of the population is based in rural communities with an agricultural base, every effort needs to be made to support such communities and help them thrive by making subsistence farming and village crafts more viable. If this does not happen, rural depopulation, flight to the cities and the poverty of shanty towns promises a bleak future not only for the landless population, but the nation as a whole. It is clear that the Government of Bhutan recognises this danger and has been active in supporting its rural sector.¹⁴

It is worth recognising that rural communities worldwide and throughout the ages have tended to suffer gradual impoverishment as money and wealth flows towards towns and cities. Many developed nations compensate in some measure for this, either deliberately by injection of additional funds to councils administering rural areas, or less deliberately through progressive welfare and taxation systems.

In the absence of such structures, rural assistance can simply be responsive to need. Rural communities can benefit from assistance with marketing agricultural produce, whether by government boards or cooperative schemes; transport systems can be devised; cooperative ventures that share agricultural and other equipment can be supported; community building programmes implemented. There are countless ways in which rural life can be supported and improved, and its value acknowledged.

It is important to recognise also the importance of agriculture for export. The crops produced can bring much needed revenue to the country

as a whole and into rural areas. Without contradicting the primacy of agriculture for domestic consumption, the production of crops for export may also be an appropriate opportunity for government assistance, whether in investment, marketing or transport.

Again we see the danger of adopting entrenched positions. To assert the importance of domestic agriculture does not lessen the importance of export crops. The irrelevance of the old capitalism/socialism divide is also apparent. It is perfectly reasonable for a country to adopt a freehold land policy (notionally capitalist); limit this to a maximum acreage (notionally distributist), coupled with land usage obligations (notionally socialist), coupled also with supportive cooperative systems involving marketing or access to machinery (notionally communist). It is also perfectly reasonable for a country to regulate land usage applying an entirely different set of standards and tenure for land designated for export crops and land designated for domestic market produce. So far as a country such as Bhutan is concerned, it is far more a question of what works most appropriately, bearing in mind the established pattern of agriculture and broad priorities of GNH. Again, the value of an on-going audit that monitors the use of land is clear.

Transport

Motorised transport is, without doubt, one of the hallmarks of Western culture. The increasing demand for transport probably constitutes one of the greatest threats to a country such as Bhutan. Transport easily becomes a culture in itself, subverting other cultures and overwhelming more fulfilling and worthwhile aspirations. The change in a country such as Bhutan of widespread individual car (or even motorbike) ownership could be calamitous. Cars constitute a colossal expense individually and in aggregate to a country. Whilst aiding the transport of people and goods and linking urban and rural areas, they can also severely fragment communities. In many developing countries, the only regulator of private transport is poverty, denying people access to privately owned motor transport.

Many small countries have faced this problem and done so effectively. The solutions they have arrived at vary, but are 'right for them' in many cases. Elements of these solutions are; the provision of good public service transport, especially buses; the permission of a restricted number of cars/vehicles often associated with particular roles - doctors, police, fire-services etc; the issuing of licences for cars operating as taxis; the permission of an appropriate number of machines/vehicles for use in agriculture and industry and in the collection/distribution of material goods.

As with so many issues; this is an area for close, realistic study - the permission and provision of an appropriate level of motorised transport and/or services always bearing in mind the knock-on effect of that provision. This is a delicate matter; the aim should be to support the culture

rather than unwittingly and indirectly subvert it. It is the widespread individual ownership of motorised transport that fragments communities. An appropriate level of transport connecting cities and towns with rural areas can be mutually beneficial and an element of the support for rural communities that is so vital.

Capital Development Projects

Bearing in mind the potential of Bhutan for hydro-electric power, this is a vital area of policy. As a general rule, capital projects do not repay the monetary investment they require. This applies to majority of services in the developed nations (rail, road, healthcare, electricity). These services invariably run with an enduring and heavy debt, often also requiring 'bail-outs' from national governments. The reasons for this blatant defiance of the theoretical laws of economics lies largely in a complete reliance upon the debt-based financial system.

Similarly, capital development projects in developing nations funded by loans from the World Bank fail, generally, to make the anticipated returns on the investment. As discussed above, this has had a catastrophic effect in developing nations. Since the residual debt is denominated in dollars or other hard currencies, the debt overhang from past capital and development projects has placed these nations in the position of having to seek a surplus of exports over imports year on year. Commodity prices have collapsed, currency values have fallen, prime assets have been sold off to multinational corporations, loans have been rescheduled, but still the debt overhang persists and grows.

If there is one lesson to be learned from this 'development' debacle of the last 50 years, it is this; DON'T borrow US dollars from the World Bank or IMF or any other source for a capital project and expect to be able to repay these loans. The competition for dollars is so all-pervasive and export markets are so intensely competed and unpredictable that even if a project is a physical/material success, its financial failure is almost assured, resulting in endemic and crippling international indebtedness.

Where then does this leave Bhutan in terms of developing its hydro-electric potential? The first point to appreciate is that the demand for electricity in neighbouring nations places Bhutan in a powerful negotiating position. Next, it should be realised that there are several potential models of development that avoid the dangers of multi-million dollar debts for the country.

One option is that, rather than lending funds to the country of Bhutan, the World Bank can be requested to lend funds to *a specific project, run as a commercial venture*. This represents an entirely new policy. It creates a joint liability for projects, conforming to recent calls for greater accountability and co-responsibility on the part of the international lending institutions. A country cannot be declared bankrupt and its debts written off, a commercial

venture can. It is wholly wrong for an entire nation to suffer in perpetuity the economic mistakes of the past, whether these reflect the inadequacies of their own leaders or the flawed economic wisdom of western advisers. Restricting debts to specific projects places those directly involved - borrowers and lenders - in a position of shared responsibility, and limits the liability of countries where the project is taking place.

At this point in time, there is likely to be little appetite on the part of the IMF and World Bank for such a policy; however if the demand for such funding became general internationally, attitudes might change. Certainly, there is a desperate need for new models of development.

However, such a policy does not represent the only option. The principal material beneficiary of successful hydro-electric development would be India, a powerful and by comparison with Bhutan, a relatively wealthy nation. India cannot expect Bhutan to shoulder the entire development costs, and financial risk, of hydro-electric development, especially since India has considerable prowess in the engineering and construction industry. Not only is there the opportunity for India to engage and share responsibility in the project, but they are in a position to lobby the international lenders on behalf of such a proposal, possibly under the terms outlined above.

Finally, there is another potential source of capital funding, although this is far from an established avenue. The traditional model of financing capital projects in developing countries involved domestic saving within that country, coupled perhaps with some inward investment. Since domestic saving seldom made sufficient capital available, by the 1950s, countries were being encouraged to 'borrow, invest, export, repay' from the World Bank, IMF or commercial lenders. The complete and resounding historical failure of this 'borrow, invest, export, repay' model, has coupled with an awareness that there were theoretical flaws in an exclusive reliance upon foreign funds to develop a nation's natural capital, not least because of the imbalanced currency flows that were generated. Development scholars have, in recent years, become aware of the need for projects to be funded, at least in part, by a domestic source of finance.¹⁵ Since World Bank, IMF and commercial bank funds involve not the *lending* of money but the *creation* of money, there is no reason why domestic capital cannot be created in the same way - by a nation's own central banking system.¹⁶

This offers an entirely original model of development, which involves a combination of funding from international sources and funds created by the Bhutanese Government to mobilise the capital of their own country. This constitutes a strong development model that satisfies and resolves many theoretical contradictions and paradoxes. Currency flows are more balanced, whilst the use of both foreign and domestic *financial* capital reflects the mobilisation and involvement of both foreign and domestic *physical* capital. The foreign 'physical capital' consists of imported capital

goods and expertise/labour, the domestic 'physical capital' consists of natural resources, capital goods and labour.

If these proposals appear unlikely and counter to the climate of current economic policy, one final point should be born in mind. The mountains, the rain and the rivers will be there for many years to come. There is no need for haste in pursuing such a major industrial venture. The readiness of Bhutan to wait a number of years until acceptable terms for development are put forward could concentrate the relevant minds very effectively.

If or when such projects do proceed, it is clearly in Bhutan's interest to develop this key resource slowly, monitoring the initial project(s) carefully and not allowing the nation to become a cheap electrical generator for what are likely to be the insatiable demands of India for power.

International Debts

In the year 2000, Bhutan's external debt stood at \$245 million. It is likely that the government will be paying in excess of 5% per annum on at least this year 2000 figure; a total of \$12 million annually. Gross exports totalled \$154, so this figure represents some 8% of export earnings. With import costs of \$196 million, Bhutan's financial position is clearly somewhat perilous.

External debt is not just a revenue problem; it is a political one. The current CIA World Factbook web-site denigrates Bhutan commenting, "Detailed controls and uncertain policies in areas like industrial licensing, trade, labour, and finance continue to hamper foreign investment". This is praise indeed! What Bhutan must beware of is pressure to adopt an economic framework that involves 'certain policies' for 'unhampered investment', since this will undoubtedly reflect the neo-liberal Washington Consensus. All round the globe, countries have been forced to conform to an ideology which include sweeping deregulatory measures in trade and finance, privatisation of state-run commerce, auctioning of prime natural assets etc. These provide the foreign investment climate which, it is argued, is the route to future progress and prosperity. In this sense, international debt is properly viewed as a tool of intrusive political leverage.

If the point is reached where debt repayments are impossible for a nation, there is no virtue in agreeing to such conditionality attached to rescheduling, or accepting additional loans by the World Bank or IMF. Failure on the part of a nation to meet debt repayments is, apart from being a widespread problem, actually a problem for the Bank, the Fund and commercial lenders. It is because national governments are deemed to have 'failed' and feel intimidated that they concede to bail-out loans, sell-offs and conditionality. In fact, failed debt repayments present the *lenders* with the problem - what are they going to do?

The entire issue of Third World Debt is a massive, as yet unresolved debate. The existence of unrepayable debts forces the majority of countries -

the most materially impoverished nations - to seek a surplus of exports over imports in perpetuity. This creates a gross disturbance in the balance of international trade and is counter not just to all economic rationale, but common sense itself. In the immortal words, "It is clearly impossible for all countries to increase exports and reduce imports at the same time".¹⁷

The possibility of mass default by debtor nations or sweeping debt forgiveness should not be ruled out. There are substantial grounds for regarding the backlog of dollar debts registered against developing nations as invalid and declaring these debts void. The compelling arguments for this are fully discussed in my second book, *Goodbye America!*¹⁸ In brief, the *invariable* failure of *all* developing nations to settle or even reduce their international debts over a half century of mounting debt crisis is incontrovertible evidence that the 'borrow, invest, export, repay' model is deeply flawed when applied to international lending. The unjust terms under which these loans were advanced; the failure of projects proposed or endorsed by the World Bank and IMF; the requirement to adopt austere and deregulatory 'Structural Adjustment' policies ill-suited to their vulnerable economies; the failure to alter these policy-demands despite mounting evidence of the damage being inflicted; the progressive impoverishment of developing nations despite decades of economic endeavour; the refusal to acknowledge the substantial and detailed criticism from qualified observers and scholars - all these arguments converge. The undeniable conclusion is that International debts are substantially invalid. These debts do not represent 'failure' on the part of developing nations, but the gross inadequacies of the prevailing development model, of trading architecture and of international accountancy.

The current refusal to acknowledge the invalidity of the backlog of international debt leaves debtor nations in a curious and somewhat ambivalent position. If only a handful of nations were to default and refuse payment on their debts, citing the numerous reasons for so doing, the entire issue of Third World debt would have to be discussed and settlement reached. In the absence of such action, individual nations continue with their onerous repayments.

A compromise position might be for debtor nations to adopt the framework suggested by a number of Latin American nations during the 1970s. This is to restrict repayments to a set percentage of export revenues - 10% was suggested as the maximum an economy could actually sustain - and thereby apply some form of ceiling to those repayments.

Precisely how long a nation can shrug its shoulders, perhaps offering reduced payments, is not clear. What is clear from the experience of Malaysia is that nations that do stand their ground, particularly if they adopt a vigorous and independent economic policy, are immeasurably better off in the long term than those that succumb to the dire warnings of currency collapse and exodus of foreign investment. Malaysia, under its

President, Mahathir Mohamed, refused to accept IMF bail-out loans during the Asian crisis of 1997, nor accept their 'recipe for recovery'. In fact, Malaysia adopted policies that were almost the complete reverse of those prescribed, fixing the value of the currency, declaring the 'Ringitt' valueless outside the country, refusing to acknowledge its trading on foreign exchanges, locking in foreign investment, protecting the stock market, favouring domestic investment and reflating the economy through its own Central Bank. As a result, Malaysia experienced rapid recovery from the financial crisis, emerging with an incomparably stronger and more comprehensive domestic economy and without the burden of additional dollar debts. After years of anger and derision from foreign observers, the grudging conclusion of the World Bank was that Malaysia's economic success was "...remarkable".

Malaysia's programme of rapid industrial expansion may not be one that Bhutan wishes to pursue, but the principle of independent action is sound and their experience highlights the huge range of policy options available to a sovereign nation. One additional note should be made: President Mahathir Mohamed demonstrated not just courage and determination, but immense economic competence and judgement in administering the Malaysian recovery programme.

Currency Value and the Trade Deficit

In geographical terms and because of its special relationship with India it makes perfect sense and is convenient to peg the value of the Ngultrum (BTN) to the Indian Rupee (INR) on a 1:1 basis. In trade terms, however, this fixed currency rate has partial and perhaps doubtful validity. Bhutan's main exports are to India, the US, UK, Pakistan and France; whilst the country's main imports are from India, Japan, Germany, UK, and the US. The problem is that the value of the Indian Rupee has fallen year on year and with it, the value of the ngultrum has fallen in relation to other world currencies, including Bhutan's other trading partners.

If the value of a nation's currency falls, imports become more expensive and exports earn less foreign revenue. Successive devaluations by the entire community of indebted developing nations, all of whom are anxious to boost export volumes, has led to the currencies of those nations being grossly undervalued in real terms. Driven on by a competition to devalue and thus secure export markets, the developing nations are now haemorrhaging material wealth for pitiful returns. This is the reason for many of the trade imbalances in developing nations. These trade imbalances proclaim trading on the part of developing nations to be a financial failure - they are exporting less than they are importing. But in terms of *volumes of material wealth*, developing nations have never produced nor exported more! This is the damage wreaked by Third World Debt and the colossal failure of international trading architecture.

Figures demonstrating Bhutan's trade deficit were given in the section above discussing international debt. It is a worthwhile exercise to compare the current volumes of exports and imports with the currency values of 5, and 10 years ago. The present value of the currency (BTN) is \$1 = 49BTN. If the currency value of just 5 years ago (\$1 = 41BTN) is applied to current export/import volumes, Bhutan's present trade deficit of \$42 million would be reduced to a deficit of just \$5 million. If the currency value of 10 years ago (1\$ = 31BTN) is applied to current export volumes, Bhutan would actually have a trade surplus of some \$40 million! This is the significance of currency values and once again we are confronted by the colossal damage and injustice of Third World debt. The community of debtor nations has been drawn into a suicidal competition to devalue their currencies, as a result of which their material wealth and labour is rendered so cheap that they serve as export factories for the wealthy nations and their powerful corporations.

So long as the Ngultrum remains tied to the undervalued Indian Rupee on a 1:1 rate of exchange, the policy options are complicated. To apply a surcharge to exports to countries other than India, effectively increasing the currency rate to the rest of the world, is a cumbersome instrument and simply invites foreign buyers to operate through Indian intermediaries. The Ngultrum could be pegged either to the dollar or a basket of world currencies, however this would complicate exchanges with India, which would then be at a variable rate. Another option is to consider revaluing the Ngultrum against the INR on a ratio other than 1:1. This might interfere initially with the established cross-border economy, but provided the rate were realistic and stable, trading patterns would adjust.

With the prospect of more complex economic ties between India and Bhutan, particularly involving expensive and long-term capital projects such as hydro-electric power, it is vital that the issue of currency values is addressed.

Monetary Reform

The failings of the debt-based financial system has resulted in a number of important proposals for reform. The central proposal is that a national government has both the right and obligation to ensure a healthy money supply - healthy not just in terms of quantity, but in constitution and form. A banking system can only create and supply money in parallel with debt, by advancing loans to borrowers. A government can, and to some extent already does, create and supply money to its economy on a *debt-free* basis. However, this government money-creation is restricted to one form only; note and coin - ie cash currency.

It is the contention of monetary reformers that, with the declining use of note and coin, a government ought to establish an alternative basis for the supply of money to an economy. Governments worldwide are already

obliged to act to support their economies financially, by undertaking government deficits, which create new funds. Monetary reformers argue that there is no reason for this monetary input to involve the issuance of bonds, thereby creating a debt against the nation and granting profit to private banks. This money can be created debt-free, just as are coin and note. Furthermore, monetary reformers argue that there is now no basis for deciding precisely how *much* government monetary input an economy actually needs. This is done on an *ad hoc* basis, simply covering the annual tax deficit.

The further details of monetary reform arguments and proposals are beyond the scope of this paper, however they constitute one of the most important fields of future economic research and one of the most fruitful areas for policy-making by responsible governments.

In parallel with the government creation of money, monetary reform proposals generally advocate restraints on the bank credit-creating mechanism. For example, mortgages now contribute some 60 percent of money to the modern western economy and levels of home debt and house prices are spiralling upwards. There is therefore a strong case for applying a legal limit to the extent to which people are permitted to mortgage their income in buying a house. No legal restraint on the income multiplier exists in the UK; over recent years banks have been allowing mortgages of up to 4 or even 5 times a person's annual income, whereas an income multiple of 3 was formerly considered a prudent limit. This has increased the business and profits of the banking system, but has contributed directly to gross inflation of house prices. To place a cap on income multiples would place all buyers in an identical competitive situation, restraining house price inflation and helping ameliorate the domestic debt burden. This would be a notionally 'deflationary' measure to counter the 'inflationary' measure of a government contributing to the money supply.

Without adopting the full range of monetary reform analysis and proposals, a potentially useful policy model for developing nations exists in what has become known as the 'Jersey experiment'. The island of Jersey, one of the Channel Islands off the UK/French coasts, has at times adopted an extremely effective policy of government funding. If a project is deemed viable - the building of a school, the construction of sea defence systems - but the government lacks the funds to finance this, the government will simply create the required funds, finance the project, then gradually tax back and destroy those funds. No long term inflation is caused, indeed, the government is able to use this device as an effective means of countering recession. This contrasts markedly with the orthodox Keynesian model of borrowing funds from Central and commercial banks, who require not only repayment, but a profit on the money they create and advance to the Government.

Criticisms of the monetary system have also given rise to important proposals for local currencies and trading schemes (LETS). These can have great value in empowering citizens to create and distribute wealth amongst themselves despite the inadequacies of their national financial system. There is a considerable literature on Local Currencies, Micro-credit, LETS and Trade-and-Barter systems and such schemes have great potential in restoring the prosperity of communities impoverished by circumstance or by inadequate development programmes.

Taxation

Taxation is a very powerful economic instrument. The right and obligation on a government to raise revenues for public services presents governments with great power to influence the shape of an economy. Taxation can penalise, deter and prevent undesirable trends, whilst the funds raised by governments can be used for welfare, to promote desirable investment and development or to protect and support fragile sectors of the economy. The pattern of taxation in modern economies is well understood; it is therefore worth making a number of specific points in relation to alternative or less common schemes.

The New Economics movement has long argued for greater emphasis to be placed on taxing 'bads' rather than 'goods'. By this is meant, for example, the transfer of the burden of taxation from citizens on low incomes to, for example, petrol - thereby helping to deter excessive transport and reduce pollution. Taxes on excessive earnings, energy use, pollution, land values, unused agricultural land, neglected building sites, currency earnings, foreign profit repatriation, international monetary exchanges (Tobin tax) - many suggestions have been made, and many have undoubted merit.

The reverse of taxation is, of course, subsidy - an equally powerful political instrument, allowing a government to support vulnerable or nascent sectors of the economy, such as small businesses or organic farming. The use of taxation and subsidy should not be seen as contrary to the principle of a free market. The ability of commerce, particularly Big Business, to 'externalise costs' and/or gain an effective subsidy from government capital programmes is well-documented; such market imperfections will always exist. If a government wishes to create conditions using taxation and subsidy that redress such imbalances, or to promote important development, this does not invalidate the market as the decisive point of contact between consumers and commerce. Neither does it betoken a dictatorial, state socialist economy, merely an intelligent structure within which the market economy operates.

Fixed Limits

One of the major characteristics of western 'capitalist' economies is that they are flexible, open-ended systems. People are not, in general told what they must or must not do. Limits are not set on the wealth that can be held nor how a product should be manufactured nor what employment they must accept. Laws exist to prevent the sale of products that constitute a danger, and there are anti-monopoly regulations, however these economies rely, for the most part, upon the freedom and sanction of the market. The real only regulator of wealth is a sliding scale of taxation plus an inter-generational inheritance tax.

Such freedom has much to recommend it; however it is not the only option, particularly for developing nations. There is no reason why governments should not erect limits and constraints, for example to prevent the accumulation of wealth or the control of vital resources, thereby increasing the opportunity of access for others. A good example of this is to set limits on the size of land-holdings to prevent monopolisation of agriculture, maintain ease of access to land ownership/farming and encourage proper and careful management of the land. As with so many policies, it would be wrong to advocate them in the abstract; but they do represent viable and at times justifiable instruments.

Western economists would view such a policy with horror and it may well have little application in developed economies. But in countries where land reform and distribution is being undertaken, where agriculture is undergoing change and where additional considerations such as rural employment and communities are vital, such a policy could be a valuable stabilising framework. Such *ad hoc* limits can, if the situation justifies, be applied in other sectors of the economy, including property ownership and commerce. It is interesting to draw attention, in passing, to the English company Boulton and Paul which at one time operated an internal incomes policy that stated that no employee of the company could earn greater than ten times the wage of the least-paid worker in the firm. Such policies seem more satisfying to the conscience than the current situation where an employee in a London company may 'earn' many millions of pounds per year, perhaps a multiple of 1000 times greater than the National Minimum Wage.

The Service Sector and Tourism

The Service Sector constitutes a large and growing part of economies round the world. Whilst Bhutan may not be able to manufacture its own mobile phones, televisions, computers and radios, the country is capable of running the service sectors that supply these technologies, and doing so in a Bhutanese way. Bhutanese radio and television networks, SMS and ISP providers can all be run, saving the country revenue and contributing to the sense of national identity.

In Western economies, the service sector is enormous. Developing countries need, perhaps, to beware of monetising and commercialising those activities that are part of the voluntary economy and the community/home/traditional way of life shared. Perhaps an even greater danger is involved in tourism. In pursuit of foreign revenue, there is a temptation to supply a complex service economy to tourists well-used to such provision. But what *is* Bhutan? Why have people come to visit the country? Have they come to enjoy a stay in a 'western' style hotel, surrounded by familiar restaurants serving familiar food? It may be critical not only for the self-respect of the nation but for its tourism that Bhutan decides what it intends to offer tourists. It is the country's very inaccessibility and lack of development that now constitutes its charm, which offers such a salutary lesson to western eyes and which demonstrates that Bhutan is justified in protecting and revering its culture. Excessive and elaborate provision for tourism cannot but detract from the very magic that draws people to this beautiful country. However, if tourism is based around the expectation that visitors will, for the time of their stay, accept basic provision, adapt to, integrate with and respect the Bhutanese way of life, a form of tourism that is better for Bhutan and more rewarding for tourists will remain. The contrast is between going to Greece and staying in a hotel complex on the mainland or visiting some of the smaller, less-visited islands and finding a welcome amongst the delightful Greek people.

Education, Culture and Celebration

Much comment has already been made about the importance of education to the policy of GNH. It is certainly true that children can be 'educated away' from their culture, by creating expectations of employment, lifestyle and prosperity radically different from that surrounding them. But if this happens, it is a poor and essentially false education. There is nothing to be feared in education, however advanced this may be, so long as the mirage of western consumerism is recognised as such and children are kept in contact with their own culture. With the influx of televised images, the nation as a whole has to be able to deal with and appreciate the ludicrous mythology behind western 'civilisation'. This involves the education of all, not just the young.

For this reason, I suggest it is far more important even than education that Bhutanese culture is celebrated and kept alive. My first thought when I heard about the conference and learned of the nature of the problem it seeks to address was, "I hope they haven't forgotten how to sing and dance". A country's music, literature, arts and crafts are the bedrock of its soul and its identity; their celebration is vital. Imagine my delight when I discovered that, despite the welter of economic concerns impinging on the country, one of the four main components of the policy of GNH is cultural promotion. Imagine my further delight when I discovered that the GNH conference was

timed to coincide with one of the major Bhutanese festivals. The value of Bhutan's spiritual and cultural legacy, which provides the country with an inspirational source of energy and focus of consent in the challenge it faces, cannot be overstated. And so long as the country of Bhutan feeds the spirits of its people, support for the policy of GNH will remain strong and the Kingdom's future is assured.

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A Good Time for Gross National Happiness

RAJNI BAKSHI

The winter of 2004 finds India in a euphoric mood. The print and electronic media are bursting with news about the rise of Indian companies that are going global and holding their own in fiercely competitive markets across the world. The stock market is booming and the agricultural sector is said to be happily groaning under the weight of a bumper harvest. The Indian Government has commissioned large street-hoardings in major cities to celebrate a newly coined slogan -- "India Shining".

At the same time the Union Government's Education Ministry has openly declared that it will have to turn away several million primary school children -- for lack of minimum infrastructure like class rooms, teaching materials and teachers. The People's Union of Civil Liberties has drawn attention to the fact that 3040 homeless people died in India's capital city last winter due to exposure to the cold. Thousands more may have died across North India. In New Delhi the deaths are doubly tragic because Rs. 2. 60 crores has been allocated to save lives yet the required night shelters and other related facilities still do not exist.

This contrast does bother many of the people who are cheered by the 'India Shining' slogan and convinced that India is now a rising economic power. But most of them believe that if this current trend of growth and integration with the global economy can continue, then eventually all people in India will have adequate food, shelter and clothing. There is still little room in the mainstream discourse for those who are able to show why the current model and its measurements of growth are unlikely to bring universal prosperity. It is much more likely that India will become one of the world's leading economies in terms of Gross National Product (GNP) and yet a large segment of its population may continue to live in poverty. There are only muted voices pointing out why the concept of 'GNP' is both misleading and inadequate as a measure of over-all prosperity, let alone well-being.

The same is probably true for most other countries in this region. The focus of both the political and business elite is on fighting for space in the global economy and doing it on familiar and conventional economic parameters. This is partly because the tone and content of global discourse on economic matters is still determined by the countries and culture of the North.

It is in this context that I view Bhutan's vital endeavor for organizing its economic and cultural life around the concept of Gross National Happiness, instead of Gross National Product. While creative endeavors for change within countries of the South are a vital and necessary condition -- they are perhaps not sufficient. Therefore this note focuses on tracking

changes within the culture of the North to explore how and why the time is right for the concept, and values, of Gross National Happiness.

On the face of it this may seem absurd. The economies of the North seem to be as far from the values of Right Livelihood today as they were 30 years ago when E. F. Schumacher put this concept within the discipline of economics. And yet a host of changes are unfolding which could take societies across the world closer to such ideals -- even if Buddhist economics in a deeper sense remains an elusive goal.

This note will examine just some of these signs of change. It does not attempt to offer a comprehensive over-view of the creative possibilities for positive change that are now visible on the world stage. The basic premise of this exploration is that we live in a time when the simultaneous flowering of many positive trends is widening the space for the value of Gross National Happiness -- both as a literal 'measure' of national well-being in Bhutan and as a metaphor for a worldview, for values that would take humanity closer to the ideal of Right Livelihood.

We will begin with an account of how "Market Fundamentalism" is in retreat even within the mainstream of economies of the North. Then we will examine some signs of how conventional neo-liberal economics is being challenged by several counter streams -- with a revolt among economics students at premier universities of the West. Then we will survey the growing phenomenon of "Ethical Investments" as well as the rise of the Free Software and Open Source movement -- a counter-trend with far reaching implications.

This paper has deliberately not delved into the many other on-going efforts to evolve alternative measures to replace the concept of Gross National Product. For example, there is the Genuine Progress Indicators project of the San Francisco based group Redefining Progress. These endeavors may be relevant to the technical challenges faced by Bhutan in creating holistic 'accounting systems' for the purposes of measuring its economy. But most of the alternative "indicators" projects in Western societies are partly a form of damage control, to account for the mounting problems which are the side-affects of a certain model of 'progress'.

The vital importance of Bhutan's initiative for Gross National Happiness is that if it places Buddhist economics at the heart of matters then that marks a civilizational shift -- one that will be globally important. Thus my interest in seeing how trends in the North might both strengthen the Bhutan initiative and help prepare the ground for the value of GNH to be adopted on a wider scale.

Gross National Happiness vs Market Fundamentalism

It is not clear just when the term 'market fundamentalism' first came into use, but it was common currency by the end of the 1990s. The term refers to a commercial culture, even a way of life, in which everything is

valued on the 'bottom-line' of money and the forces of supply and demand are treated as a supreme, and beneficial, law of nature. The most famous crusader against this peculiar kind of fundamentalism is himself an icon of the global money markets -- George Soros.

In his 1998 book *'The Crisis of Global Capitalism: Open Society Endangered'* Soros defined market fundamentalism as a mind-set which holds that:

"all social activities and human interactions should be looked at as transactional, contract-based relationships and valued in terms of a single common denominator, money. Activities should be regulated, as far as possible, by nothing more intrusive than the invisible hand of profit-maximizing competition."

There are two dimensions to the anxiety about market fundamentalism. One relates to the problem of too many areas of social and cultural life being taken-over by the market ethos. The other relates to the inherent instability of financial markets and the dangers thereof.

In 1997 the noted business writer Robert Kuttner published a book titled *"Everything For Sale"* which offered a comprehensive account of the dangers of market fundamentalism. In the conclusion of that book Kuttner wrote:

"We have now experienced more than two decades of the celebration of markets and denigration of government..... Some domains are inherently beyond the reach of the market. They belong to the province of rights, which by definition cannot be alienated or sold. These include the sanctity of one's person (human beings may not be sold, no matter how great their desperation); the prohibition or commercial exchange of one's vote or of public office..... A society that was a grand auctions block would not be a political democracy worth having. And it would be far less attractive economically than its enthusiasts imagine. We must beware this utopia, as we have been properly wary of others. Everything must not be for sale." [Kuttner; p. 361-362]

In a world driven by market fundamentalism not only is everything potentially for sale but this is seen as the 'natural', and only, path to greater prosperity and progress. Of course not all pro-marketers are stuck at the fundamentalist end of the spectrum. But faith in the magical powers of the market, if it would just be left alone to work unrestrained, was an overpowering reality for much of the 1990s. Such a mind-set is virtually the direct opposite of Right Livelihood. From this perspective an idea like Gross National Happiness is inevitably dismissed as romantic, well-meaning but pointless, idealism.

However, the dawn of the 21st century finds market fundamentalism more and more discredited. The process began in the late 1990s with the

Russian economic meltdown in 1997, followed by a string of market crises in the Far East Asia in 1998. Even highly respected, mainstream economists like Eisuke Sakakibara of Japan openly opposed market fundamentalism. In a speech in January 1999 Sakakibara, who was then also Vice Minister of Finance for International Affairs in the Japanese government, warned about the dangerous consequences of allowing the economic system to dictate social relations. Moreover, he added, global capitalism has proved to be inherently unstable and the world cannot cope with severe turbulence for too long.

At just about the same time, Paul Krugman famous MIT economist and New York Times columnist, wrote: “Problems we thought we knew how to cure have once again become intractable, like temporarily suppressed bacteria that eventually evolve a resistance to antibiotics... There is, in short, a definite whiff of the 1930s in the air”.

These voices were indications of a clear, though slow, shift in the mood of the times. A few months earlier, in 1998, the Nobel Prize in Economics had been awarded to the Harvard based Indian economist Amartya Sen. This was interpreted, across the world, as a welcome relief from the domination of free marketers. Sen is well-known for favoring an important role for markets within a context established by a democratic state. He has long argued that public policy is vital to redress the woes of the poor, markets alone will not remove poverty, let alone bring prosperity to all. He has often expressed concern that the power of the ‘invisible hand’, as the most efficient mechanism, has been exaggerated and even misrepresented.

The Nobel for Joseph Stiglitz in 2001, further strengthened the view that the tide is turning. A former chief economist of the World Bank and now a professor at Columbia University, Stiglitz is a high profile critic of the market driven globalization being promoted by the Bank and Fund. He has argued that this model of globalization is neither working for many of the world’s poor nor helping to save the environment. A single economic order just will not suit the whole world. “There is not just one market model” Stiglitz wrote in *The Times*, London. [24th July 2002]

This is not to suggest that the mindset of market fundamentalism has been decisively defeated, merely that it has been set back. This retreat is important to our concern here because it has opened spaces for other ideas to be heard and explored. These are merely some of the indicators of the under-currents of change. There is also a perception that the very flow of time and history is now taking us towards different ways of living and organizing the material arrangements of life.

Among those engaged in such change is Dee Hock, best known as the “the corporate radical” who created Visa. Today Hock swims in the swift currents of a stream taking us towards transformation. In his own words:

"We are at that very point in time when a 400-year-old age is dying and another is struggling to be born -- a shifting of culture, science, society, and institutions enormously greater than the world has ever experienced. Ahead, the possibility of the regeneration of individuality, liberty, community, and ethics such as the world has never known, and a harmony with nature, with one another, and with the divine intelligence such as the world has never dreamed. " [Source: article by M. Mitchell Waldrop on [www. fastcompany. com](http://www.fastcompany.com)]

Hock now works with The Chaordic Commons, an organization he founded, which is committed to the formation of practical and innovative ways of combining competition and cooperation to address critical societal issues. The word 'Chaord' is derived from the words 'chaos' and 'order'. The goal of Chaordic Commons is to develop organizational concepts that are conducive to a more equitable distribution of power and wealth -- thus more compatible with the human spirit and biosphere.

Much of this change also demands that some of the basic assumptions of conventional economics be questioned, challenged and reformulated. This too is a process well underway.

Challenges to Conventional Economics

"It is only our Western societies that quite recently turned man into an economic animal.... For a long time man was something quite different; and it is not so long now since he became a machine -- a calculating machine. " Marcel Mauss in *The Gift*.

In the summer of 2000 there was a bloodless revolt by students at the Sorbonne in Paris. The students issued their challenge to orthodoxy through a petition on the Internet. On the defensive this time was neither a Pope nor a King but an academic discipline -- economics.

The signatories of the petition, all students of economics, were protesting against being taught what was utterly out of synch with reality. They declared that: "We no longer want to have this autistic science imposed on us. " In the petition, the students protested against the domination of neoclassical theory, its "imaginary worlds" and "disregard for concrete realities". They also condemned the "uncontrolled use of mathematics" and called for a "pluralism of approaches in economics". Without these changes, the students saw no way of addressing the big questions in economics -- unemployment, inequalities, the place of financial markets, the advantages and disadvantages of free-trade, globalization and so on.

Within two weeks the petition had 150 signatures from students in the top universities of France. Soon this wave crossed the English Channel and

then the Atlantic. This is not the first time that neoclassical economics has been detected to be suffering from a form of autism, which is a mental state marked by disregard of external reality. But it is news that some students, from within the discipline, have now joined the ranks of those who have long seen the study of economics as a form of brain damage.

There is a wide range of efforts now challenging conventional economics, many of which diverge in their prescription for a more meaningful economics. But the starting point of virtually all these challenges is “economics as if people mattered” -- the sub-title of Schumacher’s *Small is Beautiful*. These are attempts to forge, what Theodore Roszak described in his introduction to *Small is Beautiful* as “a nobler economics that is not afraid to discuss spirit and conscience, moral purpose and the meaning of life, an economics that aims to educate and elevate people, not merely to measure their low-grade behavior.”

Thus all the various streams of criticism agree that conventional economics has based its understanding of people needs and motivations on a warped view of human nature. The entire edifice of classical economics stands on the notion of humans as selfish individuals bent on maximizing their own satisfaction or ‘utility’. Satisfaction comes from consuming and people’s needs are expressed in terms of what they are prepared to pay for anything.

Some proponents of ‘economics as if people mattered’ are attempting to strike a healthier balance between the human capacity for both selfishness and altruism. The latter lot are concerned with creating a system of rights and obligations, risks and rewards that attempts to channel people’s selfishness into the common good and also to prevent some people’s selfishness from damaging other people’s interests. Two good examples of this are the books *Future Wealth* by James Robertson and *For the Common Good* by Herman Daly and John Cobb.

Conventional modern economics is defined as the: “study of how human beings allocate scarce resources to produce various commodities and how those commodities are distributed for consumption among the people in society. The essence of economics lies in the fact that resources are scarce, or at least limited, and that not all human needs and desires can be met. How to distribute these resources in the most efficient and equitable way is a principle concern of economists.” [*Columbian Encyclopedia* (6th edition, Columbia University Press; 1993)]

The various streams of ‘new economics’, ‘humanist economics’, ‘ecological economics’ challenge this basic preoccupation with scarcity. For what the encyclopedia does not tell you is that this particular definition is just two hundred years old. Human beings have much longer practice in garnering resources to ensure material well-being. In this elementary sense of ‘economy’ we have been at it for about roughly ten thousand years.

But in most earlier arrangements the material and economic dimension of life was governed by social and cultural mores. Society governed the economy not the other way around.

This changed with the rise of the notion of Homo Economicus as the insatiable being. To illustrate the anomalies created by this world view Robert Kuttner, author of *Everything for Sale*, relies on the following song:

“Love is something if you give it away
give it away, give it away
Love is something if you give it away
You end up having more.

It’s just like a magic penny
Hold it tight and you won’t have any
Lend it, spend it and you’ll have so many
They’ll roll all over the floor. ”

“Magic Penny” a song by Malvina Reynolds

Here, says Kuttner, is the antithesis of the economic model which depends upon scarcity in market exchange. Within that frame it is both absurd, even impossible, to conceive that you can get more of something just by giving it away, spreading it around. Fortunately, to most ordinary people it is clear that both love and that ‘magic penny’ are magical precisely because they are not commodities, not ‘for sale’.

Thus, in *For the Common Good* Daly and Cobb urged that:

“We believe human beings are fundamentally social and that economics should be refounded on the recognition of this reality. We call for rethinking economics on the basis of a new concept of *Homo economicus* as person-in-community. ”

It is the homo economicus model that has made “efficiency” a veritable mantra of the industrial era. A machine, process or work pattern that allowed you to do something faster, with less effort was deemed efficient. The worship of efficiency also has allusions of liberation from certain kinds of tedium and drudgery. But, as Hazel Henderson points out: “.. efficiency is either a value-laden or a meaningless term unless one inquires, ‘Efficiency for whom? Efficiency in what time-frame? Efficiency at what level in the social system?’ For example, is it individual efficiency that ought to be maximized, or is it corporate efficiency, social efficiency, or ecosystem efficiency? Each would require a different policy. ” -- Hazel Henderson in *The Politics of the Solar Age: Alternatives to Economics*.

It is now more widely recognized that the world has reached a watershed in economic thought. In his book *One World Ready or Not* the American journalist William Greider wrote about a great watershed and an impending shift in economic thought as the conservative orthodoxy

continues to crumble. By this he meant a shift in what American society is "... allowed to think in responsible circles." Talking about previous periods in American public life when the governing elites and the economics profession have remained in denial about the need for change, Greider warned that it could still "... take the learned authorities years to acknowledge the breakdown in today's orthodoxy and come to terms with it. Some of them will never acknowledge it. Because we're all creatures of habit – including the habits of thought. The people who will come at us with new thinking are the young people, who aren't invested in the old order, who might get some pleasure out of proving that their professors were full of it." -- William Greider in interview with Financial Market Center, November 1998.

Edgar Cahn, the creator of Time Dollars and author of several books including *'No More Throw Away People'*, has suggested that equating the economy with the market is akin to the view that the earth is flat. Cahn writes: "We need a new map of the real world. The map provided by government and prepared by economists is fatally incomplete. It defines reality exclusively in terms of money transactions. That's all the GDP measures. It is a flat earth view."

The task of drafting this new map of the real world, fundamentally a normative endeavor, has been progressing steadily over the last two decades. There is now a wider recognition that the very definition of 'civilization' is at stake. It means equating civilization not so much with technological and material achievements as with the ceaseless striving for higher levels of being. But given the ways of the world as it is today, can new economics be more than just an idealists pipe dream?

Back in 1827 J. C. L. S. Sismondi wrote feelingly about the difficulties in finding "... the man enlightened enough to imagine a structure that does not yet exist, to see the future when we have already so much trouble to see the present?" [Lutz* > J. C. L. Sismonde de Sismondi, *New Principles of Political Economy* [1827], trans. R. Hyse, New Brunswick, NJ, and London, Transaction Publishers, 1991, p. 634] Yet collectives of enlightened thinkers can, and have, changed the course of history -- both for better and for worse.

Of course, new ideas and visionary ideals don't pop out of a box complete with detailed assembly instructions. We inevitably grope our way towards them, recognizing and working on the flaws as we go along. For all its advances over the last two decades the stream of humanist or new economics is still in this groping stage. At the core of this endeavor is the quest for a radical reformulation of what it means to be human, which is no small task.

It involves, as Mark Lutz suggests, "a questioning of the modern mind rich in *quantitative* means but poor in *qualitative* ends." This in turn means a greater valuing of the distinctly human quality of self-awareness as a gateway to a higher, spiritual domain. Thus Schumacher's insistence on the

need for humanity to regain a faith in meaningful existence, a purpose of life beyond self-preservation and gratification. As Lutz wrote: "In the process, it is important to realize that a life of universal material abundance is not a realistic ideal for this planet. Life's destiny for the human being must be something other, something more meaningful, than that. Like Adam Smith, who cautioned us that wealth and greatness are mere 'baubles' and trinkets of frivolous utility, John Stuart Mill too stressed the importance of the higher 'pleasures.'" That is why, Lutz concludes at the end of his book *Economics for the Common Good*, "what is at stake is not just a new world order, but the world itself".

Small wonder then that 'reality therapy' and restoration of 'sanity' are recurring themes in the revolt against orthodox economics. One of the basic texts of new economics is called "*Real Life Economics*". The Post-Autistic Economics network's website has the words "Sanity, Humanity, Science" floating across its home page. Then there is the SANE -- South African New Economics network, TOES -- The Other Economic Summits and the New Economics Foundation. (See note at end for details.)

All these organizations and networks are expanding the space for ideas and practical methods that enable people to foster self-reliance and the capacity for self-development. These traits are not to be equated or confused with self-sufficiency or selfish isolation. Instead the opposite of self-reliance is a dependency on economic structures which make it impossible for people to forge their own subsistence and compel them to become paid labor.

What is called for, James Robertson wrote in *Future Wealth*, is "... the capacity to co-operate freely with others. Self-development includes the development of capacity for cooperative self-reliance."

When these ideas were first posited by TOES and NEF in the mid-1980s they seemed extraordinary and were often easily dismissed by mainstream media. Almost 20 years later the picture has changed, with many of these concerns being accepted and gaining ground in society at large. Ideas like ecotaxes, more power to stakeholders (rather than just shareholders) and debt cancellation, have made substantial strides.

Meanwhile the details of a different economic order are being pursued by formations like SANE, or the South Africa New Economics network -- which is inspired by the writings of Schumacher and James Robertson. SANE works for a SHE economy, that is Sane, Humane, Ecological, as opposed to the orthodox HE economy, which is Hyper-Expansionist. SANE is a network of loosely affiliated individuals and organizations who are worried about the social and ecological consequences of economics as it is conventionally taught and practiced.

The Post-Autistic Economics network, now four years old, is established as a sub-surface current in the economics fraternity. Its on-line journal *The Post-Autistic Economics Review* has 6000 subscribers in 140

countries. It functions primarily as a cyber forum -- creating a space for a wide range of debates on their mission to re-form economics.

The PAE mobilization also helped to win more and more support for the argument that environmental costs cannot be appropriately calculated in money terms. *The Guardian* of London recently wrote about the PAE: "What sterling figure captures the harm of industrially polluted air, soil or water? The rebels say the use of GDP to calculate prosperity is misleading since it counts disasters positively: the costs of clean-up raise GDP. As for the enshrined axiom that demand for labor varies inversely to wages, Steve Fleetwood of Lancaster University criticizes this and other conventional economic notions as emerging from a closed system of reference that 'ignores trade unions, the introduction or abolition of labor law and responses to them, government policy, political ideology, management systems' and other 'non-market' factors which are not amenable to quantification. "

In the spring of 2003 the PAE revolt stirred up things at the core of Harvard's economics department -- with a concerted opposition to the content of its introductory course. The opposition to this course came from a petition drafted by Stephen A. Marglin, who is the Walter S. Barker Professor of Economics at Harvard and vociferously supported by SHARE - - Students for a Humane and Responsible Economics. SHARE's mission statement declares that it aims to:

" improve economics education at Harvard by advocating for a broader diversity in the economics curriculum and by providing a forum on campus for discussion and debate on current economic issues, focusing on the social consequences of global and domestic economic policy. "

The editor of the Post-Autistic Economics (PAE) Review, Edward Fullbrook has said that the reform of economics is not going to happen overnight: "Most [economists] are culturally, as well as politically, ultraconservative. Most, even those who might be sympathetic, appear still not to have heard of PAE or of the events in France. " Fullbrook who is also editor of *The Crisis in Economics*, a volume explaining and examining the movement.

Ethical Investments

The concerns reflected in the New Economics movements are also reflected in other trends within societies of the North. More and more people are beginning to assert these concerns through mechanisms like Ethical Investments and Socially Responsible Investments.

Ethical or socially responsible investments are defined as any area of the financial sector where investors make decisions based not merely on the

search for profits but on values relating to social, environmental and other ethical concerns. There are now about 50 retail ethical investment funds in the UK, with an estimated value of 4 billion pounds in 2001.

There are several such funds in the USA and according to one estimate, one out of every seven dollars invested in the USA now passes through some ethical screen.

For example, Pax World Funds invests in companies that provide goods and services that improve the quality of life, focusing on areas such as health care, housing, technology, pollution control, utilities, and education. These Funds also do not invest in companies that manufacture defense or weapons-related products nor those that earn revenue from the manufacture of tobacco, liquor, and/or gambling products.

The Calvert Group, for example, is committed to offering investors a multi-layered analysis which “seeks to identify companies with positive business practices towards their employees, customers, community and environment” and invests in companies that:

- Protect the environment;
- Actively hire and promote women and minorities;
- Compensate workers fairly;
- Provide a family-friendly workplace; and
- Do not manufacture weapons, alcohol or tobacco products.

A Calvert document states that: “companies with forward-thinking management and an expanded view of corporate responsibility can offer attractive financial returns. For example, a study of almost 300 companies over a two-year period found that those with superior environmental performance had a higher return on investment than their competitors -- even after accounting for other profitability factors, such as sales, growth and market position.”

Some of these trends are driven by an expanding awareness of the danger implicit in 300 global corporations controlling one quarter of the productive assets of the world. Most of these corporations are moving their operations to nations with the lowest standards for workers, consumers, and environmental protection. In September 2000 a poll by *Business Week* showed that only four percent of Americans agree that profits should be the sole purpose of US corporations. Whereas 95 percent of the people polled favored corporations giving priority improving conditions of their workers and improving life in the communities around them.

There is a corresponding increase in shareholder activism, with people using their voting rights as shareholders to influence the policies of companies. For example there is SANE BP, which stands for Shareholders Against New Exploration, within British Petroleum.

SANE BP is an umbrella group of BP's investors concerned about its impact on climate change who wish to move the company towards renewable energy and away from damaging oil exploration.

The trend towards Ethical Investments is also being pushed forward by the fact that many ethical investment funds are showing consistently good results in terms of dividends. Some have even out-performed the purely profit-driven funds. Of course this does not mean that ethical criteria always lead to better performance but they also do not necessarily mean lower profits.

Free Software and Open Source Movement

The Free Software or Open Source movement is not often considered in a stock-taking of emerging trends of creative alternatives. But here is a phenomenon that started as a quiet counter-culture and now poses the most serious competition to a corporate giant, namely Microsoft.

'Free software' seems like a contradictory term. After all, computer software is a multi-billion dollar business today. Yet free software is a reality with far reaching implications for positive social change. Its flagship is a body of software called Linux and it draws on the energies of both businesses and social activists. As a street hoarding in India declared: "Linux is free. Linux engineers, however, are busier than ever."

The crucial element of free software is freedom, not price. Richard Stallman, a one time MIT engineer who launched the concept of free software in the mid-1980s has set the following criteria for software to be considered free:

You have the Freedom to Run the Program for any Purpose.

You have the freedom to modify the program to suit your needs. To make this freedom effective in practice, you must have access to the source code.

You have the Freedom to Redistribute Copies, either Fratis or for a Fee.

You have the freedom to distribute modified versions of the program, so that the community can benefit from your improvements.

These principles are also inherently conducive for fostering more democratic and non-hierarchic structures in society. Some years ago a senior Microsoft employee wrote in his farewell note to the company that:

"Microsoft must survive and prosper by learning from the open-source software movement and by borrowing from and improving its techniques," he wrote. "Open-source software is as large and powerful a wave as the Internet was, and is rapidly accreting into a legitimate alternative to Windows. It can and should be harnessed."

Thus many see Free Software as a proof of the fact that freedom, openness and community work. This is particularly significant because the core of the digital information technology industry is otherwise fiercely competitive. Some people even see it as a signal of the emerging future beyond capitalism. Yet others fear that in being adopted by the corporate world the free software model will be transformed beyond recognition, losing most of its vital social and ethical strengths.

Conclusion

These examples may not have any direct bearing on Bhutan's striving to organize its economic and social life around the values and measurement of Gross National Happiness.

These trends have been narrated here merely as signals of the nascent changes unfolding in Northern society, which hold out the hope that these trends will widen and deepen the space for Gross National Happiness to be adopted across the world -- both as a value and a more realistic and holistic measure of economic and social life.

This narrative is not meant to imply that these trends are poised to bring about a positive transformation over night. There are severe limitations and the old ways of thinking, including measures like Gross National Product, remain deeply entrenched. Yet, it is important to appreciate the nascent promise of the winds of change and see initiatives like Gross National Happiness in that light.

Thus, I close with a cautionary and inspirational note taken from James Robertson's book *Creating New Money*, where he quotes the following words of Machiavelli who lived at the cusp of the 15th and 16th century:

“There is nothing more difficult to execute, nor more dubious of success, nor more dangerous to administer, than to introduce a new order of things; for he who introduces it has all those who profit from the old order as his enemies, and he has only lukewarm allies in all those who might profit from the new. This lukewarmness partly stems from fear of their adversaries, and partly from the skepticism of men, who do not truly believe in new things unless they have actually had personal experience of them.” -- *The Prince*.

Note:

The first TOES, or The Other Economic Summit, was held in 1984 as a counter to the G7 Summit in London. As James Robertson later recalled: “One aim of TOES was to build an international citizen coalition for a new economics

grounded in social and spiritual values to address concerns the G7 consistently neglects -- such as poverty, environment, peace, health, safety, human rights, and democratic global governance. TOES has since become an annual companion to the official G7 meetings. Since 1984, the enormous growth in environmental awareness and the collapse of world communism have demonstrated what effective citizen movements can accomplish and have created important new openings for a post-modern approach to economic policy. ”

Among other things the various TOES gatherings demanded that in order to democratize the system of global economic governance the G7 Summits should be replaced by a more representative World Economic Council working within the UN system and responsible for coordinating the work and policies of UNDP, the World Bank, IMF, GATT and other such organizations.

These summits in turn gave birth to the New Economics Foundation in 1986. Though it began as a modest organization NEF has grown and is now intensely engaged on many fronts -- including issues relating to making cities sustainable, supplementary currencies like Time Dollars and micro enterprises.

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Will 'Middle Way Economics' Emerge from the Gross National Happiness Approach of Bhutan?

HANS VAN WILLENSWAARD

One area of concern for Sulak Sivaraksa, Thai Human Rights activist and recipient of the 'Right Livelihood Award', is interreligious cooperation for socio-economic development. Recently Sulak co-organised with the World Faiths Development Dialogue (WFDD, initiated by the Archbishop of Canterbury and James Wolfensohn of The World Bank) an international conference "Buddhist Perspectives on Development" in Ashram Wongsanit, near Bangkok. And Sulak shared a workshop on "Buddhist Economics" with Vandana Shiva and Helena Norberg-Hodge in Bija Vidyapeeth, the College for Sustainable Living in Dehra Dun, India. Sulak is also a member of the Board of Advisors of the Peace Education Standing Commission (PESC) of 'Religions for Peace', one of the leading international bodies for interreligious dialogue and cooperation.

From the perspective of socio-economic development as a constituting element of interreligious Peace Education this paper explores the inspiration that may arise from the 'Gross National Happiness' dialogue towards a new understanding of 'Middle Way Economics'. Recent intentions to create an economic 'Third Way' in Europe and USA (Blair; Schroeder 'die Neue Mitte'; Clinton); and earlier attempts (Bandung, 1955) to shape a non-aligned movement as an alternative to the Capitalism-Communism dichotomy have failed to address the challenges of sustainability and global social justice adequately.

Should the search for universal indicators to make the Gross National Happiness approach of Bhutan applicable to Human Development efforts of the United Nations depart from econometric assumptions? Or is it more fruitful to dig deeper into the Buddhist - and ultimately possibly interreligious - sources of the GNH inspiration? Can we formulate a *holistic* understanding which brings these different dimensions of reality, the measurable and the immeasurable, together within one framework of thinking and future cooperation among a diversity of actors?

Globalization is an irreversible trend and has adopted an apparent destructive character because it is increasingly dominated by multi-national corporations, nation-states and world religions. These three factors have in common that they exercise enormous power but have not developed mature and democratic leadership structures at the global level.

Corporations are beyond the law or abide to legal principles as external factors, as hindrances; the corporate mainstream adheres to the basic ethical standard that trade, business has no intrinsic limits, should be left free to grow towards optimal satisfaction; while needs should be boosted to create and enlarge markets. Corporations are primarily ruled by self-interest and

competition and not by the common good. Fortunately there is a growing movement supporting alternatives in business¹ and Corporate Social Responsibility.

Nation-states in essence follow and support increasingly the big corporations, moreover are owned by corporate leaders, while democracy tends to be formalized in ways that decision-making can easily be manipulated as an element of consumerism. The United Nations has not (yet) evolved from a representative body of nation-states (with a small security-elite of traditional ruling countries in ultimate power maintaining double standards) towards more participatory structures that reflect the diversity and complicated fabric of the world population.

And religions, even within the bodies of the mainstream world denominations themselves, are divided and, once in situations of stress, compete each other and trigger, justify and intensify political conflict. This increasingly consolidates into fundamentalism and intolerance.

However, important minorities within the world religions engage in dialogue and seek common ground.² Socio-economic challenges become increasingly part of these efforts. As research undertaken by The World Bank indicated that among the most trusted social institutions for the poor and underprivileged all over the world were religious grass roots organizations, dialogue has been initiated to explore common ways to strengthen this role of religious grassroots organizations.³

The contemporary domination of world evolution by multi-national corporations, nation-states and world religions results in irreversible damage to the natural environment with a magnitude of worrisome implications.

Fortunately there is a country like Bhutan that seems to be able, yet, to situate itself out of reach of this pessimistic globalization paradigm.

Can Bhutan promote the concept of Gross National Happiness with its underlying philosophy cum praxis to the world community and offer itself as an acupuncture point for healing Mother Earth and her world civilization?

Lyonpo Jigmi Thinley raised three questions regarding the Gross National Happiness to be addressed. One of these questions is: 'were the four platforms of economic development, environmental preservation,

¹ *The Path to Living Economies, a SVN paper edited by Richard Perl, English and Thai version, Suan Nguen Mee Ma Co., Ltd., Bangkok*

² *A Global Ethic: Development and Goals, Hans Kueng, Interreligious Insight, 2003 Edition, January*

³ *Can Anyone Hear Us. Voices of the Poor, Deepa Narayan, Oxford University Press 2002 (third printing)*

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Religions for Peace, (World Conference of Religions for Peace), www.wcrp.org Peace Education Standing Commission (PESC), Prof. Johannes Laehnemann, Regensburger Str. 160, D-90487

cultural promotion and good governance through which GNH was being pursued the appropriate ones – were there others to be considered?’⁴.

If we accept the analysis of globalization as summarized above we can say that economic development could respond to corporate dominance; good governance to the dysfunction of the nation-state; cultural promotion to the inadequacy of the world religions; and environmental preservation with the deterioration of the natural environment. The platforms seem to be well chosen but questions remain on how to determine the more specific *right direction* of policies and implementation on these planes. And this leads to the question whether a ‘platform’, a ‘fifth dimension’, can be identified where the dynamics that constitute fruitful interaction between the four platforms can be defined and activated.

The recent attempts to formulate a new Third Way approach in the first place by Tony Blair (1998)⁵ identifies the contrasting forces as ‘statist’ at one side and by free-market philosophies at the other extreme. The non-aligned movement (Bandung 1955) found its impetus in the desire to be independent from two contrasting political blocs: the former USSR and the USA. The basic direction of the Tony Blair Third Way can be characterized by compromise. The non-aligned movement attempted – and never went far beyond that – to manipulate by divide-and-rule the contrasting political blocks in order to benefit from both.

The genuine *Middle Way* – if we try to humbly tread the path of Buddhist philosophy in an unconventional way – will not be defined by compromise nor by manipulation. The extremes the Lord Buddha explored before he achieved Enlightenment were, at one side, the wealth and protection of his inherited position as a Prince; and the self-mortification through extreme fasting and forest-dwelling at the other extreme. Understanding the Middle Way as observing a modest lifestyle is correct but may not be the whole story. The message for contemporary people is rather the challenge to derive impulses for creativity, authenticity, innovation from confrontation with any extremes, while learning from the Lord Buddha’s life as a symbolic example. The principle of the *creative Middle Way*, before we apply it to the questions raised above, can be explained simply with the following metaphor: the Middle Way between black and white should not be understood as the colour grey. Between the extremes of Black and White the awesome specter enfolds of all Rainbow colours: red, yellow, green, blue and purple.

⁴ *Gross National Happiness: an introductory editorial*

Gross National happiness and Human Development – Searching for Common Ground, Lyonpo Jigmi Y. Thinley, *The Centre of Bhutan Studies* www.bhutanstudies.org *Gross National Happiness, A set of discussion papers, April 1999*, Edited by Sonam Kinga, Karma Galay, Phuntsho Rapten and Adam Pain.

⁵ *The Third Way*, Tony Blair, Fabian Society, London 1998

The Third Way: The Renewal of Social Democracy, Anthony Giddens, Cambridge, Polity Press, 1998

Whether the concept of Gross National Happiness, including subsequent questions raised, can induce a creative impulse strong enough to respond to the overwhelming trend of destructive globalization both in Bhutan, as an Asian country and as a member of the United Nations, can be explored in more depth by analyzing the complexity of actual contrasting forces at work.

These forces should not necessarily be perceived as political blocs or as economic systems. The dynamics of world civilization can also be analyzed from a perspective of anthropology, or more unusual: “anthroposophy”⁶.

As the concept of Gross National Happiness is a product of Buddhist culture an element of Buddhist philosophy should provide the guiding principle for our analysis. A notion most widely adopted by all streams of Buddhism is the Triple Gem or Three Jewels: the threefold order of Buddha, Dhamma and Sangha.

In order to outline briefly a provisional structure for further research in this paper – as a modest contribution towards brainstorming – we start from the perspective of *cultural promotion*.

I propose to accept liberation, freedom as the core values in the platform of cultural promotion. In the cultural realm the element of Buddhahood provides the central inspiration. The Lord Buddha attained Enlightenment or self-liberation as an individual seeker for truth. After he broke away from social determination, he went a path of individuation and freed himself from conditions, from suffering, even from Self. He communicated this insight to others and devoted the rest of his life to teaching by dialogue.

Even though tradition can be an important element of cultural promotion, tradition will only maintain and grow when it is nourished by individual dedication and authentic understanding of the reasons why tradition is important – or not. Without a free choice to cultivate tradition it risks to perish, at least while challenged by globalization offering much easier and instantly attractive alternatives.

The Lord Buddha induced a practice of oral transmission of his teachings, later resulting in an enormous wealth of scriptures, including a set of rules and regulations. The aim of these scriptures and contemporary interpretations is to explain the Law of Nature: how things work, according to which logic, and how laypeople and monastics are advised to live, which rules they should observe. This is the element of Dhamma.

In world civilization, societies and groups this refers to the element of legislation; the discipline of science; ethics, codes of conduct and social order. The leading principles are justice and equality while observance of these principles guide *good governance*.

⁶ A term used by the Austrian philosopher Rudolf Steiner (1861 – 1925). A recent book of one of his students is *Shaping Globalization. Civil Society, Cultural Power and Threefolding*, by Nicanor Perlas, *Right Livelihood recipient 2003, CAD1, Philippines*

In their extremes freedom and legislation are contradictory. The question arises what can be the Middle Way between these extremes.

The mediating force that emerges from efforts to reconcile the extremes of freedom and legislation is community. In order to make cultural activity in freedom possible and to create conditions for a government to formulate laws and oversee the implementation we need to cooperate and make a living: create an economic basis to facilitate freedom and justice. In this realm we cannot be totally free, nor can we be equal, but we have to bring in our unique skills, our diversity, into an appropriate community organism in order to produce and constitute concrete living circumstances that fulfill our basic needs. And to create surplus for sustaining security, justice at one hand; and culture, beauty, uniqueness at the other hand.

In a broad sense this is the principle of Sangha, the community of students of the Buddha.

“The basic philosophy of the *sangha* can be applied to the contemporary world. For instance, Gandhi’s vision of the village republic is quite similar to the Buddha’s *sangha*”⁷. In Theravada Buddhism the Sangha principle is shaped as a symbiotic relationship between the lay people and the monks: the lay people provide the monks and nuns with food, shelter and basic needs while the monks give directions on how to cultivate life.

Economic development in this sense implies providing guidelines for cultivating the spirit of brother- and sisterhood among all people (in a village; a country; or the world); fostering economic organisms that are based on, and supportive to community life.

A contribution from Bhutan towards Middle Way Economics will not in the first place arise from a compromising position between different political and economic systems. Middle Way Economics may grow from the challenge: to reconcile by creativity two contrasting contemporary needs of human beings to mature by individuation in a cultural context and the other need to secure justice for all human beings. Because all human beings are equally entitled to enjoy Human Rights.

In order to change the grim reality in the direction of this ideal some degree of non-violent enforcement will be needed.

If we diagnose the present state of the world in the light of this outline for an analysis, the following observations should be investigated in more depth:

The realm of culture is overgrown by world religions that tend to be increasingly dominated by empty traditionalism and fundamentalism. One could understand this as an intervention of the principle of legislation in the cultural platform of freedom. In the worst cases this trend is strongly supported by governments – who should leave the cultural realm to *civil society* (though, that can be supported and guided by government).

⁷ Economic Aspects of Social and Environmental Violence from a Buddhist Perspective, *Sulak Sivaraksa, Buddhist-Christian Studies, Volume 22, 2002, University of Hawai’I Press.*

Governments are taken over by the laws of corporate management in terms of self-interest and maximizing personal gain: internally by allowing all kind of privileges to the economic elites; externally by putting competitiveness among nation-states first. Governments follow perverted economic practices.

In the field of economics way have surrendered to the erratic claim that trade should be free and that it is not allowed to obstruct business-for-profit. The core value of the cultural realm of freedom has been co-opted for justification of economic malpractice. The provision of economic conditions for fulfillment have been mutated into an end in itself. The *business sector* takes way much of the community spirit for its own interests and uses it as corporate identity, engineered team building, that builds on consumers' loyalty. The core value of business should be mutual help. These values of brother- and sisterhood, social responsibility, solidarity, inherent in genuine community business, have been attributed to civil society that therefore cannot perform its cultural tasks in the required atmosphere of freedom, but is overloaded by multiple urges for social activism.

The above diagnosis casts light on the causes of contemporary large scale environmental deterioration. Care for nature should be stimulated from all three realms. Unfortunately in other countries than Bhutan *environmental preservation* is not enough: huge efforts are needed towards environmental rehabilitation with organic agriculture, community forestry and drastic interventions in the urban-industrial complexes as core challenges.

As a service to the world Bhutan could host experiments in organic agriculture and community forestry with a dynamic approach to biodiversity. These are essential components for endogenous development⁸.

We can draw upon rich religious resources for global inspiration towards environmental rehabilitation and value-driven, community based socio-economic development.⁹

The fifth platform that could be perceived to be added to the four mentioned by Lyonpo Jigmi Thinley is the cultivation of *holistic science*: an appropriate framework for research and education to mediate creatively between conventional science, based on a materialistic world view and spirituality¹⁰. The Buddhist principle of interdependence will prove to be essential for this effort. The effort should include interreligious dialogue as

⁸ Ancient Roots, New Shoots. Endogenous Development in Practice, Bertus Haverkort, Katrien 't Hooft and Wim Hiemstra (eds), COMPAS and ZED Books, London, 2003.

⁹ Ecology and Religion. Ecological Spirituality in Cross-Cultural Perspective, David Kinsley, Prentice-Hall, 1995.

¹⁰ Holistic Education and the Sciences. Are holistic approaches un-scientific? A Symposium with Vandana Shiva, Right Livelihood recipient, in Chulalongkorn University, Bangkok, 2-3 December 2001. "If science is not holistic, it is not science" was her opening statement.

"Holistic Universities. Towards a Culture of Peace" paper presented at Schunacher College by Hans van Willenswaard, 21 June 1998 suanco@ksc.th.com

an essential element towards universal applicability of the concept of Gross National Happiness. Bhutan could become the Mother base for an international network of study centers facilitating research & development urgently needed at this 'fifth platform'. Criteria to select tourists to Bhutan could be formulated in terms of degrees of commitment to contribute – at all levels – towards this educational & research mission.

In a simple diagram:

Cultural Promotion	Good Governance	Economic Development
Buddha	Dhamma	Sangha
Liberation; freedom; individuation; insight; communication, dialogue	Justice; equality; legislation and sciences; social order; wisdom	Brotherhood; cooperation towards basic needs; economic conditions for human fulfillment
Civil society; freedom of assembly and expression; diversity; innovation	Government; democracy; consensus	Community business; corporate social responsibility; fair trade; support to government and civil society

Environmental Preservation; care for nature; rehabilitation; service

Interdependence; holistic science; religion & dialogue; education & research

Gross National Happiness

Within an appropriate scientific framework (the “fifth platform”) the further elaboration of *Gross National Happiness* as a tool towards good governance, creative policy development and international cooperation has great transformational potential. It can be very helpful as a platform of *integration* towards global transformation.

In general Gross National Happiness can be an effective tool to develop policies - with the help of indicators - aiming at maximizing the degree of services towards the common good with specific indicators at the four or five platforms mentioned in this paper; and to minimizing the degrees of oppression, social injustice and environmental destruction (with ‘unhappiness indicators’ to be developed).

Happiness should not be understood as euphoria, excitement but rather as equanimity. This is a typical Buddhist connotation. Maybe we could say that it can be found in western scientific research as *flow*¹¹ – effortless (with maximum energy but minimum stress) and successful engagement with increasingly difficult challenges.

¹¹ Flow. The Psychology of Optimal Experience. Mihaly Csikszentmihalyi, HarperCollinsPublishers 1990.

'For the new right, globalization is an opportunity; for the old left, a threat; for the new left, a challenge'¹².

¹² **The New Left from the South** Luiz Carlos Bresser Pereira, Rio de Janeiro, 11 November 1998. Quoted in **The Third Way and its Critics** by Anthony Giddens, Polity Press, 2000.

Gross National Happiness: Towards a New Paradigm in Economics

SANDER G. TIDEMAN

Introduction

The notion of Gross National Happiness (GNH) – as first conceived by the King of Bhutan - presents a radical paradigm shift in development economics and social theory. GNH can be regarded as the Buddhist equivalent to Gross National Product (GNP), which is the conventional indicator for a nation's economic performance. But GNH can also be regarded as the next evolution in indicators for sustainable development, going beyond measuring merely material values such as production and consumption, but instead incorporating all values relevant to life on this planet, including the most subtle and profound: happiness.

The definition of happiness needs further clarification. In the Buddhist view, which generally corresponds to those of other spiritual traditions, happiness is not simply sensory pleasure, derived from physical comfort. Rather, happiness is an innate state of mind which can be cultivated through spiritual practice, overcoming mental and emotional states which induce suffering. In the Buddhist tradition this is a path of 'liberation'; other spiritual traditions call it self-transformation. This definition of happiness is absent from conventional western sciences, on which modern economic theory is based. In fact, conventional economics and its indicators such as GNP, deliberately leave human happiness outside its spectrum, tacitly assuming that material development, as measured by GNP growth, is positively correlated to human well-being. Further analysis of the relationship between material development and human psychology has been outside the scope of economic and social theory.

Yet this is changing: breakthrough research – in quantum physics, medicine, biology, behavioral science, psychology and cognitive science – is now making the science of the mind relevant to economics. Conversely, as the current discussion on GNH indicates, from within the profession of economics, attempts are made to broaden the scope of economics into the domain of psychology.

While this allows us to find a common basis for GDP and GNH, it is important to note that this change constitutes a paradigm shift in our thinking. GNP and GNH are rooted in very different (and even opposing) views we have of the world and ourselves. Once we recognize this, we can embark on a coherent journey finding the possible content and meaning of GNH. So let's first review the foundations of GNH and GNP, respectively.

Buddhism

Buddhism is based on teachings of Gautama Buddha who lived 2500 years ago in ancient India. One of his key teachings is that suffering is caused by the way we perceive things and ourselves. Things appear to us as if they have the ability to provide us lasting happiness and comfort, so we become attached to them and we develop desire for them. But this craving is a result of ignorance about reality. The reality of things is that they are transient, impermanent, and therefore cannot produce the lasting happiness that we expect from them.

Buddhism does not reject matter and wealth as inherently evil, but considers them useful. First, material wealth prevents us from poverty and, second, it allows us to practice generosity; which causes 'merit' or positive karma, and a more happy society for all. Thus, "right livelihood" is one of the eight main requirements of the Buddha's path, which has been defined as follows:

One should abstain from making one's living through a profession that brings harm to others, such as trading in arms and lethal weapons, intoxicating drinks, poisons, killing animals, cheating etc., and one should live by a profession which is honorable, blameless and innocent of harm to others.¹

A true Buddhist person not only seeks wealth lawfully and spends it for the good, but also enjoys spiritual freedom. The Buddhist Pali canon states that such person acts as follows²:

Seeking wealth lawfully and unarbitrarily
Making oneself happy and cheerful
Sharing with others and doing meritorious deeds
Making use of one's wealth without greed and longing, possess of
the insight that sustains spiritual freedom

These Buddhist principles provided the ground for some 21st century authors to define the concept of *Buddhist economics*³. But Buddha himself

¹ See Walpola Rahula, *What The Buddha Taught*, the Gordon Fraser Gallery, London, 1959

² Cited in Phra Rajavaramuni, "Foundation of Buddhist Social Ethics", in *Ethics, Wealth, and Salvation*, ed. Russell F. Sizemore and Donal K. Swearer (Columbia: University of South Carolina Press, 1990).

³ Economist E. F. Schumacher is believed to be the first to use the term "Buddhist economics" as title of a far sighted essay, included in his *Small is Beautiful; Economics as if People Mattered*, Harper & Row, 1973, which became a landmark book for alternative economics (see also below). More recent work on this theme is from P.A. Payutto, *Buddhist Economics; A Middle Way of the Market Place*, Bangkok, 1992, Sulak Sivaraksa in *Global Healing*, Thai Inter-Religious Commission for Development, 1998, David Bubna-Litic in *Buddhism Returns to the Market Place (in Contemporary Buddhist Ethics*, ed. Damien Keown, Curzon 2000) and David Loy: *The Great Awakening; Buddhist Social Theory (Wisdom Publications 2003)*.

made it very clear: real happiness does not come from acquiring or consuming material things. Happiness is essentially a state of mind or consciousness, and mind/consciousness is distinct from matter. Thus, Buddhism considers the path of mental or spiritual development superior to that of material development. What really matters is to psychologically detach oneself from matter, and strive for liberation and enlightenment, which is considered the ultimate state of happiness and fulfillment. This is achieved by the cultivation of values within one's mind, such as insight, compassion, tolerance and detachment. Only this will bring true happiness, both for the individual and society⁴.

Economics

Economics has its roots in ancient Greece (the term is derived from '*oikonomikos*', literally meaning 'Household Management'), and now is commonly defined as 'a science which studies human behavior as a relationship between ends and scarce means which alternative uses'⁵. In this discussion, it is important to note that economics defines ends and means primarily in *material* terms, which moreover can be quantified in monetary terms. Immaterial and non monetary values are considered subjective and therefore outside its scope⁶. Further, by stating that economic means are naturally limited and scarce, economic theory accepts a natural element of competition for these resources.

Economic textbooks talk of economic laws assuming man naturally competes for scarce and limited material resources. Happy is the man who is able to consume these resources, unhappy is the one who is not. Classical economics tell us that it makes no sense to exert time, effort or expense on maintaining values, if money can be made by ignoring them. Intangibles don't count.

One of the great economists of our time, Lord Keynes, wrote in 1930 that the time that everybody would be rich was not yet there: "For at least another hundred years we must pretend to ourselves and everyone else that fair is foul and foul is fair; for foul is useful and fair is not. Avarice and usury and precaution must be our gods for a little longer still. For only they can lead us out of the tunnel of economic necessity into daylight"⁷. In Keynesian thought, which had a large effect on economists for much of the

⁴ See for the Buddhist definition of happiness, e.g. the Dalai Lama and Howard C. Cutler, *the Art of Happiness*, Coronet Books, UK, 1998

⁵ Lionel Robbins, in "The Penguin History of Economics, by Roger E. Backhouse, 2002.

⁶ Many believe economic theory to be free from subjective values, as a 'pure' science should be. However, this is increasingly contested. Mahatma Gandhi observed that nothing in history has been so disgraceful to human intellect as the acceptance among us of the common doctrines of economics – as a science. A small group of economists including Barbara Ward, Kenneth Boulding, E.F. Schumacher, Gunnar Myrdal, Hazel Henderson, always stressed that economics is not a science.

⁷ quoted in *Small is Beautiful, Economics as if People Mattered* – see note 6

last century, ethical considerations are not merely irrelevant, and they are an actual hindrance.

The assumptions underlying the so-called "economic laws" were developed at a time when religion was being separated from science, the accepted worldview became secularized, and the sacred was substituted by belief in matter. Economic theory was affected by great scientific discoveries in physics, biology and psychology, and economic laws were presented with the same authority as laws of nature. Newton and Descartes described reality in terms of a more or less fixed number of "building blocks", of "things", subject to measurable laws such as gravity and, put together smartly, operating like a big machine. The world of matter was regarded as a mere machine, to be used by man, his reason and free will.

Darwin had described human beings as a relatively intelligent species evolved from primitive apes motivated by lusts and aggression (as Freud would confirm later in psychology). Our intelligence has taught us to behave socially, but fundamentally we are selfish beings subject to the law of "survival of the fittest".

When Adam Smith, in his famous work *The Wealth of Nations*, introduced the "invisible hand" of the market, by which the things and building blocks can be exchanged efficiently on the basis of each individual's self interest, we extended these laws into the realm of economics. 19th century economists such as Malthus and Ricardo, added the notion that economies are closed systems, bound by fixed quantities of material goods. No matter how large economies become, they remain closed, thus limited. This has led to an important premise underlying classical economics: scarcity is a natural state. Hence it is believed that competition for scarce resources, or even war, is natural too. We forgot that Adam Smith wrote in his earlier work *The Theory of Moral Sentiments* that markets could not function without ethics and morals. We have come to believe that greed and selfishness is what economies are all about.

Economist E.F. Schumacher observed in his landmark book "Small is Beautiful" that the idea of competition, natural selection and the survival of the fittest, which purports to explain the natural and automatic process of evolution and development, still dominates the minds of educated people today. Schumacher argues that

These ideas, combined with the belief in positivism, have wrongly been given universal validity. They simply do not stand up to factual verification. But since they conveniently relieved us from responsibility - we could blame our immoral behavior on "instincts" - these ideas have retained a prominent place in the consciousness of modern man⁸.

⁸ *Small is Beautiful, Economics as if People Mattered*, by E.F. Schumacher, Harper Perennial, 1977.

In fact, over the last two centuries we have firmly enshrined these principles in our capitalist legal systems, domestically and internationally. For example, the international laws governing the main multilateral agency for international trade, the World Trade Organization (WTO), are based on Ricardo's concept of "comparative advantage", the idea that nations, by specializing yet keeping our borders open, will benefit from unfettered competition. This arose from 17th century Europe which had invented the nation state to better deal with the opportunities provided by colonialist expansion.

Likewise, with the emergence of the nation state, monetary systems and policies were developed based on the notion of scarce money supply, linked to gold and silver, the value of which was controlled by the nation. The artificial measurement of money scarcity, when the churches relaxed their restrictions on interest bearing lending (considered 'usury' for many centuries)⁹, introduced an official element of competition among those in need of funding¹⁰. In contrast, those with money could set rules on how the scarce resources should be invested. These rules, now enshrined in corporate and banking law (and forming the basis of what we know as 'capitalism'), favor those with wealth over those who have not. These 'have nots', the vast majority, have been locked in a competitive cycle for scarce capital ever since. When a competitor achieves a monopoly, he is punished under anti-trust laws, for competition must go on. The judge in the antitrust case against Microsoft ruled that the firm's monopoly had done "violence to the competitive process"¹¹. In our modern society we take it for granted, and in fact consider it healthy, that competition has become a structural feature of our societies.

What do We Measure?

At the same time we have developed indicators to measure the well-being of our society in terms of economic growth. Inspired by the mathematical approach of the natural sciences, we have chosen indicators which measure things that can be quantified by assigning monetary weightings. Thus, they exclude qualitative distinctions. Yet over the last decades it has appeared that it are exactly the qualitative factors that are crucial to our understanding the ecological, social and psychological dimensions of economic activity. For example, economic calculations ignore the value of things such as fresh water, green forests, clean air, traditional

⁹ *All major religions discouraged or prohibited interest on lending, as it was considered unethical to earn money on money, by unproductive means. Islam retains its laws against interest on money into the present day.*

¹⁰ *A critical analysis of the phenomena can be found in Michael Rowbotham, *The Grip of Death; A Study of Modern Money, Debt Slavery and Destructive Economics*, 1998, and Bernard Lietaer, *The Future of Money, a New Way to Create Wealth, Work and a Wiser World*, 1999.*

¹¹ *The Economist*, April 8, 2000

ways of life, to name but a few – simply because they cannot be easily quantified. This partial blindness of our current economic system is increasingly recognized as the most important force behind the accelerating destruction of the global environment.

The most basic measure of a nation's economic performance, is called Gross National Product (GNP) calculated as on the basis of all quantifiable economic transactions recorded in a given period. Governments want to see this grow each year. Yet GNP statistics are inherently flawed. In calculating GNP, natural resources are not depreciated as they are being exploited. Buildings and factories are depreciated, as well as machinery, equipment, trucks and cars. Why are forests not depreciated after irresponsible logging and farming methods turn them into barren slopes causing erosion and landslides? The money received from the sale of logs is counted as part of the country's income for the year. Further, the national statistics would show that the country has gone richer for cleaning up landslides. The funds spent on the chain-saws and logging trucks will be entered on the expense side of the project's accounts, but those to be spent on the supposed replanting will not. Nowhere in the calculations of this countries GNP will be an entry reflecting the distressing reality that millions of trees are gone forever.

Aside from the environment, traditional GNP calculations ignore the informal, unpaid economy of caring, sharing, nurturing of the young, volunteering and mutual aid. This informal "Compassionate Economy" is hidden from economist's statistics and therefore public view, yet it represents some fifty percent of all productive work and exchange in all societies.¹² In developing countries, these traditional non-money sectors often predominate. Indeed, the United Nations *Human Development Report* in 1995 estimated such voluntary work and cooperative exchange at \$16 trillion, which is simply missing from the world's GNP statistics.

Classical economics holds that all participants in the market between supply and demand have 'perfect information' about the facts on which they base their choices. This is another assumption that has proven to be incorrect, especially in light of the buyer's inability to ascertain to what extent a product has depleted natural resources or exploited labor. Our current economic system not only makes unrealistic assumptions about the information available to real people in the real world; it also assumes incorrectly that natural resources are limitless 'free good' failing to distinguish between renewable and non renewable goods and simply equating them on the basis of monetary values set by a supposedly 'informed' market.

Our system also fails to account for all the associated costs of what is called consumption. Every time we consume something, some sort of waste

¹² Quoted by Hazel Henderson in *Beyond Globalization; Shaping a Sustainable Global Economy*, Kumarian Press, USA, 1999.

is created, but these costs are usually overlooked and externalized. For instance, for all the fuel we consume in a given day, we do not account for extra CO₂ emission in the atmosphere. Since we equate an increase in consumption with an increase in 'standard of living', we encourage ourselves to produce more and more, and also more waste. This has led to the disturbing reality that those countries which are considered richest, produce the most waste.

Discounting the Future

Our national accounting standards also contain questionable assumptions about what is valuable in the future as opposed to the present. In particular, the standard discount rate that assesses cash-flows resulting from the use or development of natural resources assumes that all resources belong totally to the present generation. As a result, any value that they may have to future generations is heavily discounted when compared to the value of using them up now. Likewise, by discounting the future value of money on the basis of interest rates, we have accepted that a dollar spent today is more valuable than a dollar spent tomorrow. This has not only caused a dangerous short-term mentality among fund managers who control increasing amounts of investment funds which can be moved from one country to another at the speed of online digital communication. It also provided a whirlpool-like force behind the expansion of our financial markets, which have come to grow to such an extent that national authorities can no longer control them.

The financial markets, in particular, with the daily turnover of more than US\$ 1.5 trillion on foreign currency markets worldwide, are now setting the pace for continued growth and expansion. Money should be moved in order to make more money. Short term rewards are more important than long term, sustainable investments. An increase in stock prices are equated with economic success, and conversely, a drop is regarded as an economic failure with immediate divestment as a result. This has had already disastrous results, as is shown by the repeated crashes of emerging markets, the internet bubble and recent corporate scandals such as Enron. Many have blamed this entirely on weak and ineffective governance, while only few recognize that the global system itself is at fault. It should, of course, be quite obvious that preoccupation with growth in a finite environment leads to disaster, but the supertanker of short term capitalism seems unstoppable.

By concentrating on the mere statistics of monetary indicators, we fail to distinguish between the qualitative aspects of growth; healthy or unhealthy growth, temporary or sustainable growth. We do not question what growth is actually needed, what is required to actually improve the quality of our life.

Recognizing this dilemma, and out of concern for the rapid depletion of natural resources caused by economic development, the concept of 'sustainable development' has emerged. The 1987 report by the World Commission on Environment and Development, *Our Common Future*, spread and popularized the term 'sustainable development', which it defined as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs"¹³. This concept became a focus of national attention after the UN conference on Environment and Development (UNCED) in Rio de Janeiro, 1992. Rio's *Agenda 21* commits all 178 signatory countries to expand their national statistical accounts by including both environmental factors and unpaid work¹⁴.

However, more than a decade later, only very few of these countries have been able to live up to their commitments. National *Agenda 21* efforts have led to academic debates, heightened public awareness and minor adjustments in the SNA and taxation rules, but it has not fundamentally altered the way we manage and measure our national economy. National political agenda's continue to be determined by interest groups dominated by commerce and industry who are locked on old paradigms, while in the meantime the power of national authorities and national democratic institutions have been gradually eroded by the globalization of industry, finance, technology and information.

Faith in the Market

Ironically, coinciding with the emergence of the sustainable development movement, mainstream political and economic leadership has embraced free market capitalism as a golden formula. Particularly since the 1980-ies, with the demise of socialism and the promising allure of globalization, we have come to see the competitive market process as sacred. The bodies that rule our global economy today, the G7 (the world's industrialized countries), IMF and the World Bank (together known as the 'Washington consensus') prescribe the world a neoclassical recipe of privatization, decentralization and market reform, assuming that our common interests are best served by the invisible hand of the market.

Critics of this faith are generally silenced by powerful arguments. They are told that government interference in markets will only lead to inefficient wasteful government bureaucracies. They claim that history has shown that the libertarian or laissez faire approach will allow markets to increase wealth, promote innovation and optimize production - and to regulate itself flawlessly at the same time. The fact that humans persist in behaving "irrationally and uneconomically" according to the market model, far from

¹³ *World Commission on Environment and Development, Our Common Future, also known as the Brundtland report, New York, 1987.*

¹⁴ *United Nations, Agenda 21 UNCED Concluding Document, New York, 1991*

invalidates the model, they say; we simply have not yet learned to appreciate the benefits of competition. Some economists, trying to account for "irrational" religious commitments, such as voluntary gifts or abstention from consumption, even introduced a new economic factor - "afterlife consumption"¹⁵.

As Robert Kuttner points out in "Everything for Sale":

Trust in the unfettered market place, enshrined in politics by Ronald Reagan's 1980 victory and by the clarion call for less government interference in people's lives, is undiminished to this day. Dissenting voices have been drowned out by a stream of circular arguments and complex mathematical models that ignore the real-world conditions and disregard values and pursuits that can't easily be turned into commodities. These values and pursuits happen to be ones that most of us consider integral to our identity: justice, freedom, worship, leisure, family, charity and love.¹⁶

Yet it is increasingly clear that our economies are inherently flawed. While substantial wealth is generated mostly by a minority elite in developed countries, the majority of the world population remains poor. The gap between rich and poor keeps growing in all societies, and also among countries in the world. Environmental degradation seems irreversible. Drugs and new forms of slave trade prosper. Corruption and corporate fraud is widespread. Stock markets are turning into global casinos. War is increasingly 'economic', motivated by either the lack or the protection of wealth. Even if the global economy prospers, it seems to prosper at the expense of the air, earth, water, our health and our rights to employment.

So we have to revisit the assumptions that underlie all this. Are the economic laws really uncontrollable? Spiritual teachings tell us that we make up reality, so likewise it must be us who make up the economy. For better or for worse, economies and business don't function separately from our decisions, since without us they wouldn't exist. So if we want a better economy we have to look deeply at who we are and how we live.

Spiritual Views Rediscovered

Buddhism and in fact all spiritual traditions have long described reality in rather different terms than traditional economic theory. While the latter are primarily concerned with a fragment of human behavior, namely "economic" actions defined as those which can be quantified in terms of money, the former approach reality holistically, incorporating all actions -

¹⁵ Corri Azzi and Ronald Ehrenberg, quoted in Robert Kuttner, *Everything for Sale*, see note 16

¹⁶ *Everything for Sale; the Virtues and Limits of the Market*, by Robert Kuttner, Alfred Knopf, New York, 1997

and even thoughts - that make up our being and society. While Newton, Descartes and classical economics define the world in things, of separate building blocks, spiritual teachings point out there is really no independent *thing* there, and that the focus on things will miss the relations and the whole context that make the thing possible. In economic textbooks human beings are isolated consumers and producers interacting at markets driven by monetary gains. In spiritual traditions humans are viewed as being part of a larger whole with which they can communicate by opening up their hearts and minds.

This holistic viewpoint is lent credence by modern physics, which postulate that the universe consists of unified patterns of energy. According to one of Einstein's favorite epigrams, the field generates the object, not vice versa. That is, whole systems give rise to specific things, not the other way around. While in the Cartesian worldview we can only know reality by knowing specific parts, Einstein discovered that in order to know things, we need to know the whole from which they originate. In other words, we are not isolated hard and fast physical things but more like "light beings" or "energy-flows" continuously interrelating and changing. Thus, we are more like "intangibles" - exactly that which cannot be measured in classic economic models.

The new understanding of reality is a systemic understanding, which means that it is based not only on the analysis of material structures, but also on the analysis of patterns of relationships among these structures and of the specific processes underlying their formation. This is evident not only in modern physics, but also in biology, psychology and social sciences. The understanding of modern biology is that the process of life essentially is the spontaneous and self-organizing emergence of new order, which is the basis of life's inherent abundance and creativity. Moreover, the life processes are associated with the cognitive dimension of life, and the emergence of new order includes the emergence of language and consciousness.

Most economic strategies are built around the possession of material things such as land, labor and capital. What counts is how much real estate we own, how much money we have and how many hours we work. The ideal for many people is to own enough land and capital, so we don't have to sell our time. This strategy, which no doubt will be recognized by many of us in developed countries, is based on the assumption that land, labor and capital is all there is, that the real world is a closed end system. Spiritual traditions and modern sciences claim the opposite. They recognize the unlimited potential in every sentient being - the potential to be whole and enlightened. Our minds create and pervade everything, hence physical reality is open for the spiritual.

The concept of scarcity has also been refuted by modern discoveries. Nuclear energy is based on breaking the seemingly closed-end system of the atom and the universe has been found to continuously expand. Like the

expanding limits of outer space, the modern business of cyber space and Internet, has created unexpected opportunities and amounts of new wealth. Another example, while being rightfully concerned about the limited availability of the planet's fossil fuel deposits, there is no shortage of energy in our solar system. In fact, we are surrounded by abundant energy sources: sun and wind, as well as the earth's heat, motion and magnetism. But most renewable energy resources are not available to us, not because they don't exist, but because we don't have the know how to tap them.

The key in the modern knowledge economy is that what counts here is not merely material possession, but know how and creativity, the domain of the mind¹⁷. As many of the new e-commerce companies have found out, a company cannot "own" the knowledge that resides in the heads of the employees. Research has shown that most successful business strategies focus less on things but more on how to manage them. It is commonly accepted that all technical and social innovation is based on what is now phrased as 'intellectual capital'. And unlike ordinary capital, intellectual capital is not subject to physical limits.

So what does all this tell us? Clearly, the 19th century mechanistic 'matter only' worldview has been turned on its head. And thus we should revise long held axioms. First, the traditional concept that we are simply competitive beings chasing scarce material resources is incorrect. Second, intangible values are equally important for our well-being. These intangibles are stored in the mind, free from physical constraints and therefore potentially of unlimited supply. Third, happiness is not merely determined by what we have, how much we consume, but also by what we know, how we can manage and how we can be creative, ultimately by who we are - so not by having, but by being. We are human *beings* after all.

How do we measure this reality? How do we account for 'self generation', 'spontaneity' and 'consciousness' in our economic worldview? Deterministic logic is no longer sufficient. New ways of measuring are required to embrace this new reality.

Human Nature and Motivation

Before we can move there, let us first examine this 'being' side of our existence. What kind of beings are we? Happy or unhappy? Altruistic or selfish? Compassionate or competitive? Modest or greedy? Driven to seek short term pleasure, or seeking meaning, a higher purpose, a longer term state of happiness? These are important questions on which economic theory and spiritual traditions hold different views.

Economists have accepted the principles of selfish individualism: the more the individual consumes, the better off he will be. And he consumes

¹⁷ Economists estimate that around 80% of a company's value is intangible, like brands, goodwill and human capital. This trend of "immaterialization" of companies is likely to continue.

out of perpetual needs, which – if unmet – make him innately unhappy. Economic growth is achieved when individuals consume more and more so that demand and output are boosted. This leaves no room for altruism, where an individual may incur costs for no conceivable benefit to himself. This approach reduces the meaning of cooperation to a mere reciprocal arrangement among individuals: individual sacrifices on behalf of the community can only be seen as an insurance policy, for it will ensure the individual that the community will help him in the future.

We can understand the need for values such as compassion because of mutual dependence in this increasingly smaller and interconnected world. But spiritual traditions point to another, more profound and personal dimension of compassion. They advise us to make altruism the core of our practice, not only because it is the cheapest and most effective insurance policy for our future, but specifically because the *real* benefit of compassion is that it will bring about a transformation in the mind of the practitioner. It will make us happy.

How can this be done if our real nature is selfish? Compassion can only work if our nature is receptive to having an altruistic attitude, if somehow compassion is in harmony with our essence, so that we can actually *enjoy* being compassionate. If we are inherently selfish, any attempt to develop a compassionate attitude would be self defeating.

Most religions state that mankind's nature is good. As we might say, our kind is kind. Buddhism explains that there is no real independently existing self that is either good or bad. Our selfish motives are based on an illusionary belief in an independent self, separating ourselves from others. We do have selfish traits, they may even dominate us, but they can be removed by practice. And since we are so connected to the world, since there is no disconnected self, the practice of compassion is most effective.

Several modern scientific disciplines, such as biology, psychology and medical science, have started to study the effects of empathy on the human mind, body, health and relationships. Not surprisingly, they have ascertained that compassion is of tremendous help to our well-being. A compassionate frame of mind has a positive effect on our mental and physical health, as well as on our social life, while the lack of empathy has been found to cause or aggravate serious social, psychological and even physical disorders¹⁸. Recent research on stress shows that people who only seek short term pleasure, are more prone to stress than those who seek a higher purpose, who seek meaning rather than pleasure.¹⁹ Meaning generally is derived from values such as serving others, going beyond short

¹⁸ See for example, the research of biologist Francisco Varela, in *The embodied mind; Cognitive Science and Human Experiences*, Cambridge, 1991. See also various exchanges with the Dalai Lama in *Mind and Life conferences*, such as *laid down in Healing Emotions*, Daniel Goleman, ed., Shambhala Publications 1997.

¹⁹ See for example the work of Prof. Joar Vitterso, advisor to the New Economics Foundation in London.

term selfish needs. The fact that disregarding short term selfish needs is actually a source of longer term happiness, turns the classical economic notion of selfish individualism upside down.²⁰

As economist Stanislav Menchikov observes:

The standard, neoclassical model is actually in conflict with human nature. It does not reflect prevailing patterns of human behavior. [...] If you look around carefully, you will see that most people are not really maximizers, but instead what you might call 'satisfiers': they want to satisfy their needs, and that means being in equilibrium with oneself, with other people, with society and with nature. This is reflected in families, where people spent most of their time, and where relations are mostly based on altruism and compassion. So most of our lifetime we are actually altruists and compassionate²¹.

What does all this mean for our economy? Here we are entering uncharted territory, as is always the case in a paradigm shift. But some things are clear. The debate is not simply on government versus markets. As noted earlier, I believe it is about deeper, spiritual issues. Economic thinking is primarily focussed on creating systems of arranging matter for optimal intake of consumption. It assumes that the main human impulses are competition and consumption, and it has sidestepped spiritual and moral issues because it would involve a qualitative judgment on values and other intangibles that go beyond its initial premises. But by assuming that the more we consume, the happier we are, economists have overlooked the intricate working of the human mind.

At the root of this belief in the market lies a very fundamental misconception. That is, we have not really understood what makes us happy. Blind faith in economics has led us to believe that the market will bring us all the things that we want. We cling to the notion that contentment is obtained by the senses, by sensual experiences derived from consuming material goods. This feeds an emotion of sensual desire. At the same time, we are led to believe that others are our competitors who are longing after the same, limited resources as we are. Hence we experience fear, the fear of losing out, the fear that our desire will not be satisfied.

²⁰ Altruism has also been found to be more efficient than market exchange in spheres such as health care and education. See, for example, an examination of the British and American blood banks in Richard Titmuss' classic *The Gift Relationship*, George, Allen & Unwin, London, 1970

²¹ quoted in *Compassion or Competition; A Discussion of Human Values in Economics and Business*, 2002. We should recognize that even though compassion is a desirable state of mind, there may well remain a role for competitive practices. As the Dalai Lama says, competition can be beneficial if it encourages us to be the best in order to serve others. Tibetan Buddhist monks for whom compassion is the heart practice, know a variety of competitive events, including heated public debates, which help to sharpen the mind. So while compassion is the motivating factor, competition can be a means to achieve the goal.

So we can observe that the whole machine of expanding capitalism is fuelled by two very strong emotions: desire and fear. They are so strong that they appear to be permanent features of our condition. Yet Buddha taught that since these emotions are based on ignorance, a misconception of reality, they can be removed by the understanding of reality, which is the prime object of Buddhist practice. According to Buddhism, happiness is an inner experience, available to anyone, regardless of wealth or poverty. Further, fundamentally there is nothing that we lack. By developing the mind, our inner qualities, we can experience perfect wholeness and contentment. Finally, if we share with others, we will find that we are not surrounded by competitors. Others depend on us as we depend on them.

I believe that if Buddha would be alive today, he would probably recreate economic theory based on a correct and complete understanding of what is a human being and what makes him happy. As long as economics is based on a partial or wrong image of man and his reality, it will not produce the results we need.

Towards a New Paradigm: Humanized Economics

In a sense, the redesign of economic theory has already started. In order to explain the persistent tension between economic theory and practice, and recognizing that conventional economics does not help us along much further in our pursuit of happiness, old assumptions are being reviewed. As a result, intangibles such as values and other more "noble" human impulses are gradually moving into the scope of leading thinkers, including economists, historians, social scientist, businessmen and bankers.

Nobel Price winner economist Douglass North says:

The theory employed, based on the assumption of scarcity and hence competition, is not up to the task. To put it simply, what has been missing [in economic theory] is an understanding of the nature of human coordination and cooperation²²

In his best selling book *the Fifth Discipline*, organizational learning expert Peter Senge draws from modern sciences, spiritual values and psychology to put organizations and management models into a radically different light.²³ A successful corporation, or an economy for that matter, is one that can tap its people's commitment and capacity to learn, grow and share at every level in the company, a continually growing, learning and living organism.

²² Institutions, Institutional Change and Economic Performance, by Douglass C. North, Cambridge University Press, 1990. The concept of cooperation has become an area of growing economic research known as institutional economics.

²³ The Fifth Discipline, by Peter Senge, Random House, London, 1990

Similarly, the social and psychological research on Emotional Intelligence, pioneered by the Harvard psychologist Daniel Goleman, has shown that success in business is dependent on how well we cooperate with others²⁴. Showing respect, sympathy and understanding towards others are needed for advancing in our careers. Many corporations have started to test and train their staff according to Emotional Intelligence indicators, known as EQ.

The 1998 Nobel Prize in Economic Science was awarded to Amartya Sen, who defines economic development in terms of freedom of basic necessities such as education and healthcare. He observed that as long as the contemporary world denies elementary freedoms to the majority of the world population, planning for economic development is of no use. In doing so, he has restored an ethical dimension to the discussion of development. Sen writes in "Development as Freedom":

Along with the working of markets, a variety of social institutions contribute to the process of development precisely through their effects on enhancing and sustaining individual freedoms. The formation of values and social ethics are also part of the process of development that needs attention²⁵.

The 2003 Nobel Prize in Economics was awarded to Daniel Kahneman and the late Amos Tverski, both leading scientists in behavioral finance. The latter is challenging the Efficient Market Hypothesis, the dominant paradigm based on a mechanistic worldview. As an extension, the nascent field of *neuroeconomics* seeks to ground economic decision making in the biological substrate of the brain. The most recent findings provide direct empirical and quantitative support for economic models that acknowledge the influence of emotional factors on decision-making behavior.

This was already clear to economic historian David Landes, who concludes in his best-selling review of two millennia of economic history "the Wealth and Poverty of Nations": "If we learn anything from the history of economic development, it is that culture makes all the difference"²⁶. Just because markets give signals does not mean that people respond timely or well. Some people do this better than others, depending on their culture, and culture is nothing but the aggregation of values.

In the last few years, particularly after the emergence of the corporate scandals of Enron, WorldCom and Parmalat, values are making a revival in the business world, a movement called corporate social responsibility (CSR). Research has shown that a company's performance is for at least 30% attributable to the corporate culture, the climate at the workplace, which is a

²⁴ Emotional Intelligence, by Daniel Goleman, New York, 1999.

²⁵ Development as Freedom, by Amartya Sen, Alfred Knopf, New York, 1999

²⁶ The Wealth and Poverty of Nations, by David Landes, Little Brown & Co, New York, 1998.

share too large to ignore²⁷. The recognition that corporate culture matters has also led to the emergence of religiously inspired literature on more enlightened forms of management, focussing on creating a happy work environment instead of maintaining control structures. Some companies now publish information on the basis of *triple bottom line* reporting, i.e. reporting not just on financial performance but also on compliance with environmental and social standards. Research indicates that firms who practice social responsibility, tend to outperform others at the stock market when measured over the medium and longer term²⁸. The insight that focusing on values does not necessarily hurt investment returns, has started to impact on the financial markets. The amounts of money managed according to socially, ethically and environmentally responsible criteria are growing, both in absolute, as well as relative terms²⁹.

The increased awareness that we face higher risks due to *not* focussing on CSR and sustainability, also contributes to this trend. Concern caused by the global climate change, has led to initiatives in Europe to start trading Carbondioxide emission rights. In addition, increasingly weather derivatives are created and traded to spread the risk of extreme weather conditions. Although still early days, these serve as examples of how the workings of the financial market can contribute to accepting environmental and social responsibility. Specifically, the main feedback mechanism in a market is its discounting principle: sooner or later, future expenses will (have to) be discounted in current prices.

This explains why financier George Soros, the Hungarian born speculator who made fortunes from free market trading, now passionately campaigns for a more social face of capitalism. In his "Open Society; Reforming Global Capitalism"³⁰ he states:

Economic theory presuppose that each participant is a profit center bent on maximizing profits to the exclusion of all other considerations. But there must remain other values at work to sustain society – indeed human life. I contend that at the present moment market values have assumed an importance that is way beyond anything that is appropriate and sustainable. Markets are not designed to take care of the common interest.

²⁷ *Emotional Intelligence*, see note 22

²⁸ see Frank Dixon, "Total Corporate Responsibility; Achieving Sustainability and Real Prosperity", in *Ethical Corporation Magazine*, December 2003, and also Jim Collins, *From Good to Great*, Random House Books, 2001.

²⁹ Since 1995, socially responsible investing (SRI) assets have grown 40 percent faster than all professionally managed investment assets in the US (to \$2.2 trillion). See Dixon, note 28.

³⁰ *Open Society; Reforming Global Capitalism*, by George Soros, BBS Public Affairs, New York, 2000

We are moving towards a new economic paradigm, one that is not based on maximizing ownership and profits or boosting abstract statistics such as GNP, but concerned with managing creativity and knowledge, and improving the quality of our lives and children's future. Economists are busy making models that account for the intangible factors that drives the information-based economy, such as know how and other human capital, as well as the environmental and social costs of development, such as the pollution and destruction of air, water, forests and other so called "free goods"³¹.

Hazel Henderson, an economist who has opened our eyes for the informal, unpaid "Compassionate Economy" which remains hidden from GNP statistics, pioneered by developing the Calvert-Henderson Quality of Life Indicator.³² From all new economic indices this one comes closest to measuring GNH by incorporating cultural values (for example as a means to measure safety) and activities of recreation, including practices of self-improvement and participating in social or religious groups.

Swiss economists Bruno Frey and Alois Stutzer, integrate insights from the emerging field of happiness psychology and economics, by measuring the degree to which unemployment and inflation nurture unhappiness³³. A similar approach is behind the US Misery Index, showing how unemployment and inflation strongly impact well-being³⁴. It also points to the fact that while happiness itself is difficult to measure, it is possible to measure the conditions which make people (un)happy.

Bhutan's Wider Role

These developments in economics and contemporary western thinking run parallel to Bhutan's call for measuring their country's development by Gross National Happiness. The new generation of more enlightened economist would fully subscribe to Bhutan's wish to incorporate more qualitative indicators in the measurement of growth. This sentiment will also be recognized by many in developing countries, who believe that their indigenous culture, rather than been seen as a hindrance to development, in

³¹ *The World Bank in 1995 issued a revolutionary "Wealth Index", which defines the wealth of nations to consist for 60% of 'human capital' (social organization, human skills and knowledge), 20% of environmental capital (nature's contribution) and only 20% of built capital (factories and capital). The United Nations have produced the UN Human Development Index (HDI), measuring factors such as education, life-expectancy, gender and human rights data, which is now commonly used in each of the UN's 187 member countries.*

³² *Calvert-Henderson Quality of Life Indicators, by Hazel Henderson, Jon Lickerman and Patrice Flynn, Calvert Group, Bethesda, Md., 2000.*

³³ *Happiness and Economics; How the Economy and Institutions Affect Well-being, by Bruno Frey and Alois Stutzer, Princeton, 2001.*

³⁴ *Posted at www.argmax.com, 1998*

fact has a lot to offer to development in terms of improving the quality of life³⁵.

It is here that Buddhism, with its extensive research on the human condition, has much to offer. By offering a personal path to achieve lasting material and spiritual happiness, Buddhism can rightly claim to have a path which surpasses any solution to obtain happiness offered in traditional economic terms, which does not go beyond an optimal level of material consumption, wealth and economic stability. From a Buddhist viewpoint, the contribution of economics and material development is nothing more than providing an external condition allowing people to devote time and energy to embark on the more rewarding path of spiritual development. Mind over matter, so to speak. As a Buddhist society, Bhutan's ideal could be to become an example of how to put this path into reality.

At the same time, Bhutan cannot ignore modern-day global economic realities which increasingly have powerful cross-border and cross-cultural impact. Even though sentiments opposing the spread of globalization are growing and justified, Bhutan can no longer fully close its border and go back to the past. Thus, Bhutan's leaders have no choice but to take up the challenge of the global economy, and start shaping and steering these larger economic realities in the best possible way. The key to opening up yet retaining cultural integrity lies in increased awareness, through research and conference like this. It is not simply a choice between western or traditional approaches, but rather what is needed is a combination of the two, the best of both worlds. Buddha taught that we should not accept his teachings on the basis of any authority, but only on close personal investigation: "Like one would investigate a piece of gold on the market to see if it is real or not, so should one verify the validity of Buddha's words"³⁶. On this basis, Buddhist culture can be inclusive and absorb those parts of western culture which are of benefit, but reject those which are not.

This inclusive yet critical attitude will form a much-needed contribution to the world at large. Since only few countries enjoy Bhutan's cultural self-esteem rooted in its traditional yet vibrant culture, Bhutan is well placed to take leadership on promoting alternative development indicators. Bhutan's leaders have already taken an important step by defining GNH in terms of four pillars: economic development, good governance, cultural preservation and nature conservation. The next phase requires us to go from ideals to practice.

³⁵ For an example of an ancient (Buddhist) society facing the challenge of Western development and consumerism, *Ancient Futures; Learning from Ladakh*, by Helena Norberg-Hodge, Rider Books, U.K. 1992.

³⁶ See *Liberation in the Palm of Your Hand*, note 16.

From Ideals to Practice: Developing a GNH Index

How can we approach the measurement of GNH? While GNP is based on quantifiable data, GNH should incorporate many intangible values for which there is no clear cut definition or measurement at present. This is not easy to achieve. The appeal of the conventional economic indicators has been that they are based on money, which can be subjected to mathematical logic and discipline. In contrast, GNH and other sustainability indicators are based on life, which – as we now know from the modern sciences – is much more complex to measure. Since much of life, and particularly the subjective inner life, is non-quantifiable, in essence the dilemma is how to quantify the non-quantifiable.³⁷

This being so, it seems somewhat futile to try to measure happiness directly, by asking people how they feel, as is now the common approach in researching happiness. This approach tends to confuse short term sensory happiness with deeper inner experiences, with superficial findings as the result. Therefore, I favor an indirect approach, in which we measure phenomena which invariably make people happy and unhappy. Most conditions for happiness are measurable, but in order to determine which these conditions are we need to go beyond the conventional scientific preoccupation with so-called value-free, neutral facts. Instead, we should be guided by insights from modern science and Buddhist and spiritual wisdom.

Here I offer a few thoughts that could perhaps help developing this approach. First, we have to define the type of happiness which we seek to measure by GNH. If we are to remain true to its spiritual source, we should define happiness as the (collective) evolution of consciousness, with lasting happiness as the end-result. According to Buddhism, this evolution is brought about by gradually transforming our selfish traits into a sustained altruistic volition. From concern about our own physical well-being, we develop a mindset which derives meaning from serving the whole. This implies that temporary pleasure (caused by material comfort) should be regarded as a *lower* type of happiness than the meaning-serving type of happiness. Still both types of happiness will be needed, they are not mutually exclusive, yet they are clearly not the same. It is important to note that here we deliberately employ a value judgment; we create a ‘subjective’ hierarchy because we distinguish between lower and higher levels of

³⁷ *Economists working on the new indicators assume this can be achieved within the quantitative framework of economics. By changing relative prices, qualitative indicators can be incorporated into the information on the basis of which we make our economic choices. For example, by taxing products made by wasteful technologies, we discourage the producer from continuing to produce in this way. But quantifying the value of natural and cultural resources is much more difficult. For example, if we value a national park by estimating the amount of money and time people are willing to spend visiting the park, can this estimate ever provide the full picture? How does one estimate the benefits of the park on the overall environment of the planet and in terms of bio-diversity? Or what if a wealthy oil firm is prepared to pay a higher price for the park than its estimated value?*

happiness and consciousness. In doing so, we deviate from conventional western scientific analysis, which considers such value judgment 'unscientific' and prefers an egalitarian, value-neutral approach.

However, such a value-based approach is in accord with the psychology of Maslow, Max Neef, Csikszentmihalyi and Seligman, as well as with insights of quantum physics, stating that there is no "objective" world out there. Everything has a measure of subjectivity. It also corresponds to recent findings on the correlation between meaning-seeking and mental and physical health. In addition, it corresponds with the modern life sciences, particularly post-Darwinian evolutionary biology, which has ascertained that essentially life itself can be described as an evolutionary meaning-seeking process of organisms, gradually involving higher levels of intelligence and consciousness.³⁸

Buddhism, like most spiritual traditions, also recognizes a natural order in life, with corresponding values. For example, serving others is considered a higher value than serving merely oneself. The Theravadin school of Buddhism concentrates on individual liberation, while the Mahayana school (practiced in Bhutan) emphasizes on liberation as a means to liberate others. So while the Mahayana (the 'great vehicle') path thus can be regarded as 'higher', it does not mean that the Theravadin (or Hinayana, or lesser vehicle) is less important. The latter is a required foundation for the former.

This leads one to conclude that GDP and GNP are both important, and not necessarily mutually exclusive; rather, GDP – reflecting the degree of material development – is a lower level indicator than GNH – which reflects a higher level of happiness.

Mahayana Buddhism speaks of 'two truths': the conventional/relative truth, which appears to us through the ordinary senses, and one ultimate/absolute truth, referring to reality as it is, which appears to accomplished meditators who have cleansed and sharpened their minds. The relationship between these two truth, which appear to us as duality but in fact have the same nature, is subject of a rich philosophical debate. The 2nd century Buddhist master Nagarjuna set forth the Middle Way school, which can be considered the perennial Buddhist philosophical viewpoint, in which mind and matter both exists, but not independent from each other.

This mutual dependency also applies to GDP and GNH, focusing on matter and mind respectively. Focusing on GDP alone ignores the higher potential of mankind, while GNH can only be achieved by first providing material well-being. Without a full belly one cannot sustain a spiritual life.

Once the need for a value-based order has been established, we can look at what this order should look like. I found an interesting model in a paper by Khenpo Phuntshok Tashi (National Library of Bhutan) and

³⁸ See for example *Fritjof Capra, The Web of Life, 1996, and The Hidden Connections, 2001*

Diederik Prakke, presented at the first official dialogue on GNH in Bhutan in 1999.³⁹ It starts with the eight-fold path of Buddhism and draws parallels with value-based psychology of Maslow and Bhutan's GNH components. Later I found a comparable approach in the work of Richard Barrett⁴⁰, who developed the seven level of consciousness model involving a hierarchy of values for cultural transformation in organizations and nations. Barrett's model, inspired by Maslow and Vedic principles, almost seamlessly corresponds to the eight-fold path approach. It also matches with Bhutan's four pillar definition of GNH.

A synthesis of these approaches is shown in the following model.

Buddha's Eight fold Path	Maslow Hierarchy of Needs	Values / Levels of Consciousness	Bhutan's GNH
8. Right Meditation	Transcendence / Freedom	Service	Monastic wellbeing; Religious Freedom
7. Right Mindfulness	Identity	Contribution	Culture Preservation
6. Right View	Creation	Responsibility	Social welfare; Sustainable Development
5. Right Effort	Idleness	Internal cohesion	Nature Preservation
4. Right Concentration	Participation	Transformation	Political participation
3. Right Speaking	Affection/ Understanding	Self esteem	Education; Culture; Media
2. Right Action	Protection	Relationships (community, family)	Governance; Judicial system
1. Right Livelihood	Subsistence	Survival	GDP; Economic opportunities; Markets

This model opens the perspective to view GDP as the lowest level 'bottom line', while GNH comprises the whole spectrum of values, ultimately generating not merely gross financial capital, but also in social, environmental and cultural capital. Here the plural term 'values' are reconnected with its singular root 'value'. Values evidently create value.

The eightfold path is commonly represented as the eight spokes of a wheel, the Wheel of Dharma. The wheel rests on all eight spokes, which are connected to the brim. This symbolizes the holistic and interconnected nature of the spiritual path. It also implies that a non-linear, systems approach is required. Likewise, we need a flexible, creative systems approach in developing a GNH Index, which similarly could be depicted as

³⁹ *Gross National Happiness; Discussion Papers, The Centre for Bhutan Studies, 1999.*

⁴⁰ Richard Barrett, see www.corptools.com

a wheel. The four pillars of GNH – economic development, governance, cultural and nature preservation – can be regarded as the four spokes of the GNH wheel. They are all important. Yet at the same time we need consensus about a certain order of importance. Typically, economic decisions are made on the basis of trade-offs, for example between providing employment versus the preservation of environment. What the above GNH model shows is that these trade-offs should be made in the context of a certain hierarchy of values. Otherwise higher values continue to be sacrificed for lower values, such as power or money, and investments in sustainable development will continue to be put off. If GNH can be developed into a comprehensive tool incorporating all values of life, it will be a radical improvement over conventional economic indicators.

Middle Way Economics

Much more research needs to be put into this. But here are some other thoughts on GNH.

GNH seems to refer to a balancing act, balancing between mind/matter, market/government, self-organization/planning, opening up/retaining control and compassion/competition. In the Western economic debates these issues are often presented as either/or questions. GNH should transcend these black and white notions by recognizing the fundamental interconnectedness of all things.

The new life sciences confirm that the experience of contentment and well-being in humans and other living organisms, is derived from an equilibrium, from a state of balance between the living species and its environment. In life this state of balance enable the species to endlessly interact, give and take, and create win-win exchanges with other beings. Extending this argument into GNH, the GNH model should be designed so that it provides this climate of balance and harmony within societies. Here I don't refer to settling for a compromise or a second-best solution. Rather, I refer to an active policy of creating win-win solutions (like providing employment *and* preserve the environment) and conditions which inspire all actors in the economy to take responsibility for the whole.

As long as we treasure the freedom and opportunities that the market economy provides, GNH will have to include principles of competition and market forces. Competition is so much valued in our capitalist economies because it has proven to be the most effective incentive for bringing out the best of our selves. That is why capitalism has 'defeated' communism. But competition without a moral dimension is like an elephant gone wild - it will destroy the very earth it depends on - so GNH should be based on ethics. At the same time, the failure of Marxism has shown us that values such as compassion or cooperation can never be more than guidelines for individuals or groups. Likewise, GNH cannot be translated into an ideological system and forced upon us.

In sum, GNH seems congruent with what is known as a 'mixed economy', the idea that market forces could do many things well - but not everything. This will require government and all actors in the economy to reclaim responsibility for their lives and start defining economic objectives in more human terms. The neoclassical principle of 'laissez-faire' has wrongly created a mentality of taking things for granted and we have become enslaved by the market and its monetary values. The alternative is not a return to rigid central planning and closing one's border, but rather the development of an alternative economic model tailor-made to suit the condition of our own society and life itself.

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Small-scale Business Inspired by Timeless Simplicity: A Contribution Towards Gross National Happiness

WALLAPA KUNTIRANONT

The paper explains how Suan Nguen Mee Ma Co., Ltd. ~ Suan Company ~ emerged from the NGO movement guided by Sulak Sivaraksa in Thailand. Suan Company is one example of the growing number of experiments in 'alternative business'. In addition to 'fair trade' efforts to bring rural producers and urban consumers together, in particular by focusing on handwoven, naturally dyed and organically grown cotton products, Suan Company publishes books in order to create a network of well motivated 'company participants'. Some key source books for social analysis and critical dialogue published in Thai language are 'Stolen Harvest' by Vandana Shiva¹; 'The Post-Corporate World' by David Korten²; 'Bringing the Food Economy Home' by Helena Norberg-Hodge³. Deeper inspiration for efforts to shape small-scale business as a contributing force towards Happiness is found in books like 'Timeless Simplicity' by John Lane⁴; 'Wabi-Sabi' by Leonard Koren⁵; and 'Buddhism Without Beliefs' by Stephen Batchelor⁶.

Suan Company's third area of activity is conference organization. A recent conference in Bangkok of Social Venture Network (SVN) Asia⁷ titled "Living Economies in Asia. Rethinking Corporate Social Responsibility" provided a platform for exchanges including inspired considerations on the Gross National Happiness approach of Bhutan.

Small-scale enterprises, maintaining strong cooperative links with NGO's can contribute in a modest way to bringing more happiness in the world. All these small-scale efforts, together with the informal sector of so many vendors, homeworkers, roadside restaurants keepers etc. are the real blood of the society. Although they are not part of statistics or make profits below certain margins and thus may not appear in the Gross National

¹ *Stolen Harvest. The Hijacking of the Global Food Supply.* Vandana Shiva, India Research Press, New Delhi 2000

² *The Post-Corporate World. Life after Capitalism.* David C. Korten, *the People-Centered Development Forum*, 1999.

³ *Bringing the Food Economy Home. The social, ecological and economic benefits of local food.* Helena Norberg-Hodge, Todd Merrifield and Steven Gorelick, *International Society for Ecology and Culture*, 2000.

⁴ *Timeles Simplicity. Creative living in a consumer society.* John Lane, *Green Books*, 2001.

⁵ *Wabi-Sabi for Artists, Designers, Poets & Philosophers.* Leonard Koren, *Thai Edition*, Suan Nguen Mee Ma Co., Ltd., Bangkok, 2003.

⁶ *Buddhism Without Beliefs. A Contemporary Guide to Awakening.* Stephen Batchelor, *Riverhead Books*, 1997.

⁷ *SVN (Asia) Thailand and SVN Asia* prida@pranda.co.th

Product index, they certainly contribute to at least survival of families and often to dignity, social recognition and emancipation.

NGO's in developing countries realize that foreign donors fade out their resources in favour of poorer countries. Thailand declared itself being a "First World" country and will refuse development aid in the near future.

However it is not just for the need to become self-sustaining that NGO's more and more search for income-generating activities. From many NGO-experiences we have learned that socio-economic cooperation, entrepreneurship and actions to make work more healthy, more just and environmental friendly contribute to the alleviation of many problems.

In 1997 Sulak Sivaraksa organized a groundbreaking international gathering at the Buddhamonthon center near Bangkok titled "*Alternatives to Consumerism*". This gathering brought people from all over the world, but especially from Asia, together to exchange experiences on alternative approaches in a diversity of professional fields: alternative medicine, alternative politics, alternative streams in religions, alternative education, alternative agriculture etc. In all these sectors people do their best to counter consumerism.

One of the senior participants in the gathering Mrs. Bagoes Gedong Oka from Gandhi Ashram in Bali, who was a fierce freedom-activist against Dutch colonial occupation, stated that *consumerism* had done more harm to Bali than 300 years colonial rule.

So there was a very strong spirit that we had to come together and work from our different professional angles on making alternative approaches real; and to strengthen each other and celebrate diversity.

During this gathering we decided to develop initiatives for alternative business.

In this paper I want to briefly describe two initiatives in this perspective: 1. We started Suan Nguen Mee Ma Co., Ltd. 2. We assisted Ajarn Sulak in setting up a Social Venture Network group in Thailand.

For both initiatives: a single small-scale company, and a network of progressive business people, the launching of the Gross National Happiness concept in Bhutan is an enormous source of inspiration and encouragement.

Suan Nguen Mee Ma Co., Ltd. or 'Suan Company'

After many discussions and preparations we finally set up our company in March 2001. We had to formulate our business plan and we had to find shareholders who would provide the starting capital. The company is active in three areas:

- 'Fair trade' in community products, especially handwoven, naturally dyed cotton fabric. We started to support farmers who grow their cotton organically;
- Handicraft from Tibet (India);
- Publishing books; and

Organizing training, conferences, and events.

The working capital of our company (the English name is 'Garden of Fruition') is 5 million Baht (ca. 100,000 Euro) and our shareholders-community is structured as follows:

- 35% owned by NGO's (each 5 or 10%);
- 35% owned by business friends (all 5 %);
- 20% owned by the management team; and
- 10% revolving fund for organic cotton production (to be realized).

We try to act as a bridge between rural producers and urban consumers; and between business and NGO's. We run the Suksit Siam shop in old Bangkok. The shop was founded by Ajarn Sulak thirty-five years ago as a bookshop and we added the handicraft; and we serve fresh coffee. Every Saturday we organize a 'shop talk'.

Apart from the products from local communities we sell handicraft from Tibetan settlements in India. The products are mainly a medium for communication. We serve the local market in Bangkok and will gradually develop export (to Japan; to Europe). We would like to sell Bhutanese handicraft in our shop, as a way to link up with the people of Bhutan; and to spread creative information about the Gross National Happiness approach in Bhutan.

After 3 years we are now at break-even point, in line with our business plan, and we hope to provide income for our NGO shareholders from 2004 onwards.

We don't work so much with a formal mission statement as we continuously express our philosophy through the selection of our books. We published 23 books since our start, all translations from English into Thai, with a few important exceptions. We want to work more with Thai authors in the future.

The book that expresses very well why we are running a business like this is *Timeless Simplicity* by John Lane (Green Books, Devon, 2001). It explores in depth the many sources of inspiration in different era's and different cultures for the shaping of a simple life-style as a way to happiness.

In his book he quotes John Ruskin: "What right have you to take the word 'wealth' which originally meant 'well-being' and degrade and narrow it by confining it to certain sorts of material objects measured by money?"⁸

More specifically based on Japanese philosophy, but interpreted in a universal perspective, is our book *Wabi-Sabi* by Leonard Koren.

⁸ Unto This Last, *John Ruskin, 1862.*

And a good example of the quest for the simple essence of the Buddhist teachings applicable to contemporary life is *Buddhism without Beliefs* by Stephen Batchelor.

These books, translated in Thai language, guide us and our readers – often urbanites plagued by hectic and confusing conditions – in finding ways to re-value simple life-style as a key to happiness.

How this kind of happiness can be translated into clear-cut ‘indicators’ others than by joint celebration will be hard to say.

Social Venture Network

Ajarn Sulak was invited to speak at the annual conference of Social Venture Network (SVN) in Europe. When he came back he decided to set up a similar network in Thailand with the possibility to extend it to other Asian countries. SVN is a network of business leaders, entrepreneurs, managers and policy advisors. It was founded in the USA some 20 years ago to make business practice worldwide more sustainable and socially just.

After 4 annual conferences at different locations in Thailand, Suan Company as one of the SVN pioneering members was assigned to organize the first SVN Asia conference. Fifteen Asian countries were represented by independent entrepreneurs, managers and NGO-workers in the conference titled “Living Economies in Asia. Re-thinking Corporate Social Responsibility”⁹.

The title of the conference refers to the paper circulated by prominent SVN members in USA and Europe *The Path to Living Economies*.¹⁰

Corporate Social Responsibility (CSR) promotes social, environmental responsibility as well as good governance in business practice.

Speakers at the SVN Asia included: Anand Panyarachun (former Prime Minister; Chair UN Reform Commission; Thailand); Sulak Sivaraksa (Human Rights activist; Thailand); Deepa Narayan (Voices of the Poor, the World Bank; India); Dr. Surin Pitsuwan (former Minister of Foreign Affairs; UN Commission on Human Security; Thailand); Richard Barrett (Liberating the Corporate Soul; USA); Banthoon Lamsam (President and CEO, Kasikorn Bank; Thailand); Masaru Kataoka (Citizen’s Bank; Japan); Ambassador Gerard Kramer (the Netherlands; Thailand); Dr. Jingjai Hanchanlath (LOXLEY Plc.; Thailand); Tessa Tenant (Association for Sustainable & Responsible Investment in Asia; HonKong).

Sander Tideman moderated the ‘Spirit in Business’ workshop where the Gross National Happiness project got a very warm welcome.

The next SVN Asia conferences will be organized in Singapore (12-13 July 2004) and Japan (2005) and it is hoped that the Gross National

⁹ A brief summary Towards an Action Plan is available from Suan Company.

¹⁰The Path to Living Economies. Richard Perl Ed., Suan Nguen Mee Ma Co., Ltd, in English and Thai, Bangkok 2003

Happiness project will be represented again. The conference in Singapore will be a lively meeting opportunity especially for young entrepreneurs.

A CSR newsletter in Thai will be published 3 times a year and information on the GNH project will be included.

Conclusion

Exchanges and trade among small-scale alternative business projects; and networking of progressive business people and entrepreneurs can, at different levels, contribute to the international promotion of Gross National Happiness. The GNH provides inspiration not only for governments, inter-governmental bodies and macro-economists but also for hands-on business people who anticipate transformation.

Measuring Genuine Progress - Indicators for Enlightened Society

DR RON COLMAN AND DR. JULIA SAGEBIEN¹

Sakyong Mipham Rinpoche, Head of the Shambhala Mandala, offers his warmest greetings, friendship, and best wishes to His Majesty the King of Bhutan, to the people of Bhutan, and to the directors and participants of this Seminar that is dedicated to manifesting the principles of Gross National Happiness in the world.

The Shambhala Mandala, established in the last century by Vidhyadara, the Venerable Chogyam Trungpa Rinpoche, the father of Sakyong Mipham Rinpoche, shares close historical links and an exceptional spiritual connection with the Kingdom of Bhutan. It was here in Bhutan, at Taktsang, that one of the most profound root texts of the Shambhala Mandala - the Sadhana of Mahamudra - came to the Vidyadhara. The Shambhala Mandala has also been blessed with the profound teachings of His Holiness Dilgo Khyentse Rinpoche, His Eminence Dzongsar Khyentse Rinpoche, and others great teachers from Bhutan.

The name Shambhala has come down through history as an evocation of the archetypal human belief in enlightened society. Today the Shambhala mandala takes the form of a global network of meditation centres devoted to the creation of sane human society, based on the profound wisdom of Shambhala Buddhist teachings. Shambhala is often spoken of as a kingdom, of which the Sakyong (whose title literally means "Earth Protector") is the temporal and spiritual head.

The Sakyong has asked me to express his deep appreciation of the the auspicious potential of this gathering to create a genuine path toward world peace and the cessation of global suffering. He sees this conference as an excellent and timely initiative that will speed the flowering of the sanity and brilliance of His Majesty Jigme Singye Wangchuk's daring proclamation that the Kingdom of Bhutan is more interested in Gross National Happiness than Gross National Product. This view embodies the fundamental wisdom and compassion at the heart of both the Buddhist and Shambhala teachings, and is at one with the intention of the Sadhana of Mahamudra to overcome the materialism that now dominates the world. The Sakyong sees the view of Gross National Happiness as a primary foundation for the realization of enlightened society.

The Sakyong looks forward to close cooperation between Shambhala and Bhutanese scholars and leaders in developing practical indicators of wellbeing and progress that can be used here and internationally in the

¹*Special Representatives of the Shambhala Mandala to the International Seminar on 'Operationalizing Gross National Happiness'.*

years to come. He is confident that the shared social vision of this seminar will radiate sanity and compassion far beyond the borders of Bhutan and bring immeasurable benefit to countless sentient beings.

At this time of global violence, environmental degradation, and social confusion, this important endeavour can pave the way toward a new model of development that reflects the world's precious natural, cultural, spiritual and human resources.

Our Measures Reflect our Values

Our goal at this gathering is not just to share our vision. It is to begin to put it into practice. In order to do so, we have to be specific about the basic requisites of an enlightened society and dare to say clearly what we mean by Gross National Happiness. What are our objectives? And how do we measure our progress in getting there? Every measure of progress, by definition, is based on values, because it raises the question "progress towards what?" What we count and measure, therefore, reflects our deepest social values, and in turn determines the policy agendas of governments and other institutions.

In contributing to this gathering on behalf of the Shambhala Mandala, I am also bringing to it my own experience as the Director of the Canadian Non-governmental organization *Genuine Progress Index (Atlantic)* which has been working for a number of years to establish indicators that may be helpful to developing a practical basis for implementing the notion of Gross National Happiness.

So maybe we should begin by saying what Gross National Happiness is *not*, and by looking closely at the values and goals represented by our conventional measures of progress. Then we can more easily identify the values, goals, and measures appropriate to an enlightened society based on Gross National Happiness.

How do world leaders currently assess how "well off" we are? Throughout the world, we currently measure our progress and gauge our wellbeing according to a very narrow set of materialist indicators - our economic growth rates, which in turn are based on measures of Gross National Product or Gross Domestic Product (GDP). The more we produce, sell, and buy, the more the GDP grows, and the "better off" we are supposed to be -- or so the conventional wisdom tells us.

Yet vital social and environmental factors remain invisible in these measures. The more trees we cut down, the more fossil fuels we burn, and the faster we deplete our natural wealth, the faster the economy grows. This is poor accounting, like a factory owner who sells off his machinery and counts it as profit. Our growth rates also make no distinction between economic activity that creates benefit and that which causes harm. So long as money is being spent, the economy will grow. Crime, pollution, accidents, sickness, and natural disasters all expand the economy. The

economy can grow even as inequality and poverty increase. At the same time, many of our most valuable assets, like generosity, volunteer work, unpaid caregiving, and our spiritual wealth are not counted at all, because no money changes hands.

So economic growth does not necessarily mean we are better off. In fact, as Robert Kennedy said 30 years ago, Gross National Product measures “everything except that which makes life worthwhile.” Fortunately, there *is* a better way forward, and the Kingdom of Bhutan is the nation to embrace it publicly by declaring openly that Bhutan is more interested in Gross National Happiness than Gross National Product.

The Shambhala mandala, too, is dedicated to the creation of an enlightened society in which all beings may realize their true potential. If we can identify some of the foundations on which such a society might rest, we can measure our progress in getting there.

Pillars of Human Dignity

The Shambhala and Buddhist path recognizes not only that all people want to be happy and free from suffering, but that they are inherently decent and good by nature. All human beings - whatever their culture, ethnicity, religion, gender, or age - have the complete ability to lead dignified lives, to realize their innate wisdom, and to create a brilliant, vibrant society based on kindness and compassion. This is not a theory or mere wishful thinking. It is the profound understanding that comes from the careful study and contemplation of the human mind and the nature of existence.

What are the pillars of such an enlightened society based on human dignity, and what are the measures by which we can assess the health of a society and its progress towards Gross National Happiness?

Respect and Care for All Beings

First, the Buddhist and Shambhala teachings tell us that we are not, by nature, isolated, egoistic, and self-centred creatures, but rather that we are completely connected with and dependent on all other beings - an insight also increasingly appreciated by modern science. This understanding leads to the most profound appreciation of our environment and respect for our fellow beings and for all species. Because we know that our environment provides the life-support systems on which we depend, we do not recklessly plunder the natural world for our own short-term gain, but rather nurture and care for it, so that it may continue to sustain beings for generations to come. We appreciate and enjoy the services provided by nature without degrading it.

How do we measure that? We can carefully monitor the health of our forests, our soils, our water, our air, and our other natural resources - and the countless species of birds, animals, and insects they contain. Instead of

counting the depletion of our natural wealth as economic gain, as the GDP does, we regard this wealth as natural capital that is subject to depreciation. Maintaining and enhancing the value of our natural capital is genuine progress.

How are we doing? Sadly, our children are inheriting a world that is not as rich as the one we found. There are fewer fish in the oceans, fewer old trees in the forests, fewer species of flora and fauna, and more pollution of air, water, and land. An enlightened society that protects its natural wealth and the quality of its environment, that restores its forests and soils, that protects the habitat of birds and animals, that conserves energy and reduces pollution and greenhouse gas emissions, will contribute greatly not only to Gross National Happiness but to Gross *International* Happiness.

That same care and protection extend to the human realm. The Buddhist and Shambhala teachings tell us that *all* beings without exception are blessed with basic goodness and bodhicitta, and that a poverty-stricken mind can be transformed into the wisdom of equanimity that enriches the world. An enlightened society therefore respects all cultures, peoples, languages, and communities; treats them with equal dignity and complete tolerance; and finds its own strength in openness and diversity. Equity is a core principle of the Genuine Progress Index.

The Mahayana teachings go beyond a passive acceptance of others and teach us to give selflessly. Generosity is the first paramita. How do we measure that? Volunteers continuously extend themselves without expecting anything in return - caring for the sick, elderly, disabled, youth in need, and those less fortunate than themselves; teaching the Dharma and other genuine traditions and maintaining and beautifying places of spiritual practice and worship; and enriching and improving their communities and environment in countless ways. In the Genuine Progress Index, we carefully monitor the strength of the volunteer sector, because it contributes so greatly to our wellbeing, quality of life, and standard of living.

How are we doing? In Canada, we found a dramatic 12.3% decline in the level of volunteer work in the last ten years. In Nova Scotia, the capital of Shambhala, we now have 30,000 fewer volunteers today than in 1997. Imagine if the GDP had fallen by 12.3%. That would be a national emergency; Cabinet would be meeting around the clock; we would call that a major Depression. But the sharp decline in volunteer work is not a blip on the radar screen of policy makers, and has never been discussed in any legislature in Canada, because unpaid work counts for nothing in our GDP-based measures of progress.

By contrast, an enlightened society appreciates and nurtures its volunteers and recognizes their contribution as a manifestation of generosity. Even though they contribute nothing to the Gross National Product, our volunteers contribute greatly to our Gross National Happiness.

Basic Security

To realize their full potential and their innate wisdom, human beings require basic security. If people live in fear and poverty and are overly afflicted by illness - if their lives are not free and well-favoured, and if they are tormented by the hell and hungry ghost realms - they cannot easily practice the Dharma. Some measure of basic security is essential to wellbeing.

How do we measure that? Safe communities free from crime; a healthy population free from sickness; prosperous communities free from grinding poverty and hunger signify genuine progress. How are we doing? It is a mixed picture. In Nova Scotia, we are much safer than in most U.S. cities, but we still three times more likely to be victims of crimes than 25 years ago, and we are more likely to lock our doors than our parents were. We are living longer and smoking less, but we are still afflicted by high rates of preventable diseases fueled by an epidemic of obesity and physical inactivity. Our children have more stuff than we dreamed off at their age, but they are not more economically secure. In 1989, the Canadian Parliament vowed to abolish child poverty by the year 2000. But in 2000, rates of child poverty were higher than in 1989.

A society that strives for Gross National Happiness recognizes that material and financial wealth alone does not ensure true security, wellbeing, and human dignity, but that basic livelihood security is an essential component of wellbeing. In the face of excessive materialism, people yearn for the true wealth that comes from contentment, simplicity, and community. An enlightened society will encourage the cultivation of many forms of richness, including healthy family lives, strong and safe communities, an equitable distribution of resources, and support and care for those in need. It will invest in improving the health of the population and in ensuring that everyone has access to a standard of living that sustains their health and wellbeing as well as that of their families and dependants. That security is not an end in itself, but creates a supportive environment that encourages all citizens to realize their full potential.

Education

The attainment of true knowledge and wisdom for the benefit of all beings is the ultimate goal of the Buddhist and Shambhala paths. Education in this sense does not merely refer to a set of curricula for the classroom or for job training. It includes a deep exploration and understanding of the way the world works - our minds, bodies, and the society and environment in which we live - and it involves great respect for the wisdom of our teachers, elders and traditions.

How do we measure that? Just as we described care for our environment as an investment in natural capital and in our natural wealth,

so services and programs that foster true education are not just a "cost" (as in most government ledgers) but a profound investment in human capital and in the future. Education is not only essential for human beings to achieve their full potential, both individually and collectively, but it is also key to dealing with the environmental, social, health, and economic challenges mentioned above, and to resolving conflicts in peaceful ways. A good education will promote respect for diversity and for other cultures, and will promote peaceful and mutually respectful relations between peoples holding widely divergent views.

How are we doing? This depends entirely on what we mean by "education." The schools and universities of our world are turning out an unprecedented number of graduates, but it is questionable whether our wisdom or understanding as a society is growing as a result. Of all the components of the Genuine Progress Index, we have therefore found the education component the most challenging in terms of indicator development, as good indicators must assess the *quality* of the education and its outcomes, not just the number of graduates. To take a crude example, we might well put greater trust in a Finance Minister who had never studied conventional economics than in one with a graduate degree in the kind of economics that takes economic growth as its unquestioned paradigm and dogma. The sad reality is that most economics texts still take an insular view of the economic system as separated from social and environmental realities.

True education must be directed towards the full development of human capacities. It must encourage students to express their innate wholeness, strengthen their kindness and ability to help others, and stimulate them to participate in the evolution of a humane and decent society. Such an education will promote a culture of resourcefulness, initiative, and cooperative effort. Because of the challenges in devising indicators capable of measuring these outcomes, we have left the development of the education indicators to the very end of our Genuine Progress Index development. In fact, we currently have researchers working on this very issue, with the help of a research grant from Canada's Social Sciences and Humanities Research Council.

Certainly we see education as a life-long process, not just as something that happens to young people in schools, and we therefore see free time as an essential prerequisite for further education and human development over the life-time. In measures based on the Gross National or Domestic Product, free time has no value. The more hours we work for pay and the more busy and stressed we are as a result, the more the economy will grow, and the "better off" we are supposed to be. The Genuine Progress Index, and a society based on Gross National Happiness, will give explicit value to free time, without which study, contemplation, and meditation are not possible.

Interestingly, as women have entered the paid labour force in ever greater numbers, their free time has shrunk dramatically, since women still bear the lion's share of unpaid household work. Women's *total* work burden of paid and unpaid work and their growing time stress are never acknowledged in GDP-based measures of progress, which ignore both unpaid work and free time. While the Gross National Product only counts paid work time, enlightened measures of progress for a society based on Gross National Happiness will account for *all* of people's time - their paid work, unpaid work, free time, and education. In the work of Genuine Progress Index, we therefore use time use surveys and time stress surveys as key measures of wellbeing.

The Nova Scotia Genuine Progress Index

These are a few of the key pillars of an enlightened society based on Gross National Happiness. The list above is by no means exhaustive, and serves only to illustrate some of the key elements of our human, social, and natural capital - our innate wealth - that are ignored by our current GNP and GDP-based measures of progress. Fortunately, there *are* better ways to measure progress that do take these vital dimensions of wellbeing into account.

Nova Scotia's new Genuine Progress Index or GPI assigns explicit value to environmental quality, our natural wealth, population health, livelihood security, equity, free time, and educational attainment. It values unpaid voluntary and household work as well as paid work. It counts sickness, crime and pollution as costs not gains to the economy. The GPI methods can help provide a more complete and accurate picture of how societies are really doing in ways that more accurately reflect humanity's deepest values.

At this conference and in the months and years to come, we look forward to exploring with our Bhutanese colleagues whether and how any of the GPI measures are relevant to Bhutan, how they can be adapted to Bhutanese conditions and circumstances, what additional indicators important to Bhutan might be needed, and how they could be measured in practical ways that can help guide day-to-day policy making.

To this end, and to initiate this further dialogue, GPI Atlantic has prepared a separate, lengthy (180 pages), and detailed technical report for the Centre for Bhutan Studies and the Inner Asia Centre for Sustainable Development. This document suggests a potential framework for measures of Gross National Happiness, and discusses methodologies, data requirements, reporting systems, strengths and limitations of expanded capital accounts that include measures of human, social, and natural capital, and other technical details. It also reviews our own work developing wellbeing and sustainable development indicators in Nova Scotia and attempts to summarize some of the lessons we have learned as well as

potential directions for future research. While some of this technical discussion may be premature here, and while this document is far too long and detailed to present to this seminar, we have suggested that it might be posted on the Gross International Happiness web site for those interested specifically in measurement issues.

Here, the main point is to appreciate the profound importance of what the Centre for Bhutan Studies and the Inner Asia Centre for Sustainable Development have undertaken with this initial seminar. Bhutan has clearly, directly, eloquently, and profoundly challenged the dominant materialist ethic embodied in our GNP and GDP-based measures of progress. That places Bhutan in the forefront of the community of nations on this issue, able demonstrate a new path forward that can be a model of development for many countries in the world.

The ripples from this seminar will spread far and wide, helping to lay the basis for enlightened societies worldwide, so that the confusion engendered by measures based on Gross National Product will be transformed into the wisdom of Gross International Happiness.

Bhutan's Quadrilemma: To Join or Not To Join the WTO, That is the Question

MARK MANCALL

Abstract

This paper argues that any discussion of the operationalization of Gross National Happiness (GNH) in Bhutan within an immediate or intermediate time-frame must account for the fact that operationalization implies the adoption of long-range policy objectives and immediate or intermediate policy decisions, made in real time, that aim at reaching those objectives. The discussion of any operationalization of GNH, therefore, cannot fruitfully take place *in abstracto*, because that implies a lack of seriousness in raising the subject in the first place. The paper seeks to outline, only briefly and suggestively, a framework within which discussion of the operationalization of GNH may take place, focusing on the question of Bhutan's possible entry into the World Trade Organization (WTO). It concludes that a decision to operationalize GNH in Bhutan carries with it certain consequences that can be defined within the structure of the problem of choice, and that structure can best be considered as a quadrilemma. The *potential* consequences of choice must be taken into account in choosing for any particular set of policy directions and the *potential* cost must be accepted as part of the solution of the problem the quadrilemma suggests.

Bhutan's Policy Objectives within the Framework of GNH

We may assume that the word "development" best defines Bhutan's long-range objective, but it is precisely the meaning of this term for Bhutan, and the policies and policy decisions needed to achieve that objective once it is defined, that the concept of GNH is intended to cover. Therefore, we must try to indicate, if only in the most general terms, what the components of GNH-guided development may be. We can assume, for the purpose of this argument, that they are five in number:

Eradication of Poverty.

Poverty in absolute terms suggests a level of income, in cash and/or kind, beneath which a reasonable standard of living, as defined by the values of a society, cannot be sustained. Obviously, GNH not only needs to consider what constitutes "poverty" in Bhutan but also what phenomena it covers. For example, it may ask who defines "poverty" in Bhutan and what institutions are engaged in the definition. It may consider whether a concept of "spiritual poverty" or "cultural poverty" is part of the definition of the condition of poverty in Bhutan. In brief, GNH certainly suggests the need to define the term in specifically Bhutanese terms. Relative poverty

implies a spread of income that is too great to be sustained either by the values of the society or the institutions of the polity. The eradication of poverty within the framework of GNH thought suggests, therefore, at least the possibility that the measures usually adopted to alleviate poverty as defined by strictly economic models may not be completely or even primarily applicable in Bhutan. For example, some models of development (China, the Soviet Union and Eastern Europe, for example), based development on state-enforced forced savings, primarily from the peasants, and the State's police powers were used to prevent deviation from this policy. In other societies, great disparity of income, often accompanied by equally great corruption, was maintained by the oppressive police power of the State (Indonesia under Suharto was an example). Neither possibility is acceptable under GNH. The operationalization of GNH, then, denies certain even temporary justifications for the continuation of poverty and requires the state to eradicate poverty by changing the conditions that give rise to it or allow it to continue.

Preservation of National Sovereignty

National sovereignty may be defined as the ability of a national polity to determine for itself, by whatever means it chooses, the policies, institutions, and procedures whereby its population lives within its boundaries. Obviously there are always limitations on sovereignty, including, for example, relative power internationally, geographical considerations (e.g., limits on the use of resources, such as rivers, that are shared across national boundaries), international political and economic obligations, etc. While national sovereignty may not be measurable as an absolute quantity (except negatively, when one nation is completely incorporated into another), a nation's ability to expand or diminish the reach or depth of its sovereignty is always a trade-off in terms of other factors or values that must be addressed in the formulation of policy.

Maintenance and Development of Culture

While it is true that social scientists have never succeeded in defining "culture," it remains something that everyone can perceive when he or she sees it. Cultures are malleable, which in this instance means that they change, sometimes more rapidly, sometimes less rapidly, depending on decisions that are made by a nation through its institutions and on the historical circumstances within which a nation may find itself and which limit its ability to make independent decisions regarding its culture. The degree to which the development of a culture may be influenced by political or economic decisions depends on the policy directions a nation takes in fields ranging from education to the economy. While GNH envisages the use of culture to protect the integrity of the nation, it also posits the development of Bhutanese culture as an instrument for defense. "National

identity," therefore, beyond its definition on legal documents, is a significant variable both in the formulation and the consequences of policy decisions.

Good Governance, Democratization and Decentralization

Good governance is one of the objectives of GNH, and, according to prevailing ideas, that objective is best served by decentralization and democratization. Good governance assumes that the stakeholders in a society hold the policy- and decision-makers accountable, and this, in turn, assumes the ability of all the stakeholders to participate in the process of policy formation and to evaluate the decisions that are made in pursuit of those policies. In general this means that an educated and informed population can exercise its judgment on the managers of society, through whatever mechanisms a given society establishes for that purpose. It also assumes, however, the existence within that society of a shared set of values, norms, and standards on the basis of which the population can judge its managers. GNH is about values, norms, and standards, but it is also about education for participation (as well as about making a living).

Self-determination

Good governance and self-determination are closely linked concepts. Without good governance self-determination may be the exercise of the will of a small group that holds concentrated power in its hands, power that it exercises on behalf of the society but without accountability to the society as a whole. There is a dilemma here, of course: The freedom of the state to act independently, and in the contemporary world to act quickly, sometimes requires, or seems to require, that it be able to act without direct reference to the society on behalf of which it is operating. Accountability may be delayed until after, sometimes long after, action has been taken, by which time the introduction of other issues or forgetfulness diminishes the degree of accountability. This is a dilemma of representative democracy in the contemporary world, for example.

The operationalization of Gross National Happiness is an issue precisely because it is by no means clear that the commonly accepted definition of "development" satisfies the needs of poverty eradication, the maintenance or even the increase of national sovereignty, the maintenance and development of Bhutanese culture, good governance, and self-determination.

General and Specific Limitations on Freedom of Policy Choice

Bhutan's ability to make policy choices in the pursuit of Gross National Happiness maybe defined or even limited by both general system considerations and specific characteristics of the nation.

General Considerations

Although we like to think that we make decisions in a world in which our decisions are made in a mono-directional fashion, that is, decisions and consequences are identified by a close cause-effect relationship, we are increasingly aware of the problem of unintended effects, which is to say that a given policy decision may lead to a quite different consequence than the one we intended. The fact of the matter is that we live in a highly complex and very integrated socioeconomic universe, which we divide into domains (“disciplines”) for the sake of analysis, but these domains disappear as distinct entities when we look more closely at the political economy. Any decision we make in one area may have quite unintended consequences far from the domain in which the original decision was made. The introduction of new technology may lead to social change that may result in increasing political dissatisfaction in a significant element of the population, or even in the production of a new social class, which, in turn, may result in revolutionary seizure of power. New inventions and ways of doing business that, collectively, we call the “Industrial Revolution” were not intended to produce an urban middle class in France that would seize political power and create a new political system.

Specific Considerations

Although the specificities of Bhutan’s situation are well known, it is important to rehearse them here in order to highlight the complexities of choice that face the society.

1. Bhutan is a small state. Bhutan appears on almost every list (World Bank, IMF, Commonwealth Secretariat) of “small states,” a category sometimes defined as “states with populations of less than 1.5 million people.” It is not possible here to discuss the characteristics that distinguish small states from all the others, but they suggest that small states are so different from the states on which the traditional models of economic development are based that they require a different analysis and different solutions to the problems presented by “development.” They are highly vulnerable to external events, have small domestic markets, have very limited capacity in the public and private sectors, are relatively undiversified in their production and exports, etc. These conditions limit Bhutan’s choices in the pursuit of development and require different solutions. The operationalization of GNH, with its strong adoption of specific goals and values, further narrows the choice of “development strategies” by requiring and even insisting on profoundly humanizing both the definition and the process of development.

2. Bhutan is a “developing” society. That Bhutan is a less-developed economy or society is not arguable. If “development” means “improvement,” the question of the realization of development very much depends on the values to which the society accords importance. That

Bhutan lacks the resources to “develop” in all sectors at the same time is a given, but then this is also the case with advanced industrial societies such as the United States. From the point of view of resources, all resources are scarce and so choice must be made, no less in Bhutan than in North America. The fact that Bhutan still has the ability to decide which path it wishes to pursue, which means to determine its own priorities (to the extent that it does indeed have that ability), suggests that in a way Bhutan can benefit at this stage in its history from its “underdeveloped” condition to expand its ability to exercise choice, albeit with certain limitations, to which we will come.

3. Bhutan has limited resources. The nation’s capacity to grow exports or to speed-up domestic economic development is limited by its lack of resources, including “natural” resources, capital, labor, etc. Whatever measures are taken to overcome this lack in one area will have consequences in other areas, as we will suggest.

4. Bhutan is a landlocked country. Landlocked countries experience particular difficulties in gaining access to world markets, which is a limitation on their ability to use trade as a way to overcome the limitation of resources. Moreover, Bhutan’s neighbors are only two in number, one of which is relatively unavailable to Bhutan as a resource for trade and development.

5. Bhutan is deeply integrated with the Indian economy. To the extent that Bhutan seeks to deepen its integration with the global economy as an instrument for its own development (even given the conditions already mentioned), it is limited by the extent of its already existing integration with the Indian economy. Considerations of relative political power and size of economies severely condition Bhutan’s ability to engage itself with the global market.

Bhutan’s WTO Quadrilemma

Operationalization of Gross National Happiness will require very difficult policy choices in the short- and intermediate term that will have long-term consequences. The difficulty of these choices can be indicated by a discussion of the quadrilemma Bhutan faces in consideration of the value and significance of its joining the WTO.

A quadrilemma may be defined as a state that requires a choice between four relatively equal or attractive options, any combination of two or three of which will prove unsatisfactory with regard to one or two of the others. In other words, “you can’t have your cake and eat it too.” The decision about whether to join the WTO poses a *quadrilemma* because there are four primary elements that must be taken into account but that may be, to some extent, mutually incompatible at some level. These elements are: globalization (meaning, thereby, real and “deep” integration into the global market; the continuing development and continued existence of the nation-

state, in this case Bhutan; the development of a decentralized and democratic polity; and the pursuit of Gross National Happiness as an objective and a guide to development choices.

Globalization and the Nation-state

It is now a commonplace to point out that globalization as a process of economic integration on a global scale has a long history, extending at least as far back as the 18th century, let us say, and that that history is not unilinear, i.e., there have been periods of increasing and of decreasing global economic integration.

In the last decade or so, “globalization” has often been presented, ahistorically, as a new phenomenon and, ideologically, as a phenomenon that is somehow “natural,” i.e., that is somehow propelled by the forces of nature so that either you join or you get left by the wayside. Only lately, and partly as a result of intellectual critiques and analyses of “globalization” and of political and social protests against it, has globalization been considered as something less than a natural force.

World Wars I and II demonstrated the consequences of a totally fragmented world in which individual states or nation-states were pursuing their own political and economic objectives without serious consideration being given to the broader welfare of the world community. World War I led to the creation of institutions intended to control, or at least soften, the consequences of international competition and to economic theories and policies that would soften the consequences of a relatively unbridled market. World War II was, to no small extent, the consequence of the failure of the institutions and policies that followed World War I. Consequently, after World War II two sets of institutions were created that, it was hoped, would prevent the rise again of those conditions that had led to World War II. Those institutions were The United Nations and its ancillary and associated bodies, and the Bretton Woods institutions, namely the World Bank, the IMF, and the GATT (replacing the failed ITO).

Both sets of institutions were predicated on the need to mediate between the nation-state, as the primary political unit and the primary unit of economic planning, on the one hand, and, on the other, the need to integrate the nation-state and national economies into a larger whole that would make possible the control, and alleviation, of the excesses of the nation-state and of national economies.

The United Nations rested on giving priority to collective security and decisions made collectively by member nations through the UN’s institutions. The UN was intended to provide sufficient international security so that the nation-state could continue to function with only minimal restrictions on its sovereignty while its sovereignty was limited to the extent that the collective interest of the whole inhibited its exercise of independence to the point where it seriously infringed on other nation-

states. While the UN's history has been checkered by moments of success and by failures, its fundamental premise has only recently come under direct attack. The UN has held out at least the promise of security for small states in the face of potentially predatory larger neighbors, and the consequences of the failure or even the weakening of the UN for small states would be serious indeed.

The institutions of the "Bretton Woods Compromise" are more to our point, however. At the end of World War II, it was commonly recognized that the world consisted of states and nation-states that differed from each other, sometimes radically, in ideology, social policy, socioeconomic systems, levels of development, national purpose, institutional structures and political processes. Moreover, each state had its own political procedures for arriving at policy determinations. If peace were to be preserved (even in the midst of the Cold War) and stability maintained, differences had to be mediated rather than overcome, and the Bretton Woods institutions were created for that purpose. To be sure, there was a preference for democracy (not surprising after the anti-Fascist war), but it was rooted in the idea that diversity of political, social and economic arrangements could be tolerated and preserved by the development of institutions that encouraged growth and attended to the alleviation of crises that might otherwise weaken the stability of the international system. The GATT was intended to provide a procedural framework within which the adjustment of the institutions and procedures could take place to account for change.

The Bretton Woods compromise began to fall apart at the beginning of the 1980s with the Thatcher government in Great Britain and the Reagan administration in the United States. The idea of mediation between states with their own arrangements gave way to the idea of the market as the over-determining institution to which the nation-state had to acquiesce if it were to develop, or even to survive. The market trumped any and all domestic arrangements within individual nation-states. Moreover, the market was assumed to be a self-controlling mechanism. All this was legitimated by the fall of the Soviet Union and the supposed turn of China away from "socialism" to "capitalism." The WTO, replacing the GATT in 1995, was the institutional expression of the new "globalization." It is supposed to provide a means for negotiating the acquiescence of individual nation-states to the world market, but the "conditionalities" which surround any given nation-state's entry into the world market are, both logically and politically, only temporary; the inexorable power of the world market will dissolve them in due course. The crucial difference between the Bretton Woods institutions and the WTO is contained in the difference between mediation and acquiescence. The first real indication that this inexorable power could be challenged came at Seattle in 1999, and the first real challenge occurred at Cancun in 2003.

Entrance into the WTO holds out the promise, theorists say, of rapid local (nation-state) development in return for the surrender of a considerable amount of local autonomy. The ability of the nation state to define its own path to improving the conditions of its population, and even to define what "improvement" means and in what domains it should take place, is surrendered to the global market. Sovereignty is transformed, and diminished, by adhesion to the WTO.

Here, then, are two parts of the quadrilemma that both in theory and in reality are mutually incompatible. Accession to the WTO severely limits the domestic independence of the nation-state in precisely those areas where it needs to be effective to survive, namely in the political, social, and economic spheres. As we have seen recently, the WTO, particularly its most powerful members, can attempt to place limits even on independence in medical (pharmaceutical) and intellectual (TRIPS) areas.

Good Governance and a Democratic Polity

Both globalization (the WTO) and GNH posit "good governance" as a *sine qua non* for development of any kind. "Good governance" is usually interpreted to mean, as we said above, the ability of the stakeholders to hold policy formulators and decision makers accountable for their policy formulations and decisions. This raises temporal as well as procedural issues. Temporally, integration into the WTO may take place in such a way and at such a time that the stakeholders are either not part of the decision for integration or that holding the policy makers to account can take place only after the fact, when the decision to enter is irreversible or its consequences irredeemable. In other words, the concept of good governance can be nullified by the decision to enter the WTO, which supports, theoretically, good governance. Furthermore, once the nation-state has acceded to the WTO, large areas of its traditional domains of independent action are no longer available to it and are thus removed from the reach of good governance.

Gross National Happiness

To the extent that GNH pursues development objectives that are different from, or are serious modifications of, the more narrowly economic definitions of development objectives that the WTO recognizes, and to the extent that the WTO, and the World Bank and IMF, which have become participants in the new, post-Bretton Woods dispensation, limit the ability of the state to pursue happiness socially, politically and economically in terms that GNH defines and through institutions and procedures that GNH creates, GNH and the WTO appear to be incompatible, at least to some extent. For example, if GNH requires that the state manage the economy, whether it be public or private or some mix of the two, to that extent arrangements that are predicated on the independence of the

economy and on its self-regulation contradict GNH. GNH posits the preservation and development of the national culture as both a purpose and an instrument for the preservation of national sovereignty. Minimally controlled international trade, however, which is the immediate goal of the WTO, may require allowing the importation of goods that will have a severe impact on the national culture. To that extent GNH and the WTO may be mutually contradictory.

The Quadrilemma

Bhutan, like any developing nation, faces an extraordinarily complex decision concerning the WTO. The four components of the decision carry some degree of mutual incompatibility. There is no question that joining the WTO may be beneficial, in one way or another, to Bhutan's economic development, at least as development is narrowly defined in economic terms. However, membership has its costs. The sovereignty of the Bhutanese state will be diminished and compromised. Given the already existing degree of economic integration with India, it cannot be determined beforehand if the value gained from WTO membership will exceed the value already gained from the degree of economic integration between Bhutan and India. As Dani Rodrik puts it, deep economic integration places the nation-state in a "golden straightjacket." The quality of the gold remains in question.

Membership in the WTO and the globalization of Bhutan's economy may also restrict the degree to which Bhutan can pursue good governance, one of the objectives of GNH. Furthermore, the decision to join the WTO and submit to the disciplines of the World Bank, the IMF, etc., cannot be made democratically or in consultation with the Bhutanese stakeholders because neither the mechanisms nor the educational level necessary for such consultation exists at this time. Unless and until the WTO itself becomes a body characterized by good governance, the diminution of good governance within Bhutan in exchange for the benefits to be gained from accepting the discipline of the WTO and its associated institutions cannot be compensated. A "global federalism," deeper than, but perhaps patterned on, the "Bretton Woods compromise," is highly unlikely in any foreseeable future, given the reluctance of the world's sole super-power, and a host of second tier powers, to surrender a significant degree of sovereignty to world bodies.

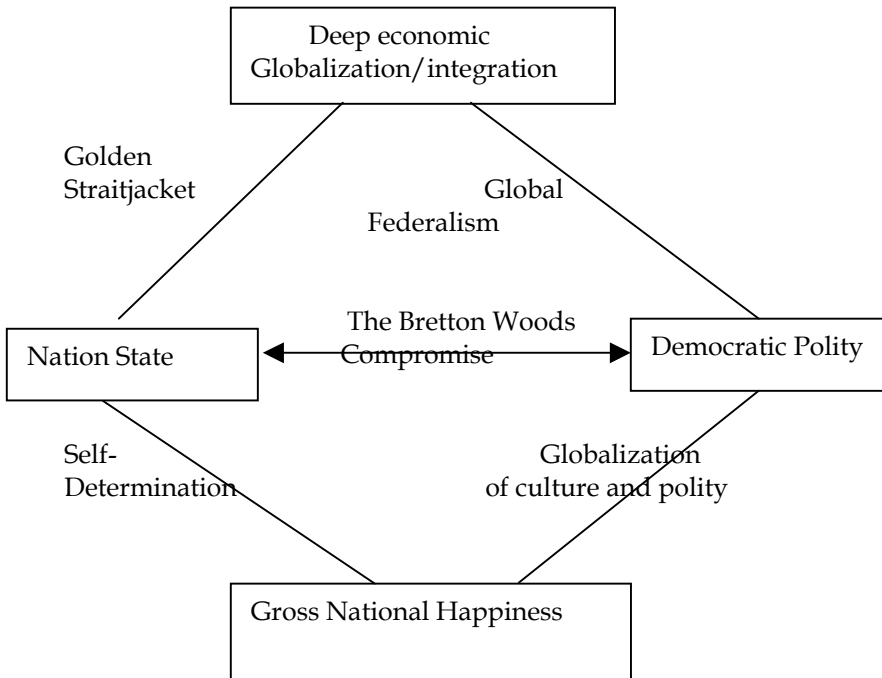
The surrender of sovereignty by small states, for example the loss of the ability to forbid or even control imports, will inevitably undermine national culture as the nation's economy becomes more and more globalized. The "westernization" or "North Americanization" of Bhutanese culture will be propelled forward at a faster rate than might otherwise be the case, particularly given the condition that Bhutanese culture itself has to be deepened and strengthened through education, the humanities,

consciousness of values, etc., to be able even to begin to withstand the onslaught of international trade borne-cultural change.

The pursuit of GNH depends upon the affirmation and reinforcement of Bhutan’s ability to exercise self-determination in the positing of long-range objectives, short- and intermediate-range policy decisions, and the development of the institutions and values in which those long-range objectives will be embedded and the procedures through which they will be realized. WTO membership weakens and diminishes national self-determination institutionally, procedurally, and culturally.

None of this is to suggest that membership in the WTO will not bring significant advantages to Bhutan. Perhaps those advantages will be judged to be potentially of such a magnitude and quality that Bhutan should cut through the quadrilemma like Alexander the Great cut the Gordion’s knot. The magnitude and complexity of the decision is in ratio to Bhutan’s present stage of development and the fixed reality of its size and power vis-à-vis the WTO itself and its neighbors. In any event, the fate of the operationalization of Gross National Happiness lies at the very center of this decision.

The Bhutanese Quadrilemma



Modified from Dani Rodrik, “Feasible Globalizations,” ksghome.harvard.edu/~drodrik.academic.ksg/Feasglob.pdf

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Finding Happiness in Wisdom and Compassion – The Real Challenge for an Alternative Development Strategy

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Abstract

The underlying development philosophy of globalisation seeks to maximise happiness through the cultivation of a narrow materialist self-interest and competitiveness, both at the level of the individual and at the level of the nation-state. Despite voluminous evidence that this growth-fixated model of material economy polarises global well-being and seriously undermines environmental security, most, in the developed world at least, seem perfectly content to continue achieving happiness in irresponsible ways. This paper explores the deeper dynamics of an economic ideology of which GNP is only the most visible aspect and asks whether Bhutan's search for an alternative approach really entails the search for a more responsible form of happiness – one that inherently involves a more compassionate mode of being in the world. Using the Four Pillars of Gross National Happiness as a framework, it argues that the cultivation of a deeper happiness lies in ensuring that the inter-dependent realms of culture, good governance, economy and the environment remain in sustainable balance. If Buddhist understandings are accurate, then on-going happiness can only be truly found through this critical balancing. Thus, if a means for measuring the vitality of these four components can be developed then Bhutan can build a strong foundation for genuinely advancing beyond the irresponsible and unsustainable means employed by others in their search for a more fleeting form of satisfaction. But it is argued, if the maximisation of happiness at any cost is allowed to become the overarching goal then the errors of western development might be unintentionally replicated and Bhutan's unique potential to forge a more valuable direction be unfortunately squandered.

The Kingdom of Bhutan has long resisted being integrated into other culture's alien systems of priorities and much of the widespread appeal of Gross National Happiness as an alternative indicator of social development comes, I believe, from an increasing appreciation throughout the world that current priorities and in particular the growth fetish of the Western economy, are misplaced and detrimental to our collective well-being. That this is so is apparent when one broadens one's gaze to consider the impacts of a globalising economic ideology on the twin issues of social justice and environmental integrity. It is becoming clear that modern economic thinking, with its singular focus on maximising material consumption, is creating lamentable outcomes for many in the poorer world, for the

generations that will follow us and for our fellow creatures on this planet. The dynamics of 'aid' and international trade are misallocating resources and polarising the world into an increasingly concentrated group of super-rich and a growing mass of ultra-poor. As we add another three billion people to the global family in the coming decades, this polarisation seems set to deepen with increasingly troublesome consequences for the most vulnerable regions of the planet. And at an equally fundamental level, the tyrannies of a changing climate and increasing environmental decline are set to eradicate large portions of the global ecosystem. A recent report in the conservative science journal *Nature* for example, suggests that in less than fifty years if current ideologies of growth continue to hold sway, we will cause the extinction of at least one quarter of all of the animal and plant species that currently inhabit the earth.

We find ourselves then, at a critically important juncture in human history, a point at which a profound rethinking of our priorities is required and required urgently. It is against this larger backdrop that our meetings here this week gain some of their deeper and larger significance and Bhutan is to be commended for forging an alternative vision of how we ought to direct our energies and measure our success in this rapidly polarising and deteriorating world. I think that all here sincerely hope that Bhutan's attempts to chart a different direction for itself will be successful and be of genuine assistance in facilitating a wiser and more compassionate appreciation of our place and purpose in the world.

Having said this however, we need to recognise that this is a profoundly challenging endeavour and one that requires a considerable clarity of mind. The potential pit-falls are legion and success will depend upon patience, broad consultation and deep reflection among many other things. This paper is written above all in the hope that it might be of some assistance in the latter domain

When I first learned of Bhutan's intention to create a measure of Gross National Happiness I was deeply impressed but I must confess to a feeling of rising foreboding as I immersed myself in the western literature on happiness and its relationship to standard models of economic development. Happiness has an intuitive appeal as an outcome of ultimate value, but the more I have read and pondered the phenomenon the less faith I have found myself having in its sole legitimacy as a primary, unqualified aim for social policy. The roots of my concern lie in an increasing appreciation that happiness can come in many forms and be derived from many courses of action and states of being – including, as I believe is the case in the privileged world, from recklessly irresponsible collective actions that deprive others of essential resources and cause extensive damage to the prospects of future generations. Ultimately, I find myself faced with a worrisome dilemma that can be summarised as follows. If happiness can be successfully found in the active exploitation of others

and in the despoilation of the natural system we live within, can it constitute an acceptable measure of success? The answer to this basic question is of the utmost importance to our current deliberations and the way we answer it will determine, at least for me, the legitimacy of happiness as a worthy arbiter of policy formation.

In personally answering this question I must say that I believe there are other outcomes that are of more importance than a simple maximisation of personal and national happiness at any cost. If for example, some find great pleasure in enacting racist values, or in stealing, the happiness that accrues does not justify the actions. Similarly, if destroying things of natural beauty, or senseless killing brings happiness, then again I do not believe that even a very high level of resultant happiness can justify such actions. It is in such instances that the potential conflict between responsibility and happiness becomes apparent. Many in the modern world achieve happiness in ways of being and consuming in the world that are profoundly unwise and I believe in such instances that this irresponsibility has to be challenged regardless of whether it brings them happiness or not. The western economy, seemingly fixated on achieving continual growth at any cost, is deeply non-compassionate, but as we shall see, it seems by standard measures at least, to be correlated with the broad generation of happiness. If we accept happiness in this form as the ultimately important outcome, such irresponsibility is forgiven, or indeed blessed, as a merely subsidiary means of achieving the all-important goal of happiness. In the process, all ethical considerations of social justice, ecological responsibility and personal duty are sacrificed in the name of an inconsiderate hedonism.

I wonder then if at heart, Bhutan's aim is not to directly cultivate a more responsible form of happiness, one that is grounded in deeper Buddhist values of enacted wisdom and compassion. If this is indeed the case, as I believe it is, then we have a much clearer agenda to build upon and a clearer distinction as to how we might conceive of a genuine advance from the unwise and heartless search for the more superficial happiness that can be gained by merely maximising material consumption. Aiming to maximise a deeper form of happiness based on responsible being in the world seems to me to be an eminently worthy aim. Aiming to maximise a more superficial happiness based on irresponsible being in the world on the other hand, does not.

And it is exactly this distinction between responsible and irresponsible means of finding happiness that western economic culture seems to have so much difficulty discerning. In the ideology of western economy, this force which seems to inexorably dissolve alternative cultures into its sphere, happiness and economic growth have become equivalent terms, and GNP as a measure has gained its pre-eminence from this illogical equivalence. With this in mind, we should remain aware at all times that the measurement of Gross National Product is for all intents and purposes, the

westernised measure of Gross National Happiness. So, in the dominant ideology of globalisation, it is not as many seem to assume, that happiness is deemed to be irrelevant to economic expansion, but rather that happiness is deemed to be equivalent to economic expansion. For the architects of modern free-market ideology any expansion in economic activity is an expansion in human happiness. But is this really the case? To answer this it is instructive to briefly consider the voluminous evidence that has been accumulated to date on the relationship between economic growth and self-reported happiness. It is interesting to note that this evidence has not been collected by economists themselves who seem little motivated to test the foundations of their assumptions. Rather, the primary evidence we have comes from the endeavours of a legion of academic psychologists who have been paying increasing attention to the relationship between the two phenomena.

Anyone who has forayed into the voluminous literature that has accumulated around the connections between economic development and self-reported happiness will be aware that there are numerous schools of thought as to the relationship between these two factors. However, the preponderant opinion seems to be that the correlation is not nearly as simple nor compelling as some would have us believe. In order to make sense of the varying claims and counter-claims it is useful to focus on four essential relationships that ought to be strongly upheld if indeed economic growth is the major determinant of felt happiness. These are as follows.

At any given time looking across nations, the populations of rich countries should be clearly happier than the populations of poor countries.

Within any given country and across time, increases in economic growth should produce clear increases in happiness.

Within any given country at any given time, rich people should be clearly happier than poor people.

Within any given country and across time, increases in personal wealth should clearly produce increases in happiness.

By considering the evidence relating to each of these relationships we should be able to assess the degree to which economic growth does translate into increasing happiness. Let us consider each in turn.

To begin with cross-national comparisons, there is some evidence that increasing national wealth is somewhat associated with increasing happiness. In general, wealthier nations seem to be slightly happier than poor nations but this relationship is far from perfect and there are many exceptions that undermine the simple conclusion that economic growth automatically confers greater national happiness. In the most recent global study for example, the relatively poor nation of Nigeria comes out as the happiest nation, reporting far higher levels of general happiness than a great many significantly richer nations. Other anomalies point to a similar complexity – Ireland for instance seems to have a happier population than

Germany despite not being as wealthy, and the Philippines report higher levels of happiness than both Japan and Taiwan (e.g. Hamilton, 2003, Inglehart, 1990). Further caution is called for when one appreciates that the weak positive relationship that has been established breaks down after a certain level of development, with economic capacity beyond that point bringing no effective increase in national happiness (e.g. Myers, 2000, Schyns, 2000). This has led many to conclude that growing GNP is of value as a facilitator of basic need satisfaction but that once these basic requirements have been met, other non-monetary satisfactions such as meaningful work, a positive sense of purpose and close social relationships become much more important means to achieving fulfilment (e.g. Baumeister and Leary, 1995, Emmons, 1986, Myers, 2000, Perkins, 1991). Weakening further the legitimacy of any simplistic conclusion that more money means more happiness is the mounting body of opinion that argues that wealthy nations are often also characterised by higher levels of political freedom, personal autonomy, public health, gender equality and accessible educational opportunities among other phenomena - each of which may in part explain the slightly higher levels of reported life satisfaction found across a number of studies (e.g. Eckersley, 2000, Diener and Diener, 1995, Veenhoven, 1997). Finally, there are also a number of potent criticisms of the methodologies used to create such data including important doubts as to the validity of the various means of measuring happiness (which often involve narrow measures of personal happiness alone and exclude satisfaction with the state of society for instance) and serious questions over the representativeness of the samples used to construct the data sets (which often over-emphasise convenient samples of college students for example) (e.g. Diener and Lucas, 2000, also Veenhoven, 1996). But in conclusion, it does seem that there is a weak but far from perfect relationship between economic growth and national happiness up to a moderate level - but that this is probably involves a whole nexus of factors of which national income is only one.

Turning to the evidence relating changes in economic wealth within the nation state over time to reported happiness, the data is again far from clear. However, with regard to the wealthier and more documented nations, it is quite apparent that over time, despite enormous growth in material economy, happiness does not seem to increase significantly (e.g Myers, 2000, Oswald, 1997). This may be related to the previous observation that beyond a certain point, economic growth yields diminishing returns for felt well-being. In the United States for example, where rigorous surveys have been conducted since the mid 1940s, real incomes have increased over 400% yet there has been no increase in measurable happiness. In fact if anything, there has been a slight drop in the proportion of people reporting themselves to be happy with life (Hamilton, 2003). Similarly in Japan, between the 1950s and the 1990s real GNP per person rose six fold, yet

reported satisfaction with life has not changed at all. So again, considerable doubts are raised as to the veracity of any simple claim that growing economy is equivalent to growing national happiness.

Turning to the third expected relationship, which should show that within any nation state, richer people are happier than poor people, again there is no compelling evidence to show that a simple relationship obtains. In fact, the preponderance of data seems to suggest that a similar relationship exists to that between rich and poor nations. That is, gains in material riches help happiness but only to a very basic level after which no significant contribution is to be found. Thus, several studies show a difference between the very poor in society and the rest, but any clear relationships break down after this point as the moderately poor and the reasonably well off appear to be just as happy as the rich and the very rich. For instance, in studies of the richest people in America, evidence shows them to be only marginally happier than the average American - and interestingly none of the very wealthy when asked about the groundings of their happiness mention money as a major source of happiness (e.g. Argyle, 1999, Diener, Horwitz and Emmons, 1985, Inglehart, 1990, Lykken, 1999). The relationship between personal income and happiness only seems to be of major significance in poor countries with high levels of polarisation, such as Bangladesh and India where a whole host of other contributing factors, such as severe privation and caste are likely to contribute significantly to the reported correlations (e.g. Ahuvia, 2001, Argyle, 1999).

Finally, in the context of changes in material well-being as experienced by individuals over time, it is very difficult to find evidence to support the basic assumption that more money brings greater happiness. Rather over time it seems that increases in personal income beyond the level of basic need satisfaction do not produce significant increases in felt well-being (e.g. Duncan, 1975, Myers, 2000). And further, even rapid changes in material circumstances seem capable only of producing rapid and very short-lived 'spikes' in felt happiness before the person returns to a basic 'set-point' of pre-existing well-being (e.g. Cummings, 2000. Silver, 1982, Stone and Neale, 1984, Suh, Diener and Fujita, 1996).

In sum then, it appears that the economic assumption that equates increasing material consumption with increasing happiness is deeply flawed even in its own limited terms. Beyond a certain level, increased economic expansion does not seem to translate into increased happiness for either individuals or nation states. What linkages do appear to gain most empirical support involve the connections between economic growth and poverty. Thus, below a certain level of development, poverty eradication does make a difference. In general though, it can be reasonably concluded that Gross National Product is not the measure of Gross National Happiness it purports to be and accordingly a more applicable and discerning

approach to the problem of maximising human happiness needs to be developed.

However, there is a deeper and less visible aspect of the data which has been summarised above - one that reveals a more serious flaw in the economic logic of western economics and one that returns us to the concerns outlined at the beginning of this paper. It is as follows - although there is little compelling evidence to show that growth in economy alone produces growth in felt happiness, the fact remains that in the highly developed world, most people report being genuinely satisfied with their consumptive lives and lifestyles (e.g. Inglehart, 1990, Myers, 1993, Myers and Diener, 1996). Thus, national happiness levels remain high despite the mounting evidence that demonstrates the destructive nature of our economic priorities. In a very important sense then, the literature on happiness and its connection to the expansion of economic consumption can be read as being indicative of a willing cultural negligence within which most appear to remain happy despite the realisation that in a world of strictly limited resources, our material aspirations are deeply inappropriate in an ethical sense. Put simply, it seems that we find our happiness in diminishing the present and future well-being of others in the global family.

And it is here that we can begin to discern what I believe to be the central issues underlying our current deliberations. The dominant order's happiness with negligence appears to me at least, to emanate from a basic selfishness and narrow-mindedness that has been cultivated slowly but surely throughout the history of western economic development. Viewed in this way, it is not happiness or even the equation of happiness with GNP that is the most fundamental problem, but the mode of self-indulgent being in the world that modern economic philosophy cultivates and condones. In a deeply polarised world of declining ecological health this stunted form of human non-development needs to be urgently redressed even if it does correlate with high levels of reported happiness. If we are to survive our future and achieve sustainability we need to find an equivalent happiness in much more mature conduct.

It is here then, in this context, that Buddhism offers a genuine alternative and where Bhutan's search for a different vision for development gains its greatest traction. But before considering the positive potential of what might be developed here, it might be useful to briefly survey a few of the most important foundations that serve to support the irresponsible happiness that seems to be the aim of much of the present order. Central to all of this is the maintenance of illusion - an illusion that claims selfishness to be an acceptable or even admirable route to true happiness. This moral myopia lies at the heart of the whole cultural worldview that supports GNP as a singularly appropriate measure of collective advance.

For most of the world's cultures, untrammelled selfishness and competitiveness are appropriately viewed as unworthy and maladaptive attitudes – orientations harbouring the constant potential to endanger the larger collective interest. Accordingly most cultural systems go to great lengths to de-legitimise and dis-empower them. But in western culture, these essential vices have been transformed into veritable virtues and this is particularly true within the realms of economic thought where they are praised as being of unique value in forging our collective advance towards happiness.

In order to fully appreciate the nature of this counter-intuitive belief system we must understand at least in brief form, its aetiology. Of course, there have been numerous strands that have historically come together to elevate selfishness and competitiveness beyond the realms of condemnation, but central in the process have been the inordinately influential conceptions of Adam Smith, the first and foremost articulator of free-market theory. Smith's influence has been incomparable and it was he who first formed an effective moral justification for competitive selfishness as an essential means to our collective advance. Arguing in his foundational text, known popularly as 'The Wealth of Nations', Smith noted that, ideals aside, much of humanity is motivated to action by baser instincts than generous altruism. As such he argued, if nations wish to obtain the fullest fruits of coordinated action, selfishness should be permitted a far greater freedom than it had previously been granted under the religious systems of authority that preceded the arrival of the secular western Enlightenment. Contrary to the general conception then, Smith reframed selfishness as an enormously pro-social force, one capable of creating great good despite its amoral or immoral intentions. Thus, in his seminal outlining of free-market economics he showed how it is through selfishness and not altruism that the greatest productive energy is unleashed. It is the prospect of personal gain that drives most in society to undertake the exertions necessary to produce, market and sell the material goods and services that bring benefit to a society. It is then above all, selfishness that creates the collective wealth of nations.

But Smith understood the many tyrannies and injustices that an unbridled selfishness might bring in its wake and in his broad theorising the harmfulness of freeing up this mode was to be balanced by a countervailing force, that of competition. Again writing in the *Wealth of Nations*, he argued that competition in the marketplace would act to prevent exploitation and excessive harm as each player is forced to increasingly conform to the greater good through producing the most desired goods and services at an ever-increasing quality and an ever-decreasing price. Thus, competition would act as an 'Invisible Hand' to guide intentional selfishness towards an unintended general benefit. Those that acted with excessive greed would be forced to curtail their exploitativeness or be excluded from

the marketplace. Hence, selfishness and competition working in concert would unfailingly ensure that the greatest public happiness would be obtained, at least in the material economic realm.

It is these twin notions that have formed the basic moral justification of a free-market economy ever since, one in which the least moral of motivations become blessed as a forgivable means to the valued ends of maximising national wealth and happiness. However, it needs to be pointed out that this inheritance was originally not as simplistic as it has now become in the hands of more modern economic purists. Smith's conceptions had an enormous influence partly due to their own partial truth but largely because Smith was one of the pre-eminent moral philosophers of his age - a reputation gained through his previous writings on the *Moral Sentiments*. For Smith, the model of the free market within which selfishness and competition could be allowed greater reign, was premised upon his overarching belief in the power of sympathy and 'human heartedness'. Writing in the *Theory of Moral Sentiments* the first of his major works, he revealed a firm belief in humanity's capacity for sympathy, an emotion that prevents us tolerating excessive heartlessness in our conduct towards others. Thus, he argued, society is dominated by an over-arching human heartedness and it is this above all that will prevent selfishness from creating a morally irresponsible economy. If modes of economic action begin to create excessive exploitation or deprivation, then a prevailing sympathy will come to the fore and insist upon restraint and reparation. Needless to say, it did not take long for the rising business class to marginalise these essential assumptions and isolate the selfishness and competitiveness defended in his later work from their wiser and more compassionate roots.

With an emerging ideology that came to see selfishness as acceptable and competition as essential the modern irresponsible economy was well on its way to empowerment. An active compassion was unnecessary, as the Invisible Hand of competition would unerringly correct all injustices. And it must be noted, the potential for large-scale environmental destruction was literally unimaginable to the founders of our modern ideology living as they did in a historical epoch dominated by a sense of limitless resources and a distinctly underdeveloped capacity for their exploitation. In the selectively conceived world of Smith's cultural converts then, selfishness and competitiveness become sufficient means for forging our collective progress. There is no need for an enacted compassion or environmental wisdom, as an active irresponsibility will be magically transformed into responsible outcomes for all.

This essential faith lies at the heart of modern economic theory and it has been subsequently compounded by two equally simplistic and unwise rationalisations - the simple equation of economic activity with the satisfaction of all important human needs, and an unfortunate econometric

cynicism that declares that humanity is in fact incapable of genuinely considerate or generous action. In this latter formulation the theory of human nature reaches an unfortunate dead-end in a formulation that sees being in the world as necessarily involving the rational search for maximum personal gain. The centrality of this misconception can be witnessed by consulting any introductory economic textbook where persons are formally judged to be “rational self-maximisers.” In this stunted conception, western economic thinking reaches its nadir as the potentials for genuine individual development, for compassion, self-sacrifice and intentional service are theoretically banished from the realms of possibility. With the acceptance of this anti-ideal the dominant force of globalisation moves beyond a simple moral defence of competitive selfishness, to see it as an inevitable and unavoidable condition.

In revealing these underlying assumptions, we can see clearly that the problem with GNP is not one of measurement alone, but one that involves a much deeper nexus of maladaptive beliefs. Put simply, the forces of globalisation that are knocking on the doors of Bhutan have at their heart, a series of inter-connected misconceptions. Most importantly these involve assuming that selfishness and competitiveness are morally responsible, that environmental wisdom is unnecessary, that compassion is impossible and that economic outcomes are the only ones that count towards defining collective progress. It is this combination of deep beliefs and assumptions that empowers the irresponsible happiness of the current global order. Needless to say, each of these foundational beliefs runs counter to the traditional Buddhist conception of our proper place and potential in the world.

I believe then, that we need to be quite explicit in understanding what it is that needs to be resisted if a more responsible socio-economic system is to be developed by any society including Bhutan. If a more responsible alternative is truly desired then each of the above dead-ends must be studiously guarded against. In other words, achieving a responsible Gross National Happiness must necessarily entail clearly maintaining that self-restraint and cooperativeness are morally responsible, that environmental wisdom is necessary, that compassion is possible and that economic outcomes are not the exclusive measures that count in defining our collective progress.

That the above elements are already present in Bhutanese developmental thinking is apparent in the various writings that have been produced to date and particularly in the framework that has been articulated under the heading of the Four Pillars of Gross National Happiness. In this useful conceptualisation, economic vitality becomes only one of several essential elements that together facilitate a genuine and responsible progress. Economic outcomes are tempered by active concerns for good governance, cultural vitality and environmental responsibility. A

wise integration of these interconnected concerns represents a clear advance towards a more just and sustainable philosophy. And at the heart of Buddhist teaching is the central understanding that human nature reaches its greatest potential and happiness in the flowering of compassion, self-restraint and cooperation. Accordingly, the foundational principles of a living Buddhism revolve around the practicalities of achieving the wisdom and compassion of a genuinely mature human development. In a very real sense then Bhutanese Buddhism already has all of the elements in place to maintain a much more responsible social growth that in much of the world dominated as it is by the myopic ideology of a self-sufficient material competitiveness. The question is how can these elements be maximally empowered to bring to fruition comfortable and happy social existence? The answer I believe lies in finding what might be termed a middle way between these often-conflicting priorities.

Now there is clearly much less of a need to explain the fundamentals of Buddhist social thinking to this audience than there has been to explore the depths of western economic ideology but the essential understanding that the deepest happiness can be attained only through the cultivation of a relatively selfless and non-materialist orientation deserves a clear reiteration. Unlike the secular economic conceptions of the west, the highest and deepest forms of happiness are to be found not in endless material accumulation but through moderation and a detachment from excess craving. Ultimate happiness we are told comes from a spirit of service and compassion for others and not from exploitation and care-lessness towards others. And the greatest happiness entails a communion with the natural world and not a separation from it. To fail to comprehend this is, in Buddhist thinking, to live in an illusory world of false and ever-precarious happiness. It is only when this seemingly real but deeply false sense of happiness is overcome and a more responsible maturity is realised that the folly of our initial confusion is revealed. Buddhism at heart, is all about finding ways to grow beyond the illusion that a narrow, uncaring, materially grasping competitiveness can hope to bring a genuine or lasting happiness. It is then, all about challenging the unfortunately confused ideologies of material fixation at all levels not just at the most obvious level of GNP as an inappropriate indicator of our true well-being.

In the classical formulations of the Four Noble Truths and of the Eightfold Path, Buddhism outlines in precise detail the means by which a compassionate, wise and ultimately happy condition might be achieved on the individual level and it is important to note that the emphasis here is upon the 'right' means to 'right' happiness. It is then a mode of being in the world that does not perceive of any practical separation of desirable ends from desirable means and in this it is clearly distinguishable from the dominant western approach to achieving economically-derived happiness. As we have seen already, in the dominant western approach to economic

development, the maximally responsible social outcome of the greatest good for the greatest number is, it is argued fully attainable only through the perfection of a maximally irresponsible mode of conduct. For Buddhism, as indeed for most of the worlds cultural systems, this disjunction between 'wrong' means and 'right' ends is absurd. If we desire the greatest potential good as an outcome, then it is only attainable through the cultivation of the greatest goodness as the means to its attainment. In other words to achieve wise and compassionate outcomes we need to cultivate wise and compassionate attitudes.

At an individual level all of this has long been understood and is quite straightforward. How to apply these understandings to social policy, particularly in light of the challenges and temptations of an insistent globalisation is a far more complex matter. But I believe the realisation of such positive outcomes including Gross National Happiness begins with the cultural empowerment of the central tenets of traditional wisdom. In other words, the profound insight that exists in Buddhist culture must retain its authority to guide social policy if a realistic balancing of the elements of a healthy economy, a just society and a sustainable environment is to be possible. This means that social governance has to be performed in light of these insights and that good governance is defined by its allegiance to, and capacity for empowering the compassionate principles that define and give value to the culture. If Buddhist culture in Bhutan is in part characterised by an appreciation of the importance of self-restraint and balance for example, then good governance is by definition, governance conducted in a spirit of self-restraint and balance. Or if a central cultural value involves cultivating respect for the natural world, then good governance is defined by placing respect for nature at the heart of policy making. The maintenance of culturally priorities is only possible if those who have the greatest influence embody and empower the values their societies hold to be of the greatest importance and value.

In the instance of Bhutanese development then, as in the case of indigenous development anywhere, cultural vibrancy and the good governance that follows from it must be diligently monitored and constantly revitalised as the primary goal. If this is not done, as the pattern of global change worldwide amply illustrates, indigenous cultures and alternative frameworks collapse as they succumb to the dissolving anarchy of modern economic individualism and competitiveness. To vigilantly adapt and implement indigenous values is the only way to ensure cultural self-determination in the face of a dissolving globalisation that is equally determined to force their dissolution. In case after case, fragile cultural systems are replaced by alien forms of poor governance singularly oriented towards an unwise obsession with GNP and the whole nexus of troublesome assumptions it represents.

As for the other specific elements of Bhutanese development - the pillars of environmental sensibility, economic development and I would add, social justice - I believe from all that I have learned about this country that the wisdom necessary to effectively achieve balance certainly exists in the cultural values that sustain society here. This however, will involve as a primary task, the operationalisation of measures capable of accurately monitoring developments in each of these critical areas to ensure that a growing economic capacity does not, as it has elsewhere, cannibalise the equally essential realms of social justice and ecological balance. The specific criteria that will be aimed for within the realms of economic, social and cultural outcomes can only be determined by the people of Bhutan themselves and only in reference to their own distinct cultural priorities.

And so in conclusion I must return to my original concern regarding the ultimate aim of maximising and operationalising Gross National Happiness per se. I firmly believe in Bhutan's desire to forge its own path in the modern world and not to succumb to a mindless adoption of alien priorities and I believe that a greater happiness is only attainable through such a strategy. However, I remain doubtful that an unqualified and perhaps hurried search for a maximal measurable happiness is the best first step forward. To operationalise happiness without first operationalising the foundations upon which it can rest, runs the distinct risk of minimising the importance of the right means of attaining that happiness. As is the case with any form of measurement, it can quickly become a narrowed focus that causes us to lose sight of the wisest means to its attainment. If the profound wisdom of Buddhism is correct, then the cultivation of a genuinely wise and compassionate attitude will produce a profound happiness as it has always done. Happiness then has its grounding in a respectful balancing of personal concern with the interests of others and of material concerns and the immaterial interests of personal and spiritual development. I would humbly suggest then that the Government of Bhutan put its energies at this stage into articulating the states it wishes to see obtain in each of the areas from which balanced development springs - society, culture, good governance, economy and the environment.

In the realm of the environment for example, it might be appropriate to create a set of measures related to trends in biodiversity and the well-being of critical indicator species, the sustainability of forestry, the creation of inorganic wastes, carbon dioxide emissions, water quality, cropland fertility and other such critical indicators of ecological health. In the realm of societal functioning, specific measurable criteria relating to levels of personal indebtedness, nutrition, the distribution of land, standards of housing, income polarisation, opportunities for education, population growth and access to basic healthcare might be constructive among other indicators. Similarly specific criteria can be developed to monitor the health and vitality of culture, good governance and the economy. If goals and limits

can be rigorously articulated for each of these various pillars of GNH then Bhutan can develop first and foremost, the consciously responsible form of development so badly needed by the current global order.

Once a desirable form of appropriate development has been formalised then attention can rightly shift to achieving happiness within this essential pattern of social advance. Buddhist culture has long maintained that the truest and deepest happiness comes from thinking, acting and interacting in 'right' ways – ways characterised by maturity, wisdom and compassion, and specifically not by a crass self-interested materialism. If the population as a whole can appreciate the essential rightness of being a responsible part of the global order then this can provide the ultimate sense of pride, self-respect and contentment. To facilitate the blossoming of such a collective happiness in responsibility however, there will need to be a constant re-affirmation of the truths of Buddhist teachings on compassion, moderation and respect. Equally importantly there will need to be a constant critical invalidation of the insidious ideology that would excuse un-moderated material greed and seek joy in destroying the prospects of future generations.

It is clear that Bhutan wishes to avoid the latter option and I believe the only way of avoiding succumbing to its cynicism is to set in place specific targets and measures capable of monitoring any cracks that might appear in the pillars or foundations upon which a responsible happiness rests. Following this, the cultivation of pride and happiness in what has been attained can be sought as the ultimate outcome that represents both the end and the on-going means by which its vitality is sustained. But to aim for a national happiness without first ensuring that practice reflects an essential wisdom and compassion runs the distinct risk of undermining the right conduct Buddhism has long seen as leading to the only true and worthy happiness.

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Happy Life Years: A Measure of Gross National Happiness

RUUT VEENHOVEN

Summary

Happiness is defined as the degree to which a person enjoys his or her life-as-a-whole. Accordingly 'Gross National Happiness' is defined as the degree to which citizens in a country enjoy the life they live. Individual happiness can be measured by self-report on a single standard question. Hence Gross National Happiness can be measured by the average response to such questions in general populations surveys.

Survey data on average self-report of happiness can be combined with estimates of life expectancy based on civil registration. The resulting index denotes how long and happy people live in a country and can be expressed in a number of Happy-Life-Years (HLY).

Comparison across present day nations shows huge differences on this indicator, HLY varying between 63 (Switzerland) and 21 (Moldavia). About 80% of these differences can be explained by variation in societal characteristics, such as economic development, political democracy and mutual trust. HLY varies also over time. During the last decade it rose in western nations but plunged in the former Soviet nations.

It is argued that HLY is the best available indicator of Gross National Happiness.

Introduction

The concept of 'Gross National Happiness' (GNH) was introduced in the political discourse in the 1960s by the late king of Bhutan, Jigme Dorji Wangchuck. In 1971 the idea was articulated by the present King Jigme Singye Wangchuck in his famous statement that "Gross National Happiness is more important than Gross National Product" (Priesner 1999: 28). In 1991 the idea was mentioned in the Five Year Plan (7th 5-year plan pp. 22) and in 1998 the Prime Minister elaborated the idea in an international address (Thinley 1998).

These statements did not aim at scientific precision in the first place, but served to indicate a political direction. The motto worked well to that end and appeals also outside Bhutan. This success now calls for measurement of the matter. Once we accept the idea that the country should aim at Gross National Happiness we need tools to assess how successful the country is in realizing that end.

Measuring Gross National Happiness requires first of all that we define what happiness is. To that end I start in the following with a review the various meanings of the word and select the meaning that fits best with official statements on the matter. That is the meaning of 'life-satisfaction'. In

the next section, I will consider the available measures of life-satisfaction in nations and conclude that this can best be measured using self-reports. This followed by a section where I argue that survey data on subjective life-satisfaction can be combined with data on life-expectancy and that the resulting estimate of 'happy life years' indicates how long and happy people live in a country. In the final section, I review the available data on that matter and consider the merits of that measure on that empirical basis.

Concept of Happiness

The word happiness is often used interchangeably with the term 'quality of life'. When used in that sense it is an umbrella term for different notions of the good life. These notions can be ordered on the basis of the following two distinctions:

Chances and Outcomes

A first distinction is between opportunities for a good life and the good life itself. This is the difference between potentiality and actuality. I refer to this as 'life-chances'¹ and 'life-results'. Opportunities and outcomes are related, but are certainly not the same. Chances can fail to be realized, due to stupidity or bad luck. Conversely, people sometimes make much of their life in spite of poor opportunities.

This distinction is quite common in the field of public-health research. Pre-conditions for good health, such as adequate nutrition and professional care are seldom mixed up with health itself. Yet, in social policy discussions means and ends are less well distinguished.

Outer and Inner Qualities

A second difference is between 'external' and 'inner' qualities. In the first case the quality is in the environment, in the latter it is in the individual. Lane (1994) made this distinction clear by telling 'quality of society' from 'quality of persons'.

This distinction is also quite common in public health. External pathogens are distinguished from inner afflictions. Yet again, this basic insight is lacking in many social policy discussions.

Four Qualities of Life

The combination of these two dichotomies yields a fourfold matrix. This classification is presented in scheme 1. The distinction between chances and results is presented vertically, the difference between outer and inner qualities horizontally.

¹ In sociology, the term 'life-chances' is used in the more limited meaning of access to scarce resources in society.

In the upper half of the scheme, we see two variants of potential quality of life, with next to the outer opportunities in one's environment, the inner capacities to exploit these. The environmental chances can be denoted by the term *livability*, the personal capacities with the word *life-ability*. This difference is not new. In sociology, the distinction between 'social capital' and 'psychological capital' is sometimes used in this context. In the psychology of stress, the difference is labeled negatively in terms of 'burden' and 'bearing power'.

The lower half of the scheme is about the quality of life with respect to its outcomes. These outcomes can be judged by their value for one's environment and by value for oneself. The external worth of a life is denoted by the term *utility of life*. The inner valuation of it is called *appreciation of life*. These matters are of course related. Knowing that one's life is useful will typically add to the appreciation of it. Yet useful-lives are not always happy lives and not every good-for-nothing really cares. This difference has been elaborated in discussions on utilitarian moral philosophy, which praises happiness as the highest good. Adversaries of that view hold that there is more worth to life than just pleasures and pains. Mill (1861) summarized that position in his famous statement that he preferred an unhappy Socrates to a happy fool.

Scheme 1: Four qualities of life

	<i>Outer qualities</i>	<i>Inner qualities</i>
Life chances	Livability of environment	Life-ability of the person
Life results	Utility of life	<u>Enjoyment of life</u>

Livability of the Environment

The left top quadrant denotes the meaning of good living conditions. Formerly, the term 'happiness' was often used for this particular meaning, especially in social philosophy. Currently, this matter is mostly called 'quality-of-life' or 'wellbeing'. Other terms are 'welfare' and 'level of living'

'Livability' is a better word, because it refers explicitly to a characteristic of the environment and does not have the limited connotation of material conditions. One could also speak of the 'habitability' of an environment, though that term is also used for the quality of housing in particular. Elsewhere I have explored that concept of livability in more detail (Veenhoven 1996:7-9).

Ecologists see livability in the natural environment and describe it in terms of pollution, global warming and degradation of nature. Currently, they associate livability typically with environmental preservation. City

planners see livability in the built environment and associate it with sewer systems, traffic jams and ghetto formation. Here the good life is seen as a fruit of human intervention. In public health this all is referred to as a 'sane' environment.

In the sociological view, society is central. Firstly, livability is associated with the quality of society as a whole. Classic concepts of the 'good society' stress material welfare and social equality, sometimes equating the concept more or less with the welfare state. Current communitaristic notions emphasize close networks, strong norms and active voluntary associations. The reverse of that livability concept is 'social fragmentation'. Secondly, livability is seen in one's position in society. For long, the emphasis was on 'under-class' but currently attention shifts to 'outer-class'. The corresponding antonyms are 'deprivation' and 'exclusion'.

Life-ability of the Person

The right top quadrant denotes inner life-chances. That is: how well we are equipped to cope with the problems of life. This aspect of the good life is also known by different names. Doctors and psychologists use the terms 'quality of life' and 'well-being' to denote this specific meaning. There are more names however. In biology, this meaning is referred to as 'fitness'. On other occasions, it is denoted by the medical term 'health', in the medium variant of the word², or by psychological terms such as 'efficacy' or 'potency'. Sen (1993) calls this quality of life variant 'capability'. I prefer the simple term 'life-ability', which contrasts elegantly with 'livability'.

The most common depiction of this quality of life is absence of functional defects. This is 'health' in the limited sense, sometimes referred to as 'negative health'. In this context, doctors focus on unimpaired functioning of the body, while psychologists stress the absence of mental defects. This use of words presupposes a 'normal' level of functioning. Good quality of life is the body and mind working as designed. This is the common meaning used in curative care.

Next to absence of disease, one can consider excellence of function. This is referred to as 'positive health' and associated with energy and resilience. Psychological concepts of positive mental health involve also autonomy, reality control, creativity and inner synergy of traits and strivings. A new term in this context is 'emotional intelligence'. Though originally meant for specific mental skills, this term has come to denote a broad range of mental capabilities. This broader definition is the favorite in training professions.

A further step is to evaluate capability in a developmental perspective and to include acquisition of new skills for living. This is commonly denoted by the term 'self-actualization'; from this point of view a middle-

² *A problem with this name is that the utilitarians used the word utility for subjective appreciation of life, the sum of pleasures and pains.*

aged man is not 'well' if he behaves like an adolescent, even if he functions without problems at this level. Since abilities do not develop in idleness, this quality of life is close to the 'activity' in Aristotle's concept of eudaimonia (Ostenfelt, 1994). This quality concept is also currently used in the training professions.

Lastly, the term 'art of living' denotes special life-abilities; in most contexts this quality is distinguished from mental health and sometimes even attributed to slightly disturbed persons. Art of living is associated with refined tastes, an ability to enjoy life and an original style of life (Veenhoven 2003).

Utility of Life

The left bottom quadrant represents the notion that a good life must be good for something more than itself. This presumes some higher values. There is no current generic for these external turnouts of life. Gerson (1976: 795) referred to these kinds as 'transcendental' conceptions of quality of life. Another appellation is 'meaning of life', which then denotes 'true' significance instead of mere subjective sense of meaning. I prefer the more simple 'utility of life', admitting that this label may also give rise to misunderstanding³. Be aware that this external utility does not require inner awareness. A person's life may be useful from some viewpoints, without them knowing⁴.

When evaluating the external effects of a life, one can consider its functionality for the environment. In this context, doctors stress how essential a patient's life is to its intimates. The life of a mother with young children is valued as higher than the life of a woman of the same age without children. Likewise, indispensability at the workplace figures in medical quality of life notions.

At a higher level, quality of life is seen in contributions to society. Historians see quality in the addition an individual can make to human culture, and rate for example the lives of great inventors higher than those of anonymous peasants do. Moralists see quality in the preservation of the moral order, and would deem the life of a saint to be better than that of a sinner.

In this vein, the quality of a life is also linked to effects on the ecosystem. Ecologists see more quality in a life lived in a 'sustainable' manner than in the life of a polluter. In a broader view, the utility of life can be seen in its consequences for long-term evolution. As an individual's life can have many environmental effects, the number of such utilities is almost infinite.

³ *A problem with this name is that the utilitarians used the word utility for subjective appreciation of life, the sum of pleasures and pains.*

⁴ *Frank's (1946) logo-therapy aims to make people believe in meanings of their life they do not see.*

Apart from its functional utility, life is also judged on its moral or esthetic value. Returning to Mill's statement that he preferred an unhappy Socrates to a happy fool, Mill did not say this just because Socrates was a philosopher whose words have come down to us; it was also because he admired Socrates as an outstanding human being. Likewise, most of us would attribute more quality to the life of Florence Nightingale than to that of a drunk, even if it appeared that her good works had a negative result in the end. In classic moral philosophy this is called 'virtuous living', and is often presented as the essence of 'true happiness'.

Enjoyment of Life

Finally, the bottom right quadrant represents the inner outcomes of life. That is the quality in the eye of the beholder. As we deal with conscious humans, this quality boils down to subjective appreciation of life. This is commonly referred to by terms such as 'subjective wellbeing', 'life-satisfaction' and 'happiness' in a limited sense of the word.

Humans are capable of evaluating their life in different ways. We have in common with all higher animals that we can appraise our situation affectively. We feel good or bad about particular things and our mood level signals overall adaptation. As in animals these affective appraisals are automatic, but unlike other animals it is known that humans can reflect on that experience. We have an idea of how we have felt over the last year, while a cat does not. Humans can also judge life cognitively by comparing life as it is with notions of how it should be.

Most human evaluations are based on both sources of information, that is: intuitive affective appraisal and cognitively guided evaluation. The mix depends mainly on the object. Tangible things such as our income are typically evaluated by comparison; intangible matters such as sexual attractiveness are evaluated by how it feels. This dual evaluation system probably makes the human experiential repertoire richer than that of our fellow-creatures.

In evaluating our life, we typically summarize this rich experience in overall appraisals. For instance, we appreciate domains of life. When asked how we feel about our work or own marriage, we will mostly have an opinion. Likewise, most people form ideas about separate qualities of their life, for instance how challenging their life is and whether there is any meaning in it. Such judgments are made in different time-perspectives, in the past, the present and in the future. As the future is less palpable than the past and the present, hopes and fears depend more on affective inclination than on cognitive calculation. Next to aspects of life, we also judge life-as-a-whole.

Happiness and other Enjoyments

Even when we focus on subjective enjoyment of life, there are still different meanings associated with the word happiness. These meanings can also be charted in a fourfold classification. In this case, that classification is based on the following dichotomies:

Life-aspects versus Life-as-a-whole

Above, we have seen that appraisals of life can concern aspects, such as marriage or work-life, and one's life-as-a-whole. The word 'happiness' is used in both contexts. Obviously, such appraisals are linked. Enjoyment of aspects of life will typically contribute to the satisfaction with life as a whole (so-called bottom-up effect), and enjoyment of one's life-as-a-whole appears to foster the satisfaction with life-aspects (top-down). Still, these are not identical matters. One can have a happy marriage but still be dissatisfied with life-as-a-whole, or be satisfied with life-as-a-whole in spite of an unhappy marriage.

Passing Delight versus Enduring Satisfaction

The experience of enjoyment can be short-lived or enduring. Again, the word happiness is used for both phenomena. Sometimes it refers to passing moods and at other occasions for stable satisfaction. Once more, these matters are related but not the same.

When combined, these distinctions produce the fourfold classification presented in scheme 2. The difference between part and whole is presented vertically, and the distinction between passing and enduring enjoyment horizontally.

Scheme 2: Four kinds of satisfaction

	<i>Passing</i>	Enduring
Life aspects	Instant satisfactions (instant utility)	Domain-satisfactions
Life as a whole	Top experience	<u>Life-satisfaction</u> (Happiness)

Pleasure

The top-left quadrant represents passing enjoyments of life-aspects. Examples are the delight of a cup of tea at breakfast, the satisfaction with a chore done or the enjoyment of a piece of art. Nobel laureate Kanahan (1999) calls this 'instant-utilities'. Frequent experience of such passing pleasures is probably a necessary condition for enduring satisfaction with

life-as-a-whole, but probably not a sufficient one since life-satisfaction requires also a sense of meaning.

The term happiness is used in the sense of pleasure, especially by critics of utilitarianism⁵ who thus denounce that moral philosophy as superficial hedonism.

Domain Satisfaction

The top right quadrant denotes enduring appreciation of life-aspects, such as marriage satisfaction and job-satisfaction. This is currently referred to as *domain-satisfactions*. Though domain-satisfactions depend typically on a constant flow of instant-satisfactions, they have some continuity of their own. For instance, one can remain satisfied with one's marriage even if one has not enjoyed the company of the spouse for quite some time.

The term happiness is sometimes used in this sense, in particular to denote satisfaction with one's career. That use of the word is mostly also polemic and serves to denote that such rat-race happiness is not very worthwhile.

Satisfaction with major domains of life obviously adds to satisfaction with one's life-as-a-whole. Yet these things are not the same. One can be satisfied with one's work and marriage, but still be dissatisfied with one's life-as-a-whole because one has failed a cause.

Top-experience

The bottom right quadrant denotes the combination of passing experience and appraisal of life-as-a-whole. That combination occurs typically in so-called 'top-experiences', which involve short-lived but quite intense oceanic feelings. Mystics and poets use the term happiness often in this sense. Yet this meaning should not be equated with enduring enjoyment of life-as-a-whole; these phenomena are in fact antithetical, people who go through top-experiences most often are typically not the most satisfied with life.

Life-satisfaction

Lastly, the bottom-right quadrant represents the combination of enduring satisfaction with life-as-a-whole. This is happiness in the sense of *life-satisfaction*. This meaning is clearly the most relevant for policy makers and comes closest to the notion of Gross National Happiness.

⁵ *Utilitarian moral philosophy holds that the good and bad of all actions should be judged by its effects on human happiness, the morally best action being the one that provides the 'greatest happiness for the greatest number'. Jeremy Bentham (1798) is a spokesman of this view. When applied on public choice, this theory is known as 'rule-utilitarianism'.*

Likeness with the Bhutanese Notion of 'Gross National Happiness'

Close reading of statements of the Bhutanese government on 'Gross national Happiness' learns that happiness is seen as a state of an individual and not as a state of society. The goal is to promote the happiness of citizens, and the development of society is one of the means (Thingley 1998: 14-15). Happiness as such is distinguished from its presumed determinants, such as 'material wealth', 'Enlightenment education', 'natural environment' and 'good governance' (Thingley 1998 15-22). This means that the concept belongs in the right half of scheme 1; in the column of 'inner' qualities of life.

The first official document speaks about the 'emotional wellbeing of the population' (7th 5-year plan pp. 22) and in later statements the term is used interchangeably with 'good mood' and 'contentment'. This means that the concept addresses experienced outcomes of life and fits the right-bottom quadrant in scheme 1, which denotes 'satisfaction'.

The texts make also clear that happiness is seen as a lasting state of mind, and not as a passing mood. The aim is obviously not at creating short-lived thrills. So the concept must be placed in the right half of scheme 2 that denotes 'enduring satisfaction'. Likewise, the texts leave no doubt that happiness is seen as an appraisal of life-as-a-whole rather than as satisfaction with a particular domain of life. So the Bhutanese notion of happiness fits the right-bottom quadrant of scheme 2; that is life-satisfaction.

Definition of Individual Happiness

In this line, happiness can be defined as the degree to which a person evaluates the overall quality of his present life-as-a-whole positively. In other words, how much the person likes the life he/she leads.

Scope of Evaluation

The concept of happiness denotes an *overall* evaluation of life. Therefore, the appraisal that life is 'exciting' does not mark it as 'happy'. There may be too much excitement in life, and too little of other qualities. The overall evaluation of life involves all the criteria figuring in the mind of the individual: how good it feels, how well it meets expectations, how desirable it is deemed to be, etc.

Kind of Evaluation

When we appraise how much we appreciate the life we live, we seem to use two sources of information: Affectively, we estimate how well we feel generally, and at the cognitive level we compare 'life as it is' with standards of 'how life should be'. The former affective source of information seems generally to be more important than the latter cognitive one (Veenhoven 1996a: 33-35). The word happiness is commonly used for these 'subtotals' as well as for the comprehensive appraisal. I use the terms '*overall happiness*' or

'life satisfaction' for the comprehensive judgment and refer to the affective and cognitive sub-appraisals as respectively '*hedonic level of affect*' and '*contentment*'. These concepts are delineated in more detail in Veenhoven (1984: chapter 2).

Temporal Range

Appraisals of life can concern different periods in time: how life has been, how it is now, and how it will probably be in the future. These evaluations do not coincide necessarily; one may be positive about past life, but negative about the future. The focus of this paper is on satisfaction with present life.

I am not sure that this definition fully fits with the notion that authors of Bhutanese government texts had in mind. Possibly some of them aimed at a specific Buddhist variant and thought of serene contentment in the first place. If so, I would still prefer the above definition, since it has several advantages. One advantage is that this concept of happiness is broad enough to encompass such local variations. Another plus is that this concept has proven to be well measurable and comparable across cultures.

Definition of Gross National Happiness

Following the above definition of individual happiness, Gross National Happiness can be defined as the degree to which citizens in a country enjoy the life they live. Gross National Happiness is then an aggregate concept, like the concept of Gross National Product that sums goods and services. If every citizen counts equally much in this sum, the concept can be quantified using the average of individual happiness in the country.

Measurement of of Happiness

In Bhutanese statements about GNH it is commonly assumed that happiness cannot be quantified and compared across time and nations like GNP. Yet the kind of happiness defined above can be measured using surveys in which a representative sample of citizens is asked how much they enjoy their life-as-a-whole. Since the 1960s this is common practice and this research has yielded much information about the usefulness of this method.

Measurement has long been understood as 'objective' and 'external' assessment, analogous to the measurement of blood pressure by a doctor. By now, we know that happiness cannot be measured that way. Steady physiological correlates have not been discovered, and probably never will be. Nor have any overt behaviors been found to be consistently linked to inner enjoyment of life. Like most attitudinal phenomena, happiness is only partially reflected in behavior. Though some social behaviors tend to be more frequent among the happy (active, outgoing, friendly), such conduct is also observed among unhappy persons. Likewise, non-verbal behaviors

such as frequent smiling or enthusiastic movements appear to be only modestly related to self-reports of happiness. Consequently, estimates of someone's happiness by his peers are often wrong. Suicidal behavior is probably more indicative of happiness. Almost all people who attempt or commit suicide are quite unhappy. However, not all the unhappy seek resort to suicide. In fact, only a fraction does.

Survey Questions on Happiness

Inference from overt behavior being impossible, we must make do with questioning. That is, simply asking people how much they enjoy their life-as-a-whole. Such questions can be posed in various contexts; clinical interviews, life-review questionnaires and common survey interviews. The questions can be posed in different ways; directly or indirectly, and by means of single or multiple items. A common survey question is:

Taking all together, how satisfied or dissatisfied are you currently with your life as a whole?

1 2 3 4 5 6 7 8 9 10

Dissatisfied

Satisfied

Since the 1970's, such questions have been included in many 'Quality-of-Life' surveys all over the world. There is now a growing body of data on happiness in nations. Presently there are comparable surveys in 67 nations. The data are brought together in the 'World Database of Happiness' (WDH 2003).

Doubts about Happiness Self-reports

Yet there are many qualms about such simple self-reports of happiness. Elsewhere I have considered the objections and inspected the empirical evidence for claims about bias. I will summarize the main points below. For more detail and references, see Veenhoven 1984 chapter 3 and Veenhoven 1993, chapter 5.

Validity

Critics have suggested that responses to questions on life-satisfaction actually measure other phenomena. Rather than indicating how much the respondent enjoys life, answers would reflect his normative notions and desires.

No Notion

One of the misgivings is that most people have no opinion at all about their happiness. They would be more aware of how happy they are supposed to be, and report that instead. Though this may happen

incidentally, it does not appear to be the rule. Most people know quite well whether they enjoy life. Eight out of ten Americans think of it every week. Responses on questions about happiness tend to be prompt. Non-response on these items is low; both absolutely ($\pm 1\%$) and relatively to other attitudinal questions. 'Don't know' responses are infrequent as well.

A related assertion is that respondents mix up how happy they actually are, with how happy other people think they are, given their situation. If so, people considered being well off would typically report to be very happy, and people regarded as disadvantaged should characterize themselves as unhappy. That pattern is observed sometimes, but it is not general. For instance, in The Netherlands, good education is seen as a pre-requisite for a good life, but the highly educated appear slightly less happy in comparison to their less educated counterparts.

Colored Answers

Another objection concerns the presence of systematic bias in responses. It is assumed that questions on happiness are interpreted correctly, but that responses are often false. People who are actually dissatisfied with their life would tend to answer that they are quite happy. Both ego-defense and social-desirability would cause such distortions.

This bias is seen to manifest itself in over-report of happiness; most people claim to be happy, and most perceive themselves as happier than average. Another indication of bias is seen in the finding that psychosomatic complaints are not uncommon among the happy. However, these findings allow other interpretations as well. Firstly, the fact that more people say to be happy than unhappy does not imply over-report of happiness. It is quite possible that most people are truly happy (some reasons will be discussed below). Secondly, there are also good reasons why most people think that they are more happy than average. One such reason is that most people are like critical scientists and think that unhappiness is the rule. Thirdly, the occurrence of headaches and worries among the happy does not prove response distortion. Life can be a sore trial some times, but still be satisfying on a balance.

The proof of the pudding is in demonstrating the response distortion itself. Some clinical studies have tried to do so by comparing responses to single direct questions with ratings based on depth interviews and projective tests. The results are generally not different from responses to single direct questions posed by an anonymous interviewer.

Reliability

Though single questions on happiness seem to measure what they are supposed to measure, they measure it rather imprecisely.

When the same question is asked twice in an interview, responses are not always identical. Correlations are about +.70. Over a period of a week,

test-retest reliability drops to circa +.60. Though responses seldom change from 'happy' to 'unhappy', switches from 'very' to 'fairly' are rather common. The difference between response-options is often ambiguous. The respondent's notion about his/her happiness tends to be global. Thus, the choice for one answer-category or the next is sometimes haphazard.

Because choice is often arbitrary, subtle differences in interrogation can exert considerable effect. Variations in place where the interview is held, characteristics of the interviewer, sequence of questions and precise wording of the key-item can tip the scale to one response or the other. Such effects can occur in different phases of the response process; in the consideration of the answer as well as in the communication of it.

Much of these biases are random, and balance out in large samples. Therefore, in large samples, random error does not affect the accuracy of happiness averages. Yet it does affect correlations, random error 'attenuates' correlations. Random error can be estimated by means of multiple-trait-multiple-method (MTMM) studies, and correlations can be corrected (disattenuated) on that basis.

Some biases may be systematic, especially bias produced by technique of interrogation and sequence of questions. Bias of that kind does affect the reliability of distributional data. In principle it does not affect correlations, unless the measure of the correlate is biased in the same way (correlated error). To some extent, systematic error can also be estimated and corrected.

Comparability

Another common qualm is that self-ratings of happiness cannot be meaningfully compared between persons and certainly not across cultures.

Interpersonal Comparability

It is commonly assumed that happiness is a matter of comparison of life-as-it-is with standards of how life-should-be and it is also assumed that these standards differ highly across individuals. Together, these assumptions imply that happiness is not comparable interpersonally; score 6 on the above mentioned scale may mean something quite different for person A than for person B.

If happiness is so idiosyncratic an appraisal indeed, it is unlikely to be correlated to hard differences in income, health and companionship. However, that prediction is not confirmed in empirical studies. In poor countries at least, income does matter to happiness. Happiness is also firmly related health, not only does good health add to happiness, but reversely, happiness also sustains physical health and is even a strong predictor of long-term longevity (Danner et. al. 2001). Likewise, happiness is universally related to marriage and friendship (Diener 2000).

The available data fit better with the theory that happiness depends on the gratification of inborn needs and in that context it is likely that the

experience of enjoying one's life has a very similar meaning for all humans, comparable to experiences of pain and hunger. I have discussed this matter in more detail elsewhere (Veenhoven 1991, 1997). See also Ng (1997) on this issue.

Comparability Across Nations

Average happiness differs markedly across nations. In scheme 3, we will see that Russians score currently 5.4 on a 0-10 scale, while in Canada the average is 7.7. Does that mean that Russians really take less pleasure in life? Several claims to the contrary have been advanced. I have checked these doubts elsewhere (Ouweneel & Veenhoven, 1991, Veenhoven 1993b). The results of that inquiry are summarized below.

Language: The first objection is that semantic differences hinder comparison. Words like 'happiness' and 'satisfaction' would not have the same connotations in different tongues. Questions using such terms would therefore measure slightly different matters. I checked that hypothesis by comparing the rankorder produced by three kinds of questions on life-satisfaction: a question about 'happiness', a question about 'satisfaction with life' and a question that invites to a rating between 'best- and worst possible life'. The rankorder appeared to be almost identical. I also compared responses on questions on happiness and satisfaction in two bi-lingual countries, and found no evidence for linguistic bias either.

Desirability: A second objection is that responses are differentially distorted by *desirability-bias*. In countries where happiness ranks high in value, people would be more inclined to overstate their enjoyment of life. I inspected that claim by checking whether reported happiness is indeed higher in countries where hedonic values are most endorsed. This appeared not to be the case. As a second check, I inspected whether reports of general happiness deviate more from feelings in the past few weeks in these countries, the former measure being more vulnerable for desirability distortion than the latter. This appeared not to be the case either.

Response styles: A third claim is that *response-styles* distort the answers dissimilarly in different countries. For instance, collectivist orientation would discourage 'very' happy responses, because modest self-presentation is more appropriate within that cultural context. I tested this hypothesis by comparing happiness in countries differing in value-collectivism, but found no effect in the predicted direction. The hypothesis failed several other tests as well.

Western concept? A related claim is that happiness is a typical western concept, which is alien to people in non-western nations. Unfamiliarity would lead to lower scores. If so, we can expect more 'don't know' and 'no

answer' responses in non-western nations. However, that appeared not to be the case⁶.

Still another way to check the misgivings about cross-cultural comparability of happiness is to consider the correlation between average happiness in nations and characteristics of these nations. If conceptions of happiness are so different and responses so differently distorted, we will find little correlation with actual wealth, freedom and peace in the country. Yet comparative research has learned that about 75% of the observed differences in average happiness can be explained that way (Veenhoven 1993, see also section 5. 3. 7). So the unique cultural variance is at best 25% and probably less.

Measure of Gross National Happiness

Gross National Happiness was defined as the degree to which citizens in a country enjoy their life-as-a-whole (cf. Section 2. 4) and next we have seen that individual happiness can be adequately measured by self-reports. Hence Gross National Happiness can be measured by the aggregation of individual happiness ratings as observed in surveys of the general population. Gross National Happiness can then be quantified by descriptive statistics of general tendency, such as the mean.

Average Happiness in Nations

This is in fact common practice and at this we know the average happiness in 67 nations in the 1990s. Some illustrative cases are presented below in scheme 3. The full list is on appendix 1.

Scheme 3: Happiness in nations in the 1990s. Average self-reports on scale 0-10

Top >7,7		Middle range \pm 6,0		Bottom <4,0	
Switzerland	8,1	Bolivia	6,2	Russia	4,2
Denmark	8,0	Poland	6,2	Georgia	4,1
Iceland	7,8	Bangladesh	6,0	Armenia	3,7
Luxembourg	7,8	Turkey	5,9	Ukraine	3,3
Canada	7,7	South-Africa	5,7	Moldavia	3,0

Source: World Database of Happiness

Happiness in Bhutan

Happiness has not yet been assessed in Bhutan. Though a few surveys have been conducted in that country, none of these involved questions

⁶ In Japan do we see a higher non-response indeed, though still below 5%. Still this not a general non-western pattern. In India and Nigeria non-response is at the same level as in western nations.

about happiness. This lack illustrates that the concept of Gross National Happiness has served to express an intention in the first place.

For the time being, we can only speculate about the level of happiness in Bhutan. Yet the available data on other countries allow an educated guess. Comparative research has revealed strong links between average happiness in nations and several societal characteristics and on that basis I predict that current Bhutan will score in the lower middle range between 6 and 5.

I do not expect a high level of happiness in present day Bhutan because the material standard of life is still too low and the culture is collectivistic. Another reason for my expectation is that the country faces major social change. The dramatic fall of happiness in the post communist world illustrates that this may reduce happiness temporarily. On the other hand Bhutan scores well on quality of governance and the country is in peace. Possibly its distinct culture also has a positive effect on average happiness. So I do not expect that unhappiness prevails in the country.

Combined Measure of 'Happy Life Years'

The concept of Gross National Happiness can also be operationalized by combining the above-discussed measure of average happiness in the country with data about longevity. Together that provides an estimate of how long and happy people live in a country.

Why Combine?

This combination has two advantages: A pragmatic advantage that the duration of happiness is taken into account. Next a theoretical advantage is that this combination fits an evolutionary perspective on the good life.

Taking Duration into Account

One could imagine that people live happy in a country but not long, possibly as a result of too much indulgence. If so, many would opt for a less happy but longer life. This illustrates that we should not only consider the degree of happiness, but also its duration.

A similar problem exists with the use of life-expectancy as a social indicator. If growing older means that we spend more years ailing, the rise of longevity does not mark real progress. That problem was solved by introducing the measures of 'Disability Adjusted Life Years', which count only the number of years spend in good health. Similarly we can compute 'Happiness Adjusted Life Years'. In section 4. 2 I will show how.

Significance for Biological Adaptation

Longevity is an indicator of successful adaptation for all creatures; any organism perishes if it fails to meet the demands of its environment. Survival is the only indicator of good adaptation for most species, but in

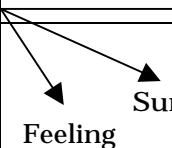
higher animals successful adaptation also reflects in affective experience. The basic function of feelings is probably to inform the organism whether it is in the right pond or not. Since this faculty is only required in organisms that can move from one environment to another, it exists probably only in higher animals and not in plants (Morris 1992).

Like other higher animals humans are also endowed with the faculty of affective experience. Research has shown that our affective reaction typically precedes cognitive appraisals (Zajonc 1980), which suggests that the development of reason in the human species did not replace the earlier affective orientation system but came to function next to that. There is also evidence that human judgements of their life-as-a-whole draw on affective information in the first place (Schwarz & Strack 1991) and that is another indication that this orientation system still works.

In this view, happiness is another signal of good adaptation, which can be meaningfully combined with longevity. If people live long and happy in a society, that society is apparently successful in meeting the needs of the human species.

This brings me to the wider point that the outcome of life in happy life years also indicates how well the living conditions in the country fit with the life-abilities of its citizens. That link is visualized in scheme 4 This scheme presents the same fourfold as in scheme 1, with addition of key words from biological adaptation theory. The added arrows signify that both happiness and longevity in the right bottom quadrants are the result of preconditions depicted in the two top-quadrants and in particular an outcome of the fit between demands of the environment and life-ability of the individual. Hence the realized number of happy life years in a country indicates the chances for a life and analysis of variation in HLY can therefore help to identify the conditions that are most crucial for human thriving.

Scheme 5: Biological view on relations between qualities of life

	<i>Outer qualities</i>	<i>Inner qualities</i>
Life chances	Livability of environment (biotope)	Life-ability of the person (Fitness)
Life results	Utility of life (ecological function)	 Feeling Survival

How Combine?

The number of years citizens live happily in a country can be measured by combining information about length of life drawn from civil registrations of birth and death with data on overall appreciation of life as assessed in surveys. The following simple formula can be applied:

$$\text{Happy-Life-Years} = \text{Life-expectancy at birth} \times 0\text{-}1 \text{ happiness}$$

Suppose that life expectancy in a country is 50 years, and that the average score on a 0 to 10-step happiness scale is 5. Converted to a 0-1 scale, the happiness score is than 0,5. The product of 50 and 0,5 is 25. So the number of happy life years is 25 in that country. If life expectancy is 80 years and average happiness 8, the number of happy life years is 64 (80 x 0,8).

Theoretically, this indicator has a broad variation. The number of Happy Life Years is zero if nobody can live in the country at all, and will be endless if society is ideal and its inhabitants immortal. The practical range will be between about 20 and 75 years. Presently at least, life expectancy at birth in nations varies between 30 and 80, whereas average happiness is seldom lower than 0,4 on a 0 to 1 scale and seldom higher than 0,8. The number of happy-Life-Years will always be lower than standard life expectancy. It can equal real length of life only if everybody is perfectly happy in the country (score 1 on scale 0 to 1).

High HLY means that citizens live both long and happily, low HLY implies that the life of the average citizen is short and miserable. Medium HLY values can mean three things: 1) both moderate length-of-life and moderate appreciation-of-life, 2) long but unhappy life, and 3) short but happy life.

I have described this indicator in more detail elsewhere (Veenhoven 1996, 2000). It scored highest in a scholarly review of social indicators (Hagerty ea. 2001).

Findings on Happy Life Years in Nations

Happy Life Years can be compared across nations and over time. Such comparisons reveal striking differences and these differences can be linked to societal development. Below I present some illustrative findings.

Difference Across Nations

Data on Happy-Life-Years in nations are published on the World Database of Happiness (WDH 2003). This continuous register of research on subjective enjoyment of life is updated regularly. Currently it provides data on 67 nations in the 1990s. These data are presented on appendix A. Scheme 6 presents some illustrative cases.

Scheme 6: Happy-Life-Years in nations in the 1990s

Top > 58 years		Middle range \pm 41years		Bottom <30 years	
Switzerland	63,0	Philippines	43,7	Georgia	29,7
Iceland	61,8	Greece	41,4	Russia	27,8
Denmark	59,9	Turkey	40,4	Armenia	26,2
Sweden	59,9	Hungary	38,5	Ukraine	22,5
Ireland	58,4	Bolivia	37,5	Moldavia	20,5

We cannot compute HLY for Bhutan, since we do not yet know average happiness. If we assume that average happiness is about 5.5 in Bhutan (cf. section 3.3.2) the number of happy life years would be about 34⁷.

Trend Over Time

Time series are available for a few nations, for the USA since 1948, for Japan since 1958 and for the first member states of the European Union since 1973. All these nations witnessed a rise in the number of happy-life-years. This is mainly because life expectancy augmented in all these nations, but in several cases HLY was also boosted by a rise in average happiness. The most spectacular case of that kind is Italy, where HLY rose 12 years since 1973.

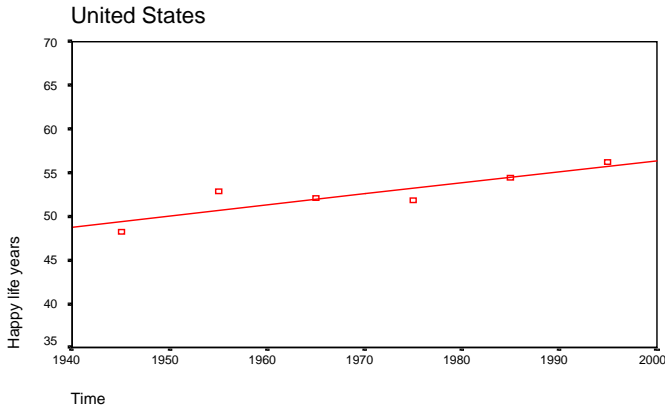
Scheme 7 presents the longest available time series, that of the USA 1948-1998. Americans gained 7 Happy-Life-Years over these 50 years. Since average happiness remained at the same level over that period, this rise in HLY is entirely due to the rise in life expectancy. In this case, the proportional rise of HLY illustrates that this rise in length of did not go at the cost of lower quality of life. If the extra years added were spend in misery, HLY would have lagged or could even have declined.

HLY went down in the former Soviet Union after the velvet revolution. Both happiness and life-expectancy plumped after 1990 and especially during the economic crisis in 1996. The latest data show a gradual recovery.

Societal Correlates of HLY

The next question is of course whether there is a system in these differences and in particular whether the differences fit current conceptions of what a good society is like. To answer that question I inspected the statistical relationship between HLY and five societal qualities that are currently on the political agenda. These qualities are: 1) material wealth, 2) freedom, 3) social equality, 4) brotherhood, and 5) justice. The indicators used for that purpose are enumerated in appendix B.

⁷ Life expectancy in Bhutan was 61.5 in 1999 (*Human Development Report 2001*, pp. 143)

Scheme 7: Happiness Adjusted Life Years in the USA 1948-1998

The analysis involves three steps: The first step is assessing how each of these societal characteristics relates to HLY. For that purpose I plotted scattergrams and computed zero-order correlations. Next I inspected to what degree the observed correlations could be attributed to differences in economic development across nations. For that purpose I computed partial correlations, controlling wealth of the country. Lastly I considered how much of the variance in HLY across nations could be explained by these societal characteristics together. An overview is presented in scheme 8. Below I will expand on the main findings.

Wealth

Until recently, quality-of-life in nations was in fact equated with material prosperity and measured by GDP per capita. It is now acknowledged that money is not everything, but wealth is still prominent in quality-of-life indexes such as the Human Development Index (UNPD 2001) and Estes' (1984) Index of Social Progress. How does this hallmark of 'assumed' quality-of-life relate to our measure of 'apparent' quality-of-life?

The relation between income per head and HLY in nations is presented in scheme 9. That scattergram shows a strong correspondence, the correlation coefficient is +. 73. This result fits the common assumption that wealth is essential to quality-of-life. Yet at a closer look one can see that there is a limit to the benefits of material wealth. In the scattergram one can recognize the curve of diminishing returns. The correlation is mainly in the left segment of the scattergram among nations with an income per head below \$ 15. 000. There is hardly any correlation among the richer nations ($r = +. 18$).

Scheme 8: Societal Qualities and Happy-Life-Years in 67 nations in the 1990s

Condition in nation	Correlation with HLY		N
	Zero-order	Wealth Controlled	
Wealth			
Purchasing power per head *	+ . 73	-	66
Freedom			
Economic *	+ . 71	+ . 38	64
Political *	+ . 53	+ . 13	63
Personal	+ . 61	+ . 31	45
Equality			
Disparity in incomes *	- . 10	+ . 37	62
Discrimination of women	- . 46	- . 12	51
Disparity in happiness	- . 64	- . 37	54
Brotherhood			
Tolerance	+ . 72	+ . 43	55
Trust in compatriots	+ . 20	+ . 20	37
Voluntary work	+ . 40	+ . 31	53
Social security	+ . 34	- . 27	34
Justice			
Rule of law *	+ . 65	+ . 20	64
Respect of civil rights *	+ . 60	+ . 20	60
Corruption	- . 73	- . 32	40
Explained variance by variables marked with *	66%		60

Indicators described on appendix B

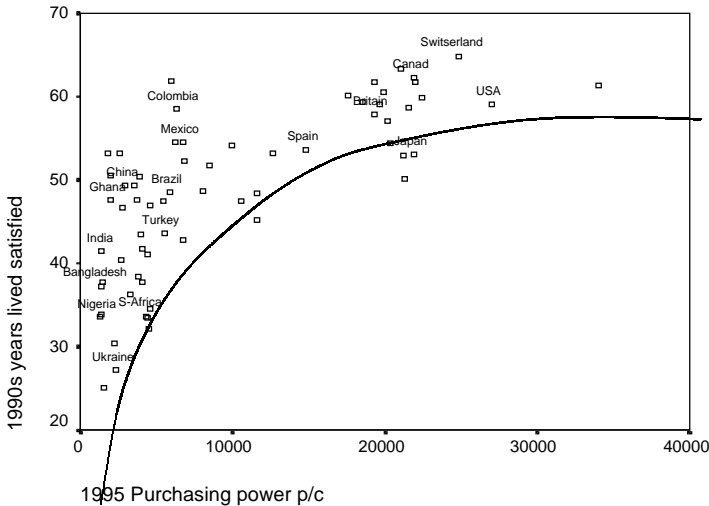
Freedom

Opinion about the blessings of freedom is mixed. Individualistic social philosophy assumes that people themselves know best what they need, and hence that they will thrive better if they can follow their own preferences. Conservatives doubt that people really know what is best for them and rather stress the wisdom of tradition and experts. Some schools of thought see different effects of different variants of freedom. Currently the New Right is quite positive about economic freedom, but at the same time it is critical about freedom in the private sphere of life. Free sex and the legalization of soft drugs are seen to as a treat to the quality-of-life. Likewise a common view in South-East Asia is that economic freedom will improve the human lot but not political freedom.

The relation between political freedom and HLY is presented in scheme 10. Again we see a positive correlation, but the shape of the relation is linear in this case, which suggests that freedom has not yet met its limit.

Similar patterns appear in the relation of economic freedom and personal freedom with HLY. These findings support the liberal position. I have discussed this matter in more detail elsewhere (Veenhoven 1999, 2000b).

Scheme 9: Wealth and Happy-Life-Years in 66 nations in the 1990s



Free nations are typically also rich nations and hence the partial correlations in table 1 are considerably lower than the zero-order correlations. This could mean that the zero-order correlations are largely spurious and that wealth is the main determinant of HLY. Yet is it also possible that freedom and wealth affect HLY equally much or that freedom affects HLY through its effects on the growth of wealth. By lack of good time series we cannot disentangle these effects as yet. For the time being, the partial correlations mark a minimum.

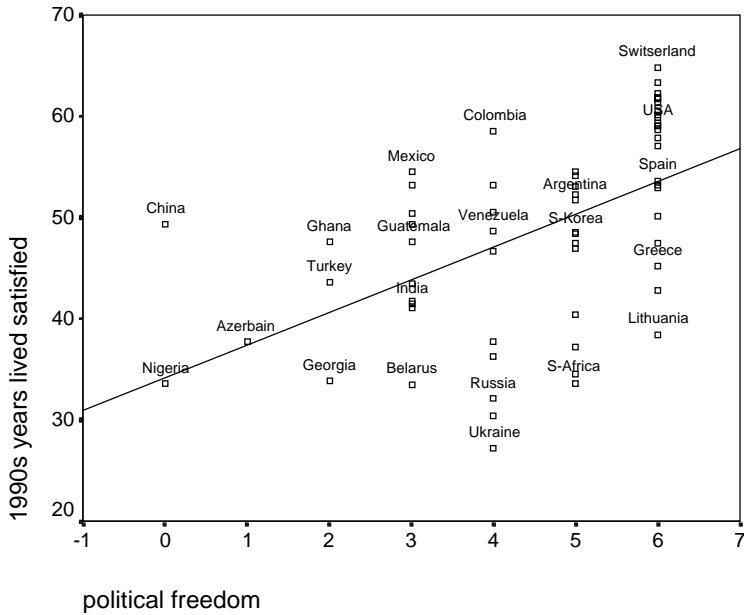
Equality

There is also difference of opinion on the significance of social equality for the quality-of-life in nations. Egalitarians claim that social inequality is antithetical to quality-of-life, not only because it is morally unjust but also because of its detrimental effects on self-respect and social bonds. Conservatives rather stress the positive functions of inequality and expect that enforced equality will go at the cost of quality-of-life. The discussion focuses very much on income-equality.

The evidence is mixed in this case, since not all kinds of equality relate in the same way to HLY. Surprisingly there is no statistical association with income inequality. The scattergram on scheme 11 shows that people live equally long and happy in nations with small income disparities, such as

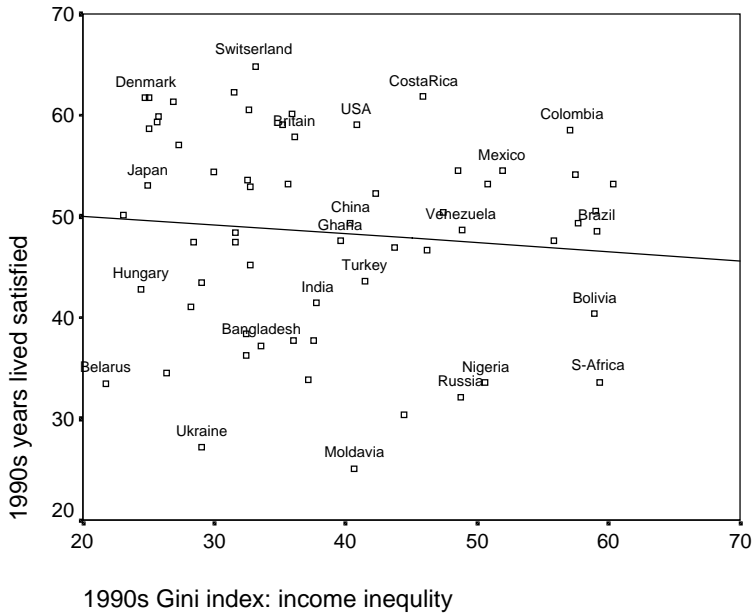
Japan, as in nation with great income differences, such as Mexico. Statistical control for wealth of the nations suggests even a positive effect of income inequality.

Scheme 10: Political freedom and Happy-Life-Years in 63 nations in the 1990s



The correlation with inequality between males and females is more in line with egalitarian supposition; HLY being higher in nations where women are least discriminated. Yet the partial correlation is quite small, which could mean that gender equality works out less beneficial after all.

HLY relates most strongly with difference in happiness as measured by its standard deviation and this correlation remains robust after control for wealth of the nation. Elsewhere I have argued that social inequality in nations cannot be measured inclusively by adding differences in access to different matters and the disparities in access to relevant resources (inputs) reflect best in the dispersion of happiness (output) (Veenhoven 2002). If I am right in that, these correlations mean that inequality still matters, though apparently not the specific inequalities that figure most prominently on the political agenda these days.

Scheme 11: Income Inequality and Happy-Life-Years in 62 nations in the 1990s***Brotherhood***

Next to freedom and equality, 'brotherhood' figured in the slogan of the French revolution (*Liberté, égalité, and fraternité*) and social solidarity is still seen as a prerequisite for a good life. In this analysis I considered two aspects of brotherhood in nations, first interpersonal respect and cooperation and second 'organized solidarity' in collective systems of social insurance.

The indicators of interpersonal relations relate positively to HLY. The strongest correlation is with 'tolerance' as measured by acceptance of minority group members as a neighbor. There is also a positive correlation with self-reported trust in compatriots and with activity in voluntary organizations. All these correlations are largely independent of wealth of the nation.

The case of 'organized solidarity' is different however. The zero-order correlation between social security expenditures and HLY is positive, but control for wealth of the nation reveals a negative relationship. I have investigated that matter in more detail elsewhere and found indeed that people are not happier and healthier in nations with lavish social security systems than in equally rich nations where Father State is less openhanded (Veenhoven 2000c). Apparently we can live equally well in a residual

welfare state. This finding illustrates that 'presumed' qualities of life do not always match 'apparent' quality-of-life.

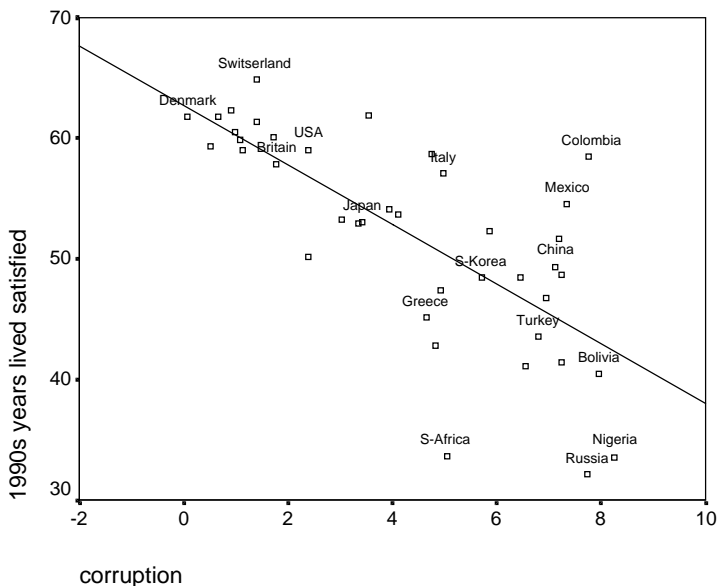
Justice

Righteousness is also commonly mentioned as prerequisite for a good life. In this analysis I consider three indicators of justice in nations: rule of law, respect of civil liberties and prevalence of corruption. The relation between corruption and HLY is depicted in figure 5.

The scattergram reveals a strong negative relationship with this aspect of *injustice*. The other indicators of justice in nations are also strongly related to HLY. See scheme 12.

The partial correlations are also positive, but much smaller. Like in the case of freedom this does not necessarily mean that the independent effect of justice is small, since the common variance of justice and wealth can be due to an effect of the former on the latter.

Scheme 12: Corruption and Happy-Life-Years in 40 nations in the 1990s



Explained Variance

As a last step I considered how well these societal inputs predict the output of years lived happily. I limited that analysis to the variables of which we have at least 60 cases. This left me with wealth, economic freedom, political freedom, income inequality, rule of law and civil rights.

Together these six societal qualities explain 66% of the variance in HLY in nations. Consideration of more variables in smaller nation sets yields R² values of .85 and more.

This implies that much of the things policy makers aim at do indeed matter for Gross National Happiness. Why then bother about measuring that matter? One reason is that not everything deemed required for a good life is really necessary. We saw this in the cases of income equality and social security. Secondly some of the things that are required today may lose relevance tomorrow. This is illustrated by the diminishing utility of wealth. Thirdly, HLY is more easily measured than current indexes of presumed quality-of-life and lastly the concept of Happy-Life-Years is also easier to understand.

Conclusion

The concept of Gross National Happiness can be operationalized as the degree to which citizens in a country live long and happily and can be quantified in the number of Happy Life Years (HLY) per capita.

HLY differentiates well across nations and the pattern of differences makes sense. HLY differentiates also over time and can therefore serve to monitor long-term progress.

This indicator pairs public appeal with theoretical relevance and has many advantages over current indices of social progress such as the Human Development Index.

Appendix A: Apparent quality-of-life in 67 nations in the 1990s

Nation	Enjoyment of life ¹ (scale 0 - 1)	Length of life ² (in years)	Happy Life Years ³
Argentina	6,8	72,6	49,1
Armenia	3,7	70,9	26,2
Australia	7,3	78,2	56,9
Austria	6,1	76,7	47,0
Azerbaijan	4,9	71,1	34,7
Bangladesh	6,0	56,9	34,2
Belarus	4,4	69,3	30,3
Belgium	7,3	76,9	56,4
Bolivia	6,2	60,5	37,5
Brazil	7,0	66,6	46,3
Britain	7,2	76,8	55,4
Bulgaria	4,3	71,2	30,5
Canada	7,7	79,1	60,6
Chile	6,9	75,1	52,0
China	6,7 ⁴	69,2	46,7

Appendix A continued:

Nation	Enjoyment of life ¹ (scale 0 - 1)	Length of life ² (in years)	Happy Life Years ³
Colombia	8,1 ⁴	70,3	57,1
Costa Rica	7,9 ⁴	76,6	60,8
Croatia	5,5	71,6	39,6
Czecho- Slovakia	5,9	71. 7	42. 3
Denmark	8,0	75,3	59,9
Dominican Rep.	6,8	70,3	47,9
Ecuador	6,4	69,5	44,5
El Salvador	7,4	69,4	51,7
Estonia	5,0	69,2	34,6
Finland	7,5	76,4	57,1
France	6,4	78,7	50,5
Georgia	4,1	73,2	29,7
Germany	6,7	76,4	51,4
Ghana	7,7 ⁴	57,0	43,9
Greece	5,3	77,9	41,4
Guatemala	7,2	66,1	47,3
Honduras	7,0	68,8	48,0
Hungary	5,6	68,9	38,6
Iceland	7,8	79,2	61,8
India	6,2	61,6	38,5
Ireland	7,6	76,4	58,4
Italy	7,0	78,0	54,6
Japan	6,3	79,9	50,0
Latvia	4,8	68,0	32,5
Lithuania	5,0	70,2	35,1
Luxembourg	7,8	76,1	59,2
Macedonia	5,2	71,9	37,6
Mexico	7,3	72,1	52,5
Moldavia	3,0	67,8	20,5
Netherlands	7,5	77,5	58,3
Nicaragua	7,6	67,5	51,2
Nigeria	6,3 ⁴	51,4	32,6
Norway	7,4	77,6	57,5
Panama	7,1	73,4	52,3
Paraguay	6,8	69,1	46,7
Peru	6,0	67,7	40,4

Appendix A continued:

Nation	Enjoyment of life ¹ (scale 0 - 1)	Length of life ² (in years)	Happy Life Years ³
Philippines	6,5	67,4	43,7
Poland	6,2	71,1	43,8
Portugal	6,7	74,8	50,5
Romania	5,4	69,6	37,7
Russia	4,2	65,5	27,8
South-Africa	5,7	64,1	36,7
South-Korea	6,3	71,7	45,3
Slovenia	6,0	73,2	43,8
Spain	6,5	77,7	50,8
Sweden	7,6	78,4	59,9
Switzerland	8,1	78,2	63,0
Turkey	5,9	68,5	40,4
Ukraine	3,3	68,5	22,5
Uruguay	6,7	72,7	49,0
USA	7,4	76,4	56,9
Venezuela	6,4	72,3	46,0

Technical Details

Average enjoyment of life assessed by means of surveys in general public samples. This list is based on responses to questions on life-satisfaction.

Most scores are based on responses to the following question: "All things considered, how satisfied or dissatisfied are you with your life-as-a-whole now? 1 dissatisfied 10 satisfied".

Scores on this 1-10 scale were transformed linearly to range 0-10. This transformation is explained in the introductory text, chapter 7. 3.

Scores of most Latin American nations are based on responses to a somewhat different question.

"In general, would you say that you are satisfied with your life? Would you say that you are...very satisfied (4), quite satisfied (3), satisfied (2) or not very satisfied (1)?"

Scores on this 1-4 scale were transformed to range 0-10 by means of expert weighing of response options. This so-called 'Thurstone procedure' is explained in chapter 4/3 of the introductory text.

Since the above 1-10 questions have also been used in five of these Latin American nations, I could check whether this transformation yields comparable results. The transformed scores appeared to be slightly higher and were therefore corrected by subtracting 0,5 point.

This combination of scores on two slightly different questions results in a list of 67 cases. The number of cases is smaller if one restricts to responses on identical questions. Restriction to a common question on 'happiness' yields 60 cases and limitation to the above 1-10 life-satisfaction item 54 cases.

Life expectancy is estimated on the basis of civil registrations of birth and death. Source: Human Development Report 2001, table 1.

Life-satisfaction scores may be inflated in some countries, due to under sampling of rural population or inexperience with anonymous interviewing. Dubious cases are China, Colombia, Ghana and Nigeria.

Appendix B: Characteristics of nations, used in correlational analysis

Wealth	
Income	Purchasing power per head in 1995 Human Development Report 1999, table 1 (UNDP)
Freedom	
Economic	Index of economic freedom 1999. Heritage Foundation
Political	Index of suppression of political rights 1994-95 (reversed) Karantnycky et. al. 1995
Personal	Index of freedom in personal life. Involves absence of restrictions to traveling, religion, marriage, sex and suicide. Both legal restrictions and public acceptance Veenhoven 2000b
Equality	
Income equality	Gini index Human Development Report 2001 table 12 (UNDP)
Gender equality	SIGE index of gender inequality. Dijkstra 2000
Equality in happiness	Standard deviation of life satisfaction. Veenhoven 2002
Brotherhood	
Tolerance	Responses to survey questions about the kind of people one would like to have as a neighbor. World Value Surveys 1990-1995, items 51-60
Trust in compatriots	Responses to survey question World value Surveys 1990-1995, item 41
Voluntary work	Responses to survey questions World value Surveys 1990-1995, items 28-35
Social security	Expenditures in percent of GDP ILO 1995

Appendix B continued:

Justice	
Rule of law	Index of Institutional Quality 1997-98 IMF, World Economic Outlook October 2000
Violation of civil rights	Index of suppression of civil rights 1994- 95 Karantnycky et. al. 1995
Corruption	Rating by foreign businessmen and journalists Transparency International

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Towards Evidence Based Public Policy: The Power and Potential of using Well-being Indicators in a Political Context

NIC MARKS¹

Introduction

Overview

This paper is based on a pilot project carried out jointly by nef (the new economics foundation) and Nottingham City Council (NCC).

The purpose of the project was to explore the potential of using well-being indicators in a Local Government setting. In the UK all Local Government Authorities have recently been granted a new legal power – called the Power of Well-Being (Local Government Act 2000).

The Bhutanese political challenge of operationalising the idea of “Gross National Happiness” is possibly a similar challenge to the UK Local Governments’ in regard to “Well-being”.

Whilst there may be some differences between ‘happiness’ and ‘well-being’, for the purposes of this paper the two concepts are considered as equivalent. Details of our approach and understanding of well-being are laid out in the paper. Essentially we propose that well-being concerns both people’s satisfaction with their lives and their personal development.

It should be noted that the author is not an expert on either the historical context or the type of “economic development” pressures that a country such as Bhutan is under.

This paper is offered as a case study of a pilot project. Some of the methodologies and findings are very specific to the project’s context – young people living in a city environment, in a Western economically developed country. However it is hoped that the spirit of the inquiry, which is effectively to raise the happiness of young people in Nottingham, is directly relevant to the purpose of this conference.

Who are NEF?

“NEF is an independent think and do tank that inspires and demonstrates real economic well-being. We aim to improve quality of life by promoting innovative solutions that challenge mainstream thinking on economic, environment and social issues. We work in partnership and put people and the planet first.

NEF was founded in 1986 by the leaders of The Other Economic Summit (TOES) which forced issues such as international debt onto the

¹ *This paper is based on a forthcoming report by nef that will be launched on 30th April 2004 in Nottingham. Please refer to the author for any clarifications or for citation purposes.*

agenda of the G7 and G8 summits. We seek to combine rigorous analysis and policy debate with practical solutions on the ground, often run and designed with the help of local people. We also create new ways of measuring progress towards increased well-being and environmental sustainability.

NEF works with all sections of society in the UK and internationally - civil society, government, individuals, businesses and academia - to create more understanding and strategies for change."

Well-being – Why New Indicators are Needed

Well-being – the Ultimate Goal of Societies?

NEF's Well-being Programme was set up in late 2001 with the vision of developing a programme of work that would promote individual, social and environmental well-being as the ultimate goals of society. We wanted to understand the relationship between the conditions of people's lives (often referred to as 'quality of life') and the actual experience of their quality of life (what we call personal well-being).

Most measures of quality of life (QoL) focus on the conditions of people's lives, such as the quality of housing, financial circumstances, employment rates, personal and political freedoms or the state of the environment. Whilst national economic output as measured by GDP is often used as a proxy indicator of QoL, it is now widely accepted that this is a very one-dimensional view.

New QoL indicators are being developed which attempt to take a more holistic view. For example the UK government now publishes an annual set of 15 national Sustainable Development indicators that includes three components:

- Economic Growth;
- Social Progress; and
- Environmental Protection.

Internationally the UN's Human Development Indicator is well respected: it rates nations according to their success at enhancing their citizens'

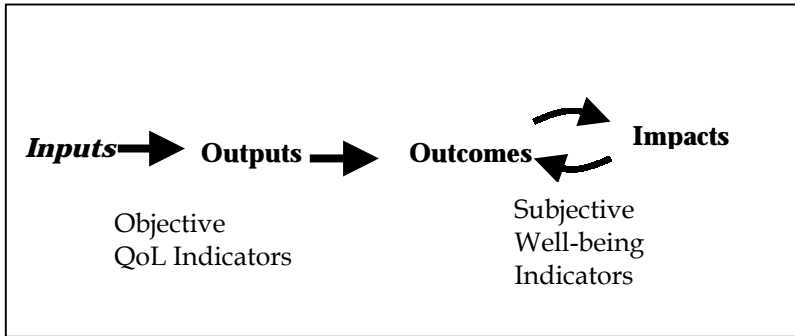
- Health,
- Wealth and
- Education,

using indicators of longevity, per capita GNP and literacy rates.

Measuring Impacts of policy.

Whilst these developments are to be welcomed, these types of 'objective' indicators do not assess the impact of conditions and policies on people's actual experience of their lives – their sense of well-being.

When assessing the effectiveness of specific projects or policies, many people now include 'outcome' and 'impact' assessments. This is based on a model of:



To formulate public policy that actually enhances people's well-being, nef's proposition is that policy makers need to measure outcomes and impacts, as well as inputs (normally financial) and outputs (often products or services).

For example for a particular project or policy that is seeking to improve young people's well-being through enhancing their prospects of being engaged in meaningful work:

The inputs would be the resources committed such as finance, human resources or use of buildings.

The outputs might be specific deliverables, such as training courses, websites or one-to-one career advice.

The desired outcomes could be that young people who have used the service are more skilled, they have more choices available to them and that they are more successful at finding meaningful jobs.

The ultimate impact is hopefully that they will experience a better quality of life as a result of engaging in meaningful employment and using their skills.

There is also potential for positive feedback from impacts to outcomes that could be due to the fact that enhanced well-being is likely to lead to a further increase in personal resources.

nef's Well-being Programme is seeking to develop better ways of understanding, measuring and influencing these kinds of impacts on well-being, using the results to suggest how policies might be changed. We see this as a move towards 'evidence-based public policy'.

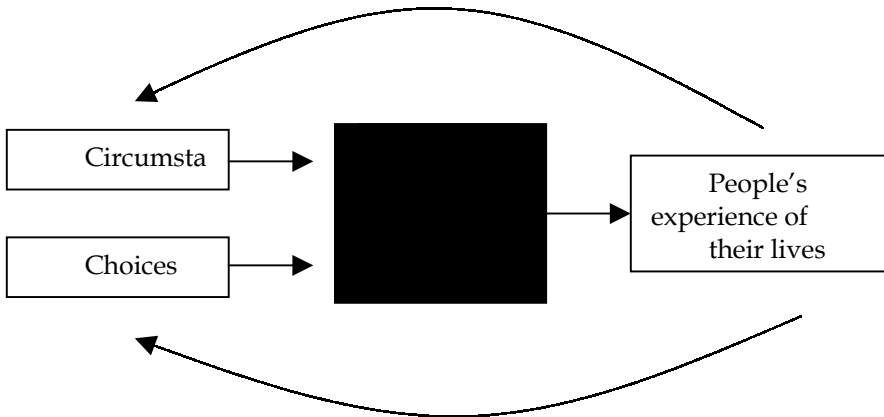
Academic Models of Well-being

Human Needs

The inspiration for nef's Well-being Programme has its roots in human needs theories. A specific influence has been the work of Manfred Max Neef, the Chilean 'barefoot' economist, who proposed a 'human scale' approach to international development, based on the principle that "*development is about people not objects*".²

Max Neef, and indeed others before him including most famously Abraham Maslow, proposed that as human beings we seek to fulfil our fundamental needs, and that whilst some needs can be physically satiated, others are more developmental or growth orientated. However, in contrast to Maslow, Max Neef rejected a hierarchical structure of needs instead proposing that the process of need-fulfilment would be better understood as an interconnecting system of physical, social and developmental needs (potentially also spiritual)³.

Whilst expressions such as "meeting people's needs" have entered the language of political policy formation particularly in regard to sustainable development, theories of human need have not often been operationalised in this realm. This might be due to the somewhat abstract nature of human needs, with their fulfilment being something of a 'mysterious black box', into which go the circumstances & conditions of life mixed with personal choices and out of which come people's experience of their lives (with a feedback loop).



² See Max Neef et al; *Human Scale Development*; Apex Press; 1990

³ Max Neef's present his needs model as a non-hierarchical system where complementarities and trade-offs between different needs are frequent. He proposes a set of nine needs: subsistence, protection, affection, understanding, participation, idleness, identity, creativity and freedom – and further suggests that transcendence may be a tenth need.

Life Satisfaction

Another field of academic research has focused more directly on people's experience of life, with Psychologists developing survey tools to measure people's satisfaction with their lives. A typical question in such a survey would be:

"If you consider your life as a whole, on a scale of 0-10 how satisfied would you say you are?"

Other surveys use several questions that respondents score their level of agreement or disagreement with:

"In most ways my life is close to ideal"

"The conditions of my life are excellent"

"I am satisfied with my life"

Some surveys supplement these questions with more specific inquiries into different 'domains' of people's lives, for example: *Health, Finances, Family, Social Life, Job, Community and Living Conditions*.

The responses to these types of questions have been found to be very robust: they compare well to physical observations of pleasure – such as smiling and laughing, to electrical activity in parts of the brain, as well as other people's assessment of how happy the respondent is. The questions have also been tested on bilingual people and within bilingual nations and found to translate well into other languages.

The results from such large-scale surveys allow statisticians to compare different population groups and also to assess trends over time. The opportunities for policy makers are rich, and this hasn't gone unnoticed by the British Government. Early in 2003 the Strategy Unit for the Cabinet Office produced an excellent overview of the academic literature and its implications for policy formation⁴.

Strategy Unit, Cabinet Office – Life Satisfaction Paper 2003

The authors concluded that:

The relationship between government policy and life satisfaction is hugely complex. Many societies have stated goals of increasing happiness. But there continues to be controversy over whether states should primarily seek to maximise choices and opportunities rather than focusing on end objectives such as life satisfaction.

There are questions over when states should act paternalistically in the light of evidence about what makes people happy (for example to prevent

⁴ *Life Satisfaction: The State of Knowledge and the Implications for Government*; Nick Donovan, David Halpern, Richard Sargeant; Strategy Unit; No.10 Downing Street; UK Government.

addictive behaviour), and over how to balance life satisfaction with other goals such as individual liberty and environmental sustainability.

The research currently underway will not offer definitive answers. Instead it may be most useful in providing insights into areas of possible policy change where there is scope to reshape policies in programmes to better influence people's satisfaction with their lives.

For example:

Income is far less important than marital status, employment status and health.

Education is only important in as far as it improves people's economic and social status.

The stronger relationship between income and life satisfaction in less developed countries bolsters the case for international development policies which target poverty.

Referenda can improve people's life satisfaction – partly through the ability to participate in the decision making process.

To illustrate their conclusions they took the example of how life satisfaction research sheds new light on unemployment policies.

Unemployment

Unemployment significantly lowers levels of life satisfaction. It hits those directly affected particularly hard, but also impacts on the general population. The size of the effect is such that the "compensation" required to keep life satisfaction constant after losing your job dwarfs the monetary loss felt by the unemployed. Employment plays an important role in people's social lives and also confirms someone's conformity with social norms – recall that levels of life satisfaction among the unemployed are higher in areas of high unemployment. It has also been found that those who are hurt less by unemployment were somewhat less likely to look for a new job and, over time, were more likely to remain unemployed. These findings have the following implications:

The scale of the loss of life satisfaction is such that it lends support for active labour market policies, such as the New Deal, which seek to quickly reattach people to the labour market. Finding employment for the jobless should be given a higher priority than increasing the level of benefits received by the short term unemployed;

This is particularly the case for the long term unemployed and those in unemployment black spots who may be less motivated to look for work as their life satisfaction is higher;

The research unfortunately does not touch upon wider issues of worklessness – many of the long term unemployed in Europe may be on sickness rather than unemployment benefits.

Multi-dimensional Models of Well-being

As important as 'life-satisfaction' is, there are a growing number of academics who suggest that looking in isolation at life satisfaction may create a distorted view of people's quality of life. Robert E. Lane⁵, author of 'Loss of Happiness in Market Democracies' suggests that measures of quality of life should also include a 'personal development' component.

Norwegian psychologist Professor Joar Vittersø⁶ also suggests that life-satisfaction is only one part of the story when it comes to explaining people's experience of life. He proposes a two-dimensional model of well-being that has a satisfaction component which is complemented with a developmental component - he calls these 'hedonic and eudemonic' well-being respectively.

Whilst this is new work, Professor Vittersø is not alone in his proposal that there is more to understanding people's well-being than life satisfaction. Over many years American Psychologist Carol Ryff has rigorously developed psychometric survey scales that use a six-dimensional model of psychological well-being: self-acceptance, personal growth, autonomy, positive relationships, environmental mastery and purpose in life. Other studies⁷ that have combined questions regarding life satisfaction with questions about personal development have also statistically shown that there are at least two components to people's well-being, which have been summarised variously as:

A satisfaction, happiness, comfortableness, or pleasurable dimension; and

A developmental, growth orientated, meaningful or absorbing dimension.

Positive Psychology

Recently a whole 'positive psychology' network has started to gain significant momentum (and funding) in the US. Leading lights include Mihaly Csikszentmihalyi (known best for his theory of creativity and flow) and Martin Seligman. Seligman's latest book *Authentic Happiness* is halfway between an academic overview and a self-help book that provides an excellent overview of the positive psychology approach. He summarises this approach as:

"My central theme.. is that there are several routes to authentic happiness that are each very different..
Positive emotion.. divides into two very different things - pleasures and gratifications.. Pleasures are momentary and

⁵ Robert Lane is Emeritus Professor of Political Science at Yale University, US

⁶ Professor Vittersø has been an advisor to *nef* for this project, and is also presenting at this conference

⁷ See for example Compton et al; *Factor Structure of Mental Health Measures; Journal of Personality and Social Psychology* Vol 71; 1996

defined by felt emotion.. The pleasant life successfully pursues positive emotion about the present, past and future [for example savouring, contentment and optimism].

The gratifications are more abiding... they are characterised by absorption, engagement and flow ... this [is] my formulation of the good life. The meaningful life has one additional feature: using your strengths in service of something larger than you are. To live all three lives is to lead a full life."⁸

Health, Happiness and Well-being

The relationship between how healthy people are and their sense of well-being is not straightforward. Whilst good health is widely considered to be the key to living a happy life, statistically the relationship between objective (diagnosed) health and well-being is not strong. Seligman writes "*moderate ill-health does not bring unhappiness in its wake, but severe illness does*", instead most research suggests that it is how people perceive their health that is more important.

However despite the fact that health is not a good predictor of people's well-being, there is strong evidence that happy people live longer and are healthier – in other words the causality is the other way round – happiness and well-being is the key to good health. The evidence is emerging from both long-term studies of cohorts (peer groups) and targeted research into the health of older people.

Another member of the US positive psychology network, George Vaillant, has done extensive work in this area and published a book called 'Aging Well'⁹. His research suggests that being 'positively engaged' with meaningful 'life tasks', such as (though by no means exclusively) bringing up children are key to happiness and longevity. Also having a positive outlook seems to be very important for longevity, with research showing that optimists live on average 19% longer than pessimists¹⁰. Furthermore there is evidence that happy people '*seek out and absorb more health risk information*'¹¹, which is clearly likely to enhance longevity and health. Indeed the emerging evidence from the positive psychology network is that health benefits are more closely associated with 'gratifications' (the good life) than 'pleasure' (the pleasant life).

In summary there is strong evidence that people's sense of well-being has a strong positive effect on their health and longevity.

⁸ P248; *Authentic Happiness*; Martin Seligman; 2002

⁹ George Vaillant; *Aging Well – surprising guideposts to a happier life from the landmark Harvard study of adult development*; 2002

¹⁰ Mayo Clinic Research; *Living 19% longer: survival rates among medical patients over a 30 year period*; cited on p 273 M. Seligman; *Authentic Happiness*

¹¹ Seligman citing the research of Professor Lisa Aspinwall of Utah University, p40.

NEF's Approach to Measuring Well-being

In the light of all these influences we have decided to assess people's well-being with at least two components, their personal satisfaction and their personal development. We also were aware that there might be a third component associated with living 'meaningful' lives.

As this is a new emerging field, different authors or disciplines use different language to refer to similar concepts - the inter-use of the expressions such as 'subjective well-being', happiness and life satisfaction illustrates the point. The table below seeks to clarify the inter-connections between the terms and theories that have been referred to.

Source	Components			
nef's well-being programme	Personal Satisfaction		Personal Development	
Joar Vittersø consultant to nef	Hedonic Well-being		Eudemonic Well-being	
Robert E Lane Loss of Happiness in Market Economies	Subjective Well-being (Life Satisfaction)		Personal Development	
Carol Ryff Psychological well-being	Self acceptance Positive relations Environmental mastery		Autonomy Personal growth	Purpose in Life
Martin Seligman Authentic Happiness	Pleasure - Positive emotions "The Pleasant Life"		Gratifications "The Good Life"	Meaning "The Meaningful Life"
Max Neef Human Scale Development	Subsistence Protection	Affection Understanding	Participation Idleness Creativity	Identity Freedom (transcendence)
Abraham Maslow Hierarchy of Needs	Physiological Safety	Social & belongingness	Self Esteem	Self actualisation

The two or multi-dimensional approach to understanding people's well-being has many benefits over a one-dimensional life-satisfaction model. It allows for trade-offs and can also explain some statistical paradoxes that arise from exclusively adopting the life-satisfaction approach. For example 'the parenting paradox', in that parents report in

retrospect that they are very glad they had children, but parents living with children usually score pretty low on life satisfaction indicators¹².

The Power of Well-Being: the political context

UK Local Government Act 2000

In the Local Government Act 2000 all local authorities in England & Wales were entrusted with a new power of 'well-being'. This power entitles local authorities to do anything that might achieve any, or all, of the following:

The promotion or improvement of the economic well-being of their area;

The promotion or improvement of the social well-being of their area; and

The promotion or improvement of the environmental well-being of their area.

Before this Act all local authorities had to refer to specific pieces of legislation in order for to provide services. Professor Sir Michael Lyons, director of the Institute of Local Government Studies (INLOGOV), says that "*Councils now have the legal capacity to act in new ways to tackle those issues for which existing legislation is imperfectly designed*" and "*that like all innovations, it requires us to confront established ways of thinking*".¹³

The well-being power has not been as widely used by Local Authorities as was anticipated. This is probably in part due to the introduction of several other new developments in the statutory duties that councils are required to carry out, including the introduction of new structures, best value reviews and the rigour of comprehensive performance assessments (CPA), which have resulted in an overload of new demands. Other factors include organisational inertia, a lack of legal clarity and an absence of a clear understanding of how to identify social, economic and environmental well-being.

A Framework for Understanding the "power of well-being".

NEF's framework for understanding well-being proposes that to co-ordinate the three aspects of the power of well-being (social, economic and environmental), local authorities need to consider their inter-relationship with people's personal well-being.

¹² See for example I. MacGregor & B. Little; *Personal Projects, Happiness, and Meaning - On Doing Well and Being Yourself*; *Journal of Personality and Social Psychology*; 1998, Vol. 74, No. 2, 494-512

¹³ This section draws extensively on the following publication. *Promoting Well-being: Making use of Councils' New Freedom*; Hilary Kitchin; Institute of Local Government Studies, at the School of Public Policy; University of Birmingham; April 2003. Professor Lyons wrote the preface.

Indeed it is nef's proposition that these realms are important precisely because of their effect on people's personal well-being.

By developing well-being indicators, Local Governments will be able to assess the ultimate impact of their policies more effectively. This in time may allow them to be more efficient in enhancing well-being and possibly more innovative in the way that they serve their communities.

The Well-being of Young People in Nottingham, UK

A Pilot Project with Local Government

Preparation

In the preparation phase Nottingham City Council (NCC) and nef worked very closely together in both building inter-departmental co-operation, creating an outline inquiry strategy and designing the survey.

Officers from the following departments attended meetings or were interviewed:

- Chief Executive's Policy Unit
- Education Department
- The Children's Fund
- The Preventative Strategy Team
- Youth Services
- Sports and Leisure Department
- The Crime and Disorder Reduction Partnership
- Youth Offending Team
- Social Services Department
- One City Partnership Nottingham

The contact strategy was to use a school setting to reach most of the children. This was both strategic – it was a good way to capture a cross section of young people, -and pragmatic from the perspective of budget constraints. For the over 15 year olds a street survey was conducted as many young people leave the school system after their major examinations - GCSEs.

The inquiry's main aim was to identify levels of, and understand influences on, the well-being of young people in Nottingham. The inquiry aimed to be policy relevant and pertinent to the operationalising of the Power of Well-being.

Questionnaire Design

It was decided that young people's well-being was to be assessed using the two dimensional model discussed earlier in this report – personal satisfaction and personal development.

For the satisfaction component an existing established children's questionnaire designed by Scott Huebner, Professor of School Psychology

Program from the University of South Carolina US, was identified. This assessed children's life satisfaction (their satisfaction with their whole lives), together with five different domains of their lives: their family life, their friendships, their living environment¹⁴, their schools and themselves. The questionnaire was designed for a reading age of 8 years old.

For the personal development component, we could not identify an established children's questionnaire. However Todd Kashdan, the American author of an adult's scale for 'curiosity' and also an expert in child development, agreed to design a pilot version for children. Curiosity is a particularly appropriate manner of capturing what we mean by personal development in regard to children. Kashdan's scale was built from two sub-scales.

The first is 'absorption' - how intensely they tend to become absorbed in tasks.

The second is 'exploration' - how much they like to explore new things or seek out interesting challenges.

Taken together they are very similar to Martin Seligman's concept of "*gratifications*" which he said are characterised by "*absorption, engagement and flow*".

As discussed earlier we are also interested in a potential third component to personal well-being - meaningfulness. Due to the fact that the conscious appreciation and understanding of the importance of meaning is probably more associated with adulthood than adolescence, we did not assess this component directly.

However we were keen to shed light on the inter-relationship between personal and social well-being. To do this we decided to explore, what we called, 'pro-social' behaviour - behaviour that has a knock-on positive effect for other people's personal well-being¹⁵. No scale for pro-social behaviour existed though interestingly there were several very detailed ones for 'anti-social' behaviour. Seligman refers to the meaningful life as "*using your strengths in service of something larger than you are*", by 'strengths' he is referring to a body of research that the positive psychology network have carried out on identifying universal character strengths. We made contact with the leader of this project Christopher Peterson and he offered us a set of questions that sought to identify how much children were using their 'character strengths' in their day-to-day lives. The questions explored children's propensity to display characteristics of:

- Emotional Strengths
- Cognitive Strengths
- Strengths that protect against excess

¹⁴ This domain includes questions about the respondent's satisfaction with their own house, their neighbourhood and the wider area they live in.

¹⁵ In contrast to anti-social behaviour which undermines social well-being with negative consequences for other people's well-being.

Interpersonal Strengths
Civic Strengths
Spiritual Strengths

Whilst data was gathered on all these strengths, we decided to only use a sub-set of them for indicating pro-social behaviour, as only the 'interpersonal' and 'civic' strengths were directly related to potential knock-on effects on other people's well-being.

So as to create some insight into which policies may support young people's well-being, we asked a series of open questions regarding children's favourite activities – what they liked doing best each week, where they did it and who they were with whilst they were doing it. In addition information about age, gender, ethnicity, geographical mobility and family structure was also sought.

The Importance of Good Process

The importance of gaining inter-departmental involvement within NCC cannot be overstated, as this was essential to both the quality of the inquiry and the financial viability of the project.

It is also likely that the end impact on NCC's internal dissemination of the work and its impact on future policy formation will be built on these foundations. nef's previous work on Quality of Life indicators¹⁶ has found that this kind of work needs to be embedded into the organisational culture if it is to have significant impact.

The quality of analysis is dependent on both the quality of the survey instruments and the data collection process.

There were some problems with the data collection process and this did have some impact on the data quality – however these are lessons that can be learned from such a pilot project.

In regard to the quality of the survey instruments there were two main issues: firstly, a multi-dimensional approach to well-being is an emerging line of academic inquiry, and secondly the project focused on young people. The result was that two of the survey instruments were being used for the first time – Curiosity (personal development) and Pro-Social Behaviour. Whilst both of these scales do need further statistical work they performed well¹⁷ and are adequate for indicating these realms.

¹⁶ Making Indicators Count (2003) Higginson, Walker, Terry and Robbins (New Economics Foundation and University of the West of England). Available from www.neweconomics.org

¹⁷ Their factor structure was consistent – meaning that the responses suggested that the set of questions that the scales are calculated from, are consistently measuring one concept. Todd Kashdan plans to publish an academic paper partially based on this data.

Method of Analysis

NEF was responsible for the data analysis and most of the statistical work was carried out by the author.

Scales were created by calculating a respondent's average score for a set of related questions. For example in relation to a child's 'life satisfaction' the following questions were asked, where the children were asked to:

- circle 1 for 'strongly disagree' with the sentence,
- circle 2 for 'moderately disagree',
- circle 3 for 'neither agree nor disagree'
- circle 4 for 'moderately agree'
- circle 5 for 'strongly agree'

1	My life is going well.	1	2	3	4	5
2	My life is just right.	1	2	3	4	5
3	I would like to change things in my life. (-)	1	2	3	4	5
4	I wish I had a different kind of life. (-)	1	2	3	4	5
5	I have a good life.	1	2	3	4	5
6	I have what I want in life.	1	2	3	4	5
7	My life is better than most kids.	1	2	3	4	5

Responses to questions 3 & 4 were reverse coded to allow for their negative wording and then the average was calculated. This score which could have a maximum value of 5 and a minimum of 1, then becomes that child's 'life satisfaction' score.

If for any scale the average score across the whole dataset (or a subsection), is lower than 3, this would mean that children are on average responding negatively to the set of questions that the scale is created from.

To ease interpretation we have also created four categories of individual's scores.

HIGH – scores of over 4 – strongly positive answers.

MEDIUM – scores of between 3 & 4 – mainly positive responses.

LOW – scores of between 2 & 3 – mainly negative responses.

VERY LOW – scores of under 2 – strongly negative answers.

Two 'headline indicators' were calculated to capture overall well-being:

A Life Satisfaction scale

A Curiosity (personal development) scale.¹⁸

¹⁸ Hereafter labelled as 'Curiosity (personal development)' to emphasise the point that curiosity is our proxy indicator for personal development.

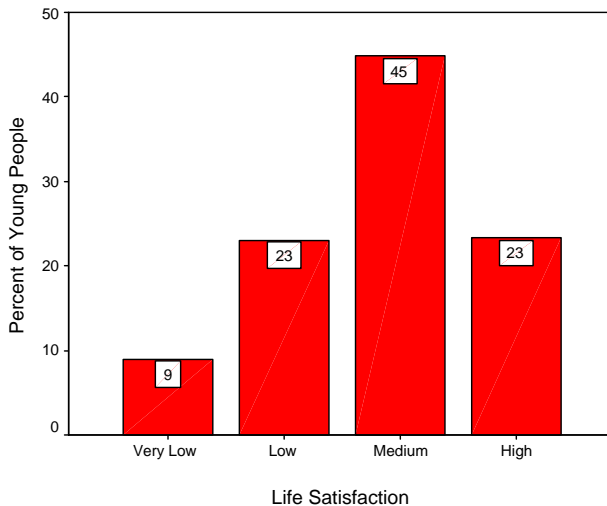
Responses to ‘open’ questions concerning their favourite activities were coded into groups to allow comparisons to be made. Demographic information was also collected and coded.

Statistical relationships between scales and different groups of young people were explored using frequency cross-tabulations, correlations, regressions and factor analysis – where appropriate the statistical significance of relationships was tested. Groups of young people with similar well-being profiles were also identified using cluster analysis.

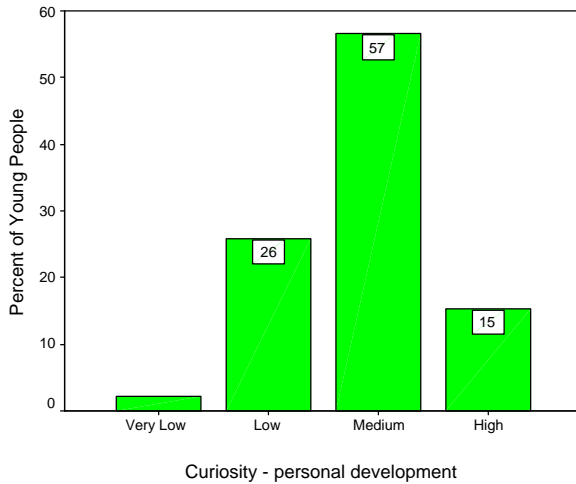
The Potential of Well-being - Key Findings of the Pilot Project

Overall Well-being

Overall, most of the young people surveyed responded positively to the questions posed to them. 68% of young people (aged 9 – 15) responded positively to the life satisfaction questions and 72% to the curiosity (personal development) questions. Medium levels of life satisfaction and curiosity (personal development) are the norm, with 45% registering a medium score for life satisfaction and 57% for curiosity.



The 9% of young people who are scoring ‘very low’ in regard to life satisfaction can be considered as at “very high risk of depression”.



Medical surveys about depression tend to focus on symptoms such as fatigue, inability to sleep or concentrate whereas very low life satisfaction is almost by definition depression itself as it is an absence of feeling positive emotions about life. Indeed Professor Bob Cummins of Deakin University in Australia and author of the world’s first national index of well-being, has gone as far as to suggest that life satisfaction is a better indicator of depression than depression scales.¹⁹

The 23% of young people who are scoring ‘low’ are also at risk from depression, forming a large group of 32% of young people in Nottingham who are at the very least unhappy in life.

The headline indicator for the personal development component of well-being – curiosity - has a similar shape of responses to the satisfaction indicator, however there are less young people at the extremes of high or very low.

Those children who score very low or low curiosity (personal development) are likely to be quite ‘closed’ and to avoid challenging situations (which may be potentially creative). Future entrepreneurs and risk takers are most likely to be high scorers.

% of young people	Very Low / Low Curiosity	Medium / High Curiosity
Very Low / Low Life Satisfaction	12%	20%
Medium / High Life Satisfaction	16%	52%

Source: Schools survey ages 9 – 15. Sample size 691.

¹⁹ Based on as yet unpublished PhD research by his student Vanessa Cook. Professor Cummins Australian Quality of Life Centre’s web address is <http://acqol.deakin.edu.au>

The table above illustrates that the group to perhaps be most worried about are the 12% of young people who score low or very low on both scales, as there would seem to be less potential for them to shift from their unhappy lives.

The good news is that 52% of all young people surveyed are doing okay in regard to their overall well-being. Obviously there is still potential to enhance their well-being further and this should not be outside the realm of policy, but they are less of a concern.

Comparable data is hard to find for the UK but a comparison of sorts can be made with a report by the UK government's Office of National Statistics on the 'Mental Health of Children and Adolescents'²⁰ which found that about 11% of 11-15 year olds had symptoms of a mental disorder with about 6% of these being an 'emotional disorder' – either depression or anxiety – the rest having behavioural dis-orders.

So the 9% of children aged 9-15 who are scoring 'very low' in terms of life satisfaction is, if anything, slightly higher than would be expected.

Well-being Falls as Children Become Teenagers.

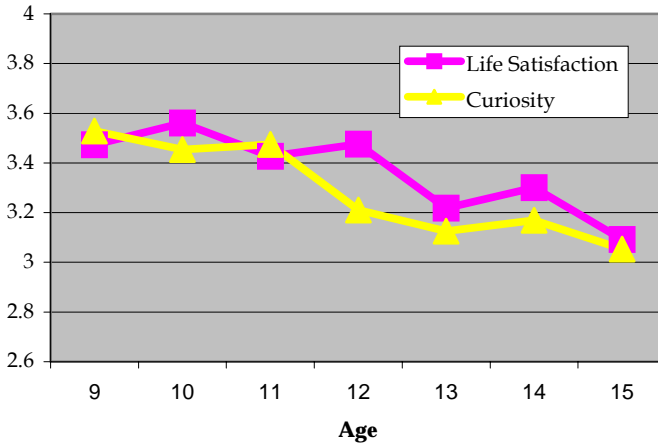
By comparing average well-being scores for age groups it is possible to observe a decline in overall well-being in regard to both components as children get older.

As illustrated in graph 1 below, both of the headline indicators of well-being fall significantly as children get older²¹. The scale on the vertical axis corresponds with the scales on the questionnaires that were completed, with 5 the highest possible score and 1 the lowest. It should be emphasised that the graph plots are average figures, which depict general trends, but this hides the large variations in children's scores.

²⁰ *The mental health of children and adolescents in Great Britain; 1999; Social Survey Division of the Office for National Statistics on behalf of the Department of Health, the Scottish Health Executive and the National Assembly for Wales; Howard Meltzer & Rebecca Gatward*

²¹ *For life satisfaction r-square = 1.7% and for curiosity r-square = 7.3%. Both are statistically significant.*

Graph showing average Well-being falling as Children get older



Graph 1 – Source: Schools survey; ages 9-15

Both show a significant decrease in the proportion of young people scoring highly, and increases in the number scoring low. Interestingly there is not a ‘free fall’ into the very low category (not shown here) suggesting that the risk of severe depression does not seem to increase with age.

	Very Low / Low Curiosity		Medium / High Curiosity	
Age Groups	9 – 11 year olds	12 – 15 year olds	9 – 11 year olds	12 – 15 year olds
Very Low / Low Life Satisfaction	9%	16%	18%	21%
Medium / High Life Satisfaction	11%	22%	62%	41%

Source: Schools survey ages 9 – 15. Sample size 691.

However the percentage of young people who are scoring low (or very low) on both indicators does significantly increase from 9% to 16% for the 12 – 15 year olds and those scoring positively falls from 62% to 41%.

Comparisons were made between boys and girls and in regard to how satisfied they are with their lives, there appears to be little difference between them. However with regard to their curiosity and personal development this does not appear to be the case. Although for all children curiosity (personal development) falls as they get older, boys do not suffer

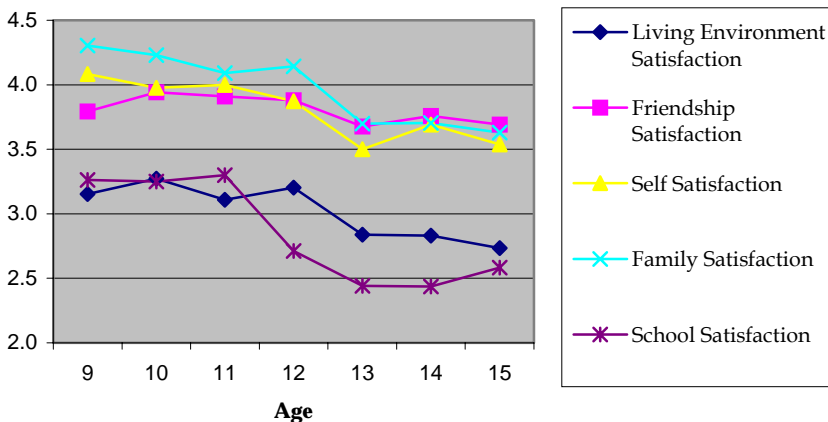
as great a loss of curiosity as girls, with 68% of boys still responding positively to questions about their curiosity, compared to just 54% of girls.

Important Domains of Children's Lives

In four out of the five domains of children's lives that we assessed – family, friends, schools, living environment and self – the year group average score falls as children get older. The one exception is satisfaction with friendships, which remains quite stable. Graph 2 depicts the downward trends illustrating that school well-being showing the most dramatic fall. Nearly all the change in school satisfaction happens when children switch from the primary school system to the secondary. Family satisfaction, which is the second biggest faller, lags a year behind, with the main fall occurring as children enter their teenage years.

Living environment and school satisfaction also score significantly lower than the other well-being domains, which is probably because they are less 'personal' than the other three domains. However they are also the two domains that are most readily addressed by public policy formation.

Changes in Domain Satisfaction by Age Group



As well as changes in the levels of the domain scores it is also possible to calculate, using correlation techniques, which domains are the most important predictors of the headline well-being indicators. Effectively this means children do not weight all the domains equally in terms of their impact on their well-being – this is not necessarily a conscious weighting as often what we imagine has the greatest impact on our well-being, does not. The classic example with adults is that people tend to over-estimate the

importance of earning more money at the expense of spending more time with family and friends.²²

For 'life satisfaction' the order of importance, together with the r-square figures (which indicate the % of variance that the domain indicator can explain by itself²³):

Life Satisfaction: Relative Importance of Domains		
Rank	Domain	R-Square
1 st	Family	39%
2 nd	Self	29%
3 rd	Living Environment	26%
4 th	Friendship	19%
5 th	School	14%

For 'curiosity (personal development)' the order of importance is:

Curiosity - Personal Development: Relative Importance of Domains		
Rank	Domain	R-Square
1 st	School	22%
2 nd	Self	21%
3 rd	Family	19%
4 th	Friendship	8%
5 th	Living Environment	6%

Not too much should read into the fact that the r-square figures are lower for curiosity than life satisfaction – this is more to do with an inherent bias in the domain scales towards 'satisfaction' than that the domains are less relevant in regard to personal development.

So schools are the least important domain as regards children's satisfaction with their lives, but the most important in regard to their curiosity and personal development. The other vital domain is family satisfaction, which perhaps unsurprisingly is easily the most important in regard to life satisfaction, but also a close third in relation to curiosity and personal development. Due to their importance we will explore these two domains in more detail in the next section.

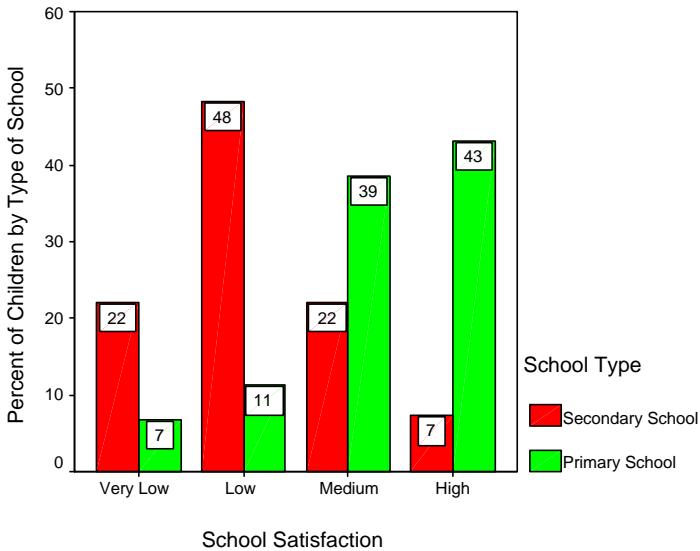
Interesting Schools

As indicated in the last section, the analysis suggests that schools are the most important domain in regard to children's personal development. Also schools, which are the direct responsibility of the local governments, are a very policy relevant part of children's lives.

²² Professor Richard Easterlin; University of Southern California. Forthcoming paper.

²³ The figures do add up to 100% as the domains are inter-related – altogether they can explain 54% of 'life satisfaction' variance and 33% of 'curiosity (personal development)' variance.

The differences between children’s experience of primary school and secondary school are very marked, no doubt a well-known phenomena amongst all UK educationalists. Nonetheless to see the scale make a complete step change when children move schools focuses the mind. The bar graph below indicates the change.



At primary schools 82% of pupils are responding positively about school, whereas by the time children have moved to secondary school this has dropped to only 30%. Some of the responses to individual questions highlight the problems that children seem to find. The three questions with the largest changes are:

Question	Primary School % 'Strongly Agreeing'	Secondary School % 'Strongly Agreeing'
I learn a lot at school	71%	18%
School is interesting	65%	12%
I enjoy school activities	65%	18%

Secondary school children seem to become bored, stop learning and no longer enjoy the activities available at school. All of these problems are certain to undermine children’s curiosity and personal development. Getting involved in activities that they find interesting and challenging, and learning from the experience, are all key factors in developing children’s potential. So not only do children enjoy school less, but also it seems they are aware that they are not getting as much from school as they could.

The differences between boys' and girls' achievements at school in the UK are well recognised – girls are out performing boys in all age groups. The well-being data reinforces this differentiation in terms of their experience at school. The divergence seems to happen at quite a young age, as it is readily apparent even in the experimental junior survey that we carried out with 7 to 9 year olds.

The table below illustrates the differences within the surveys – all of which are statistically significant, though the secondary school differences are much less pronounced than the other surveys.

Survey	Sample size	Average School Satisfaction Score	
		Boys	Girls
Junior Primary- Ages 7 - 9	105	3.50*	4.45*
Senior Primary - Ages 9 - 11	339	3.01	3.62
Secondary - Ages 12 - 15	239	2.42	2.63

The junior survey used fewer, only positively worded, questions – so the scores cannot be directly compared to the other surveys.

The data can also be used to distinguish between schools, whilst there were only 5 schools in the pilot survey – it was very interesting to note that the highest achieving school was the least happy and had the lowest levels of curiosity.

If we were to create a 'league table' showing both academic and well-being rankings, it would look something like the table below.

School	Academic	Overall Well-Being			School Satisfaction		Value Added Well-Being ²⁴	
	Rank	Rank	Life Sat	Curiosity	Rank	Score	Rank	Score
A	1 st	4 th	3.27	3.31	4 th	2.92	4 th	95
B	2 nd	1 st	3.64	3.56	1 st	3.43	3 rd	102
C	3 rd	2 nd	3.47	3.61	2 nd	3.43	1 st	103
D	4 th	3 rd	3.50	3.52	3 rd	3.36	2 nd	102

There could be many factors involved in such well-being suppression, for example:

The teaching could be too test focused with not enough stimulating exploration.

Extra curricula activities that are enjoyable but not focused on academic achievement could have been reduced.

²⁴ Value added well-being is a very approximate calculation made to allow for the 'top-down' affects that overall well-being is likely to have on specific domain scales. It is the school satisfaction score divided by the mean of the two headline well-being scales, with the mean for the four schools set as 100 – the idea being that it allows for the fact that we would expect children from 'happier' backgrounds to be more content at school.

Sports participation could similarly have been curtailed.

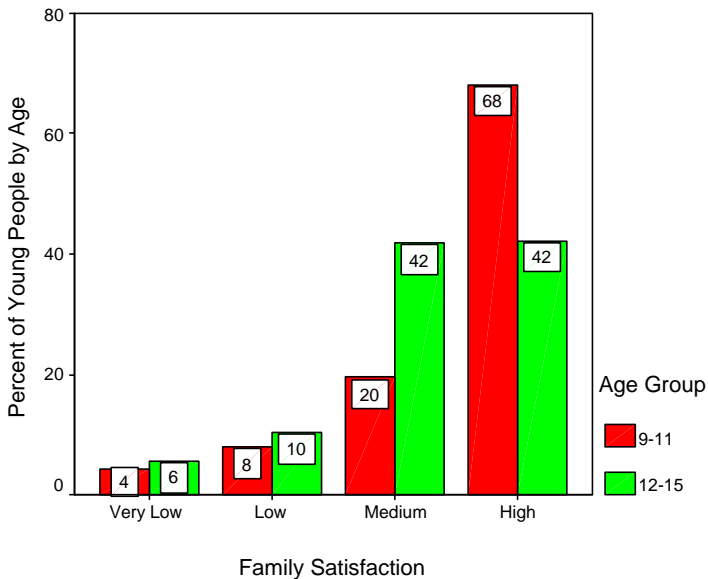
The school may have a specific culture that is not supportive of pupils' individual needs and experiences.

Obviously with samples from just four primary schools in one city, these cannot be considered general results but it certainly suggests that more detailed well-being research with larger sample sizes and a range of schools would be very worthwhile.

Happy Families

As shown earlier, how satisfied children are with their family situation is key to their overall well-being. Family satisfaction is the most important domain for personal satisfaction and also highly influential in regard to personal development. Indeed as the surveys are cross-sectional rather than longitudinal it is quite possible that at an earlier age families are more important as regards personal development than suggested by this study.

Family satisfaction, perhaps not surprisingly, falls as children become teenagers, it seems that this is the cultural norm! The bar graph below illustrates the shift, which interestingly does not show a huge rise in 'low' or 'very low' scores (from 12 - 16%). This suggests that whilst family satisfaction does fall, the number of children who feel negative about their family experience does not increase very much.



Children who are unhappy at home are more at risk of being amongst the 12% of young people who fall into the trap of having both low

satisfaction and development – as described in section 6a. The risks for each category of family satisfaction are shown below.

Family Satisfaction Score	Risk Factor for Low Overall Well-being
Very Low	3.8
Low	3.3
Medium	1.6
High	0.1

This means that children who have registered dis-satisfaction with their home life are over 3 times as likely as an ‘average child’ to be in the low satisfaction – low personal development group. Whereas in contrast children who are very happy at home are 10 times less likely than average to be in this group²⁵.

This emphasises the overwhelming importance of public policy supporting happy family life. Children from happy families are much more likely to have high levels of well-being themselves, which is not only important in its own right but it also has knock-on educational and health benefits.

Poverty Does Undermine Children’s Well-being.

The UK government report on children’s mental health certainly found evidence of a link between prevalence of mental disorders and poverty – children from families with no adult working were more than twice as likely to have a mental disorder (20% compared to 8%).

The question that we have used to identify poor families was ‘how many adults were employed in their household?’ – which in retrospect used too technical language and was not well understood by many children. However due to the fact that primary school questionnaires were read aloud, we had better response rates to the question from primary school children than secondary schools.

Average Score	No Adults employed	One or more Adults employed
Life Satisfaction	3.08*	3.57*
Curiosity (personal development)	3.36	3.51
Family Satisfaction	3.98	4.25

Source: Primary School Survey ages 9-11.

Although all the figures are lower for children from households with employed adults, only the differences in ‘life satisfaction’ are statistically

²⁵ And over 30 times less likely than the low family satisfaction groups.

significant. Still considering the very small sample size this is a good result and certainly the data seems to support the fact that poverty undermines children's well-being.

Favourite Activities – Sport is great for Well-being

As part of the way local authorities interact with young people is to provide recreational facilities for them all children were asked an open question about 'what their favourite thing was they did in a typical week'. The idea was to ask them actually what they most enjoyed rather than provide a 'wish list'. The responses broadly fell in 5 categories:

- Sports
- Playing
- Creative Activities.
- Socialising.
- Passive pastimes.

The findings from the survey were that if children listed sports as their favourite activity they were significantly more likely to have higher levels of both life satisfaction and curiosity (personal development).

Favourite Activity	Life Satisfaction	Curiosity (personal development)
Sports	3.55	3.48
Playing	3.41	3.32
Creative / Engaging Activities	3.38	3.46
Socialising	3.22	3.30
Passive Pastimes	3.14	3.27
Average	3.41	3.40

We also asked the children who they did their favourite activity with and if they responded alone then their well-being was significantly lower.

Favourite Activity	Life Satisfaction	Curiosity (personal development)
Alone	3.06	3.26
With Others	3.47	3.42
Average	3.41	3.40

These results are very important for a local government as it allows them to target their financial investments by differentiating between potential policy interventions in terms of their expected impact on well-being.

Pro-Social Behaviour (as opposed to anti-social)

From the initial inquiry design phase, it was decided to explore the relationship between young people's well-being and their tendency to act in a pro-social manner. The challenge was to find a scale appropriate for use with children, which would address this issue.

Pro social behaviour, as measured by our scale, is more strongly related to the developmental dimension of well-being than the satisfaction dimension²⁶. However it seems to predominantly display independent characteristics, ie you can find young people with high personal well-being but low characteristics of pro social behaviour.

This emphasises the need to look beyond just life satisfaction as a sole indicator of personal well-being. However even the relationship to curiosity (personal development) is limited, so the goal of improving pro-social behaviour should be pursued alongside enhancing both personal satisfaction and development.

The Power and Potential of Well-being Indicators

Policy Implications

Process – Best Practice

For any such inquiry to have a sound statistical foundation the process of actually contacting the target population has to be best practice.

Investing in consultation processes such as a well-being inquiry can potentially improve the effectiveness, efficiency and direction of future 'service provision'.

Like all good practice, test phases and pilot projects (such as this inquiry) are essential.

Integrated Policy Formation

The involvement of different departments of the City Council has created the potential base from which Nottingham will be able to start to integrate policy formation.

In the UK integrated policy formation is a goal of central government but is counter-cultural to local governments. They have previously been put under enormous pressure to deliver services at reduced costs. This has had the undesired affect of creating very specific service targets, and little inter-departmental co-operation.

This type of inquiry allows all departments to use the same set of 'impact' indicators, thus helping to create a culture of co-operation.

²⁶ *R-squared is 3.8% for curiosity and 0.7% for life satisfaction – both statistically significant.*

Differentiated Policy Formation

The same set of indicators can be used to compare and contrast different groups of people, whether the differentiation be by age, gender, ethnicity, geographical or financial.

Different policy interventions may be appropriate for these different groups, however the ultimate goal of enhancing people's well-being remains the same.

From A Culture of Containment to One of Facilitation

At present most Local Government targets are about reducing levels of 'ill-being', 'not-having' or 'bad-doing'. Having a positive goal, such as enhancing young people's well-being, for all policy formation will help councils shift from a culture of 'containment' to 'facilitation'

Facilitation does not rule out leadership, a quality that central government are demanding councils to take more responsibility for. We would suggest that a facilitating leadership style should be a listening and reflexive style, with potential policy interventions built on 'evidence-based' foundations rather than ideological grounds (which tend to shift).

Schools - Fostering Curiosity or Academic Achievers

The preliminary 'evidence' from this pilot project suggests that schools may have a tension between delivering academic results and enhancing children's well-being.

Whilst academic results are sometimes claimed to be 'well-becoming' indicators, in that higher academic achievements are associated with positive outcomes in adulthood, this has to be balanced against children's present well-being.

Curiosity, used in this project as an indicator of personal development, may be a better indicator of future positive outcomes than academic achievements – as this realm is increasingly being shown to have major health benefits within groups of adults.

The question arises: should schools be fostering curiosity as their major goal rather than success at test-orientated academic achievements? An answer to this question is obviously beyond the scope of this project but nonetheless well-being indicators are capable of pointing to this type of fundamental question.

Sports for Well-being

The inquiry into which were children's favourite activities, has shown that of these sport seems to have the most positive well-being effects.

Opportunities for sport do reduce as children leave school, even though the benefits do not decrease.

Access to participating in sporting activities and also creative activities should be a well-being priority.

Encouraging Pro-Social Behaviour

The indicators for 'pro-social' behaviour were exploratory. It appears that pro-social behaviour whilst partially related to personal development, is mainly independent of personal well-being. This suggests that a goal of improving pro-social behaviour would be complementary to enhancing personal well-being.

This can be tentatively interpreted as potential evidence that social well-being is not the same as the sum of all personal well-being.

Future Work

There is much possibility for future work in this area and nef hope to be a (facilitating!) leader in this type of work.

Creating representative baseline indicators for Nottingham is a potential future project and nef are also in discussions with a London borough council in regard to a similar project.

Opportunities to link this type of work more closely to the issue of sustainable development field are also in the pipeline.

Academic challenges include more of a focus on the components of well-being that lie beyond 'satisfaction' with life. The personal development component, that nef uses, is politically acceptable in the UK, however a more 'spiritual' or 'meaningful' third component might be more challenging to convince policy makers of its worth.

Understanding the differences between personal and social well-being is also an urgent academic and practical challenge that needs more attention. To assume that maximising personal well-being, or indeed gross national personal happiness, is the same as creating the 'good society' may be a fallacy. Potentially by focusing on individuals, collective solutions will be overlooked, and thereby ironically creating a suppression of personal well-being.

How Bhutan can Measure and Develop GNH

SUELLEN DONNELLY

Introduction

As an Australian Psychologist my work has recently moved into the area of Positive Psychology, a term promoted by the President of the American Psychological Society, Martin Seligman. He describes Positive Psychology as having “three pillars: First is the study of positive emotion” (such as happiness). “Second is the study of the positive traits, foremost among them the strengths and virtues, but also the “abilities” such as intelligence and athleticism. Third is the study of positive institutions, such as democracy, strong families, and free inquiry, that support the virtues, which in turn support the positive emotions.”

So this is a relatively new turn of direction for the profession and academia of Western Psychology. It is a turn away from therapy, towards increasing well-being; away from analysing the past, towards working on an improved future. Research is accumulating on positive life experiences such as satisfaction with life, happiness, the good effect that positive emotions have on health and the positive effects of optimism.

There is a growing body of research collected on happiness levels in many nations. A national norm could be used as a reference for an individual’s own level of happiness; are they more or less happy than the national average? It could be used to measure changes over time in the same population. And providing there was enough consistency in method, a national measure of happiness could be compared between nations. Which countries are happier? Which countries are least happy?

It is from a Psychological paradigm that I will describe a process to determine a quantifiable measure of Gross National Happiness for application in the modern Bhutanese context.

I shall introduce you to a model of the components of a national measure of happiness that results from a merging of Positive Psychology, Life Coaching theory, Life Skills training, and my own growing personal interest in Bhutan and Buddhist practices. It is a model of a theoretical pathway of how the policies and services of the government can contribute to the satisfaction and happiness of its citizens and hence endeavour to increase Gross National Happiness.

I define the components of the model, then describe the structure of the relationship between the components. This is followed by a discussion of the implications of the model for the individual and for the policy makers.

The national happiness model is built around some numerical measure of an individual’s happiness. A pilot study is proposed to trial a measure of

individual happiness and begin to explore the nature of happiness in the Bhutanese culture.

A Model of the Relationship between individual happiness and GNH

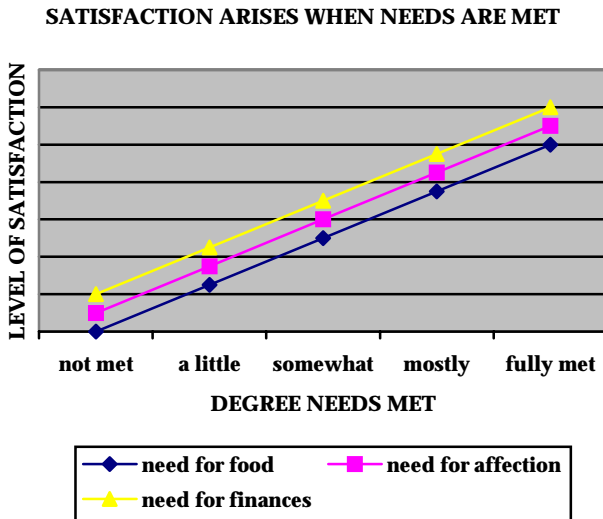
Definitions

Happiness

Happiness is a subjective experience of positive affect. As an emotion it is intangible except by direct experience. Happy behaviour indicates the presence of happiness but is not happiness itself. This elusiveness presents obvious difficulties for measurement and researchers have come to rely on personal ratings.

The subjective enjoyment of life as a whole is defined as ‘the degree to which an individual judges the overall quality of his / or her life-as-a-whole favourably’. It requires a judgement on satisfaction with past, present and anticipated experience. Therefore a cognitive component is included in one’s experience of happiness.

Satisfaction with achieving goals or having needs and desires met has perhaps a more finite notion than happiness. It is the pleasant affect when an aspiration has been met. In relation to overall satisfaction one assesses the degree to which our wants are being met and reviews whether life seems to meet one’s conscious demands.



Happiness is functional in a biological sense. It motivates us to improve our living conditions, draws people together into communities and

parenthood, and is good for our health and longevity. Happy people are active, creative, helpful and adaptable to new experiences.

Happiness is not just a bipolar relationship with sadness as mixed feelings of happiness and sadness can co-occur. Various aspects of the one event can elicit seemingly contrasting emotions.

There is evidence of homeostatic level of happiness in an individual which varies between people. Life will bring challenges to this homeostasis by increasing or decreasing happiness conditions but we tend to return to our own set level. (Seligman). Personality factors may determine the level of happiness a person acclimatises to. Extraversion and optimism are two likely traits that set the level higher than for introverts or pessimists. Coping strategies used will influence how soon one returns to their normal happiness level after being challenged.

Happiness is correlated with many indicators of Quality of Life. The strongest relationship is with social capital, a sociological theory of social connectedness. Public health research acknowledges that the quantity and quality of a person's social relationships and social networks play an important part in the maintenance of their health and in recovery from illness. Good social relations were found to be necessary for happiness in a study of American undergraduate students. People cope better with the challenges of life if they have good social support.

Other correlates are less strong in their relationship to happiness and often vary between studies. Increasing age for example has been associated with a small decline of positive affect and increase in negative affect, as well as increased well-being. A Swedish study also showed a U-shaped relationship of happiness with age, with lowest happiness in the age group 45-64.

Cultural differences in the experience of happiness can be traced to the different values held by the cultures as well as objective factors such as wealth. Culture can also moderate which variables most influence happiness and set the social norms for appropriate feelings and the individual's place in that society.

Individual/Personal Happiness

Individual happiness is both a transient experience and an enduring state. One can feel happy now but not be generally happy or not feel happy now but would describe being generally happy. It is the general state of happiness that is the focus of this paper.

Overall happiness can be described as the sum of satisfaction with the life domains. Happiness can be predicted from cognitive measures of domain satisfaction. Satisfaction with the various components of life builds to an overall level of satisfaction.

The satisfaction however is judged against the individual's and the society's values. 'Intraindividual changes in satisfaction were strongly

influenced by the degree of success in the domain that individuals value.' The personal value the individual places on a domain may or may not coincide with the values of that society. If they do coincide there is less conflicting tension and hence more well-being. Congruency with one's community values and expectations increases subjective well-being.

If satisfaction is the meeting of a perceived need or the attainment of some goal then the degree of satisfaction it would depend on how well the need was met or how close one is to the goal. One's judgement of satisfaction will draw on the inner perception of needs, how one appreciates when needs are met, how specific the goal is and what the payoff is.

The level of satisfaction may also come from extending yourself to reach high goals. Challenging one's self in positive and achievable ways builds all the positive emotions, including happiness. Making intentions and following through can require great effort.

Overall happiness is comprised of affect (emotion) and cognitions (thoughts) and their interrelationship. Evaluations are based on intuitive affective appraisal such as beauty and cognitively guided evaluation such as income. 'Happy (people) weighted their best domains more heavily than did unhappy individuals, whereas unhappy individuals weighted their worst domains more heavily than did happy individuals. Thus, happy and unhappy people used different information when constructing satisfaction judgments.

The hedonic level of affect is the degree to which pleasant affect dominates. As levels of satisfaction fluctuate over time, measures of hedonic level are an average over 1 month or 1 year. The pleasures of life do hold the promise of happiness, especially for the person who highly values pleasant affect. Physical pleasure is associated with daily satisfaction to the degree that one seeks for such an experience.

Hedonic happiness is dependent on the environment supplying the ingredients of pleasure and is a route to substance abuse. Therefore seeking solely hedonic pleasures can lead to greater suffering, from the effort required to acquire more pleasure as well as from social problems of addictions.

The eudaimonic approach focuses on meaning and self-realization and defines well-being in terms of the degree to which a person is fully functioning.

Both cognitive and affective meaning are associated with well-being, it is more important to feel that one has meaning in life than to have a structure for that meaning. Eudaimonic happiness is more dependent on the internal processes of the individual than the environment although certainly the environment can support it.

Veenhoven includes the utility of one's life as well as the enjoyment one experiences as a measure of making a good life from the given personal and environmental resources. The engagement of one's activities in the

service of the community is a prescription for experiencing more happiness. This level of happiness assumes some higher values of morals and aesthetics are held by the individual.

The external effects of a life that is good for something more than itself might be seen for example in contributions to society, being indispensable in the workplace and living in an ecologically sustainable manner. Satisfaction can be enhanced by applying 'your strengths and virtues in the service of something much larger than you are'.

However virtuous living, although a high quality of life, does not require happiness and may not cause happiness. Conversely, happiness can be experienced without virtuous living. A virtuous life is likely to bring happiness to other people, thereby contributing to a happier community.

Life Domains

The conceptual organisation of one's whole life into smaller divisions is an aid to considerations of how best to manage one's life. By looking at various areas of life we can more readily identify problems and begin working to resolve them. Within the Life Coaching profession a person's experience of their life can be divided into 8 domains. These are simply useful constructs not definitive boundaries. In reality all divisions overlap with each other in the complex matrix of the content of our lives.

It is the goal of Life Coaching to seek a harmonious relationship between the domains of life in order to create a balanced life. Overall happiness must include an estimate of the harmony versus conflict between the various factors of one's life. One is faced with the task of reducing inner conflict such as finding a balance between looking after oneself and those who one is responsible for; maintaining one's own integrity while trying to please other people; and wanting to be generous to friends yet maintain financial health.

I suggest that the various correlates of happiness will be found in the 8 Life Domains as follows. This anchors each domain with concrete measurable items and reveals some of the interrelationships between the domains .

Correlates of Happiness

Ages
Gender
Years of education
Family income

Employment
Socio-economic status
Married
No. of children in household

Life Domains

all
all
Career, Finances,
Finances, Career, Social, Physical
envir.
Career
Finances, Career, Social
Intimacy, Finances, Social
Intimacy, Finances, Social

Memberships	Community, Social / Fun
Political concern	Community
Religiousness	Personal/Spiritual development
Health – self estimate	Health – Self care
Perceived fate control	psychological variable
Tolerance	psychological variable

Health/Self-Care

Self-care is one aspect of life that is apparent to the observer. How well are you groomed, how comfortable are your shoes, do you look healthy, do you value yourself? Personal health care demonstrates responsibility and maturity. As one of the tasks of growing up, we must learn to care for our body; to wash it, to nourish it, to protect it.

The more attention that goes into really caring for our body, including an exercise programme, stress management skills and nutrition, the more likely our body will last well into old age. The common diseases of old age such as heart disease, diabetes and arthritis are directly attributable to lifestyle. Emotions affect the way we eat. Anger increases hunger, impulsive eating and sensory eating with women being more susceptible than men.

Happiness is healthy. Laughing can boost immunity, strengthen hearts, and improve lung function. Being healthy brings a happiness that is often only appreciated when one is suffering from ill-health. Pain and discomfort is not generally accepted as being satisfying.

By actively maintaining our health, we are doing our best to avoid illness and hence minimise physical suffering. This would be the goal of many people. Yet some go beyond the norm to seek maximum fitness. The rewards in terms of increasing happiness come from the achievement of fitness goals, feeling more power in the body with greater fitness and lastly the biochemical spin offs such as endorphin releases.

Personal/Spiritual Development

This really is any experience that you would consider as part of your identity. It is your history, the values and virtues that form the principals by which you live, your perception of the greater scheme of things and the place you hold within it.

It may or may not involve any organised religion. Although ‘religiosity may not be a strong predictor of life satisfaction across broad samples’ it is beneficial for some people some time. Happy people see their religion not so much as something they “do” as what they “are”.

Underlying most religions as well as cultures is the ethos that we must endeavour to improve our selves in some personal way. To grow towards some idealised notion of humanity. We make an effort to improve on something we acknowledge is a personal weakness. Identifying a personal

issue and working to favourably resolve it is the basis of Western psychotherapy.

These are the higher qualities of the human being, the capacity to analyse ourselves in relation to external cultural ideals. It is almost like the other domains of life serve to help us succeed in this human society to allow us the luxury of self-reflection.

Family/Friends/Community

These are the people we encounter in our everyday lives. The people in our house, the neighbours, the shop keepers as well as relatives and friends who live away but remain in close contact. Relationship with family members is generally of higher priority and holds greater value than friends or the wider community.

Good relationships are characterised by care and consideration for others as well as being supported in return. In a recent Chinese survey 'both interpersonal support (including that from spouses, parents, friends, neighbours, and colleagues) and support utilization were significant predictors of happiness.'

Close groups of people provide a place of safety and security for the members of the group. There are opportunities to have good friends who accept and love you, and to whom you can feel a deep sense of connection. For adolescents a good relationship with one's parents will help them be happy and a bad relationship leads to depression. Adolescent well-being also benefits from self-esteem, perceived mastery and optimism.

Satisfaction with the community and attachment to the community are associated independently and positively with individual well-being. A sense of belongingness and closeness to the people in one's community enhances personal happiness as does an optimistic perception of the future both for the individual and the community.

"I believe that human affection is the basis or foundation of human nature. Without that you can't get satisfaction or happiness as an individual; and without that foundation, the whole human community can't get satisfaction either."

H.H. Dalai Lama.

The health benefits of laughing are derived not so much from the humour as from the building of personal relationships. Laughter brings us together and transcends language barriers.

Social/Fun

In general, enjoying the company of other people and sharing happy experiences is pleasurable. A shared bottle of alcohol unveils this human attraction to having a good time. In fact many people come to rely on

alcohol and other recreational substances to enable them to 'get high'. This dependency leads to loss of happiness.

Sharing happy experiences with others enhances our own happiness. How contagious a genuine heartfelt laugh can be! People witnessing it will begin giggling, then chuckling without even knowing why the first person is laughing. When people around us are happy we enjoy their company and feel a slightly higher level of satisfaction.

A direct relationship has been shown between happiness and social activity among elderly American people. Participating in social activities brings connection with others to reduce loneliness. It also provides opportunities to develop social skills, social contacts, communication skills, emotional intelligence and other factors that equip us to operate successfully within a social context. Whereas sociability is correlated with happiness, loneliness, shyness and social anxiety correlate with unhappiness.

Seeking recreational activities that enhance other areas of our lives simultaneously brings compounded satisfaction. For example if your recreation involves an active group sport then you will increase your physical health along the way while providing opportunities for social connections.

The planning and anticipation of enjoyable activities is also conducive to feeling happy. Anticipating a holiday can increase overall happiness and decrease negative or unpleasant feelings. This may be related to an increased sense of hope and optimism. The recollection of recreational activities provides an ongoing resource of happy memories.

Physical Environment

This domain includes the house, the garden, the workplace, the greater natural environment and the buildings and bridges constructed by people. It extends in ever-widening circles from our room to the planet and beyond.

Where do we find satisfaction in the environment? How can we create a more satisfying environment in which to live? Do we need to purchase or construct something or perhaps spend time creating a garden or walking in nature?

The physical environment in which we live needs to provide basic minimal comforts and life supports before one can feel safe and content. Food, water and shelter are all basic requirements that must be satisfied before any happiness can be found. Once these are addressed then improvements to the physical environment can modulate one's happiness to the degree that one holds materialistic values.

It is not only our home that we live in. We live in a landscape that is generally a mixture of Nature and human endeavour. A garden is a place where we can develop an intimate relationship with Nature, learning the cyclic flow of seasons and how everything is interrelated through complex

balances. A village or town coordinates services such as electricity, health care and sanitation.

It is possible to increase overall well-being by developing a closer experience of Nature. One is removed from everyday worries and can review their place in the bigger scheme of things. Nature provides a rich resource of fascination that can engage the attention allowing the experience of flow. There is also the neutral, non-judgemental aspect of Nature that allow for relaxation and freedom of self-expression.

In the U.S. public recreation and parks are charged with providing people opportunities for enjoyment. By facilitating recreational use of natural environments these services contribute to the well-being of the community.

Romance/Intimacy

Intimacy is a deeper and closer type of social connectedness. Intimacy may not necessarily be romantic, but simply a deep and close friendship. However romance is generally believed to be a pathway to intimacy that leads one through the field of marriage.

In a comparison of long-term cohabiting, married, and remarried couples it was found that long-term cohabiting couples reported lower relationship happiness and fairness than other types of couples. This suggests that the institution of marriage supports individual happiness.

Very happy people were found to be highly social, and had stronger romantic and other social relationships than less happy groups. Romance can bring happiness but also distress as one risks emotional disclosure and opens the possibility of rejection.

This domain can have great bearing on life satisfaction, to the point that traumatic marital transitions can have long-lasting changes to the person's homeostatic set point of happiness. Satisfaction with one's marriage also transfers to levels of well-being of the children with conflict between parents invariably upsetting their children.

Yet staying in an unhappy marriage reduces satisfaction and is linked to high levels of depressive symptoms. It was also found to be associated with high levels of attachment insecurity both initially and over time.

Finances

The amount of money a person has does not necessarily make them happier although it can if the person values material goods above all else. Over the last 50 years, as US GDP and income have risen by 450%, life satisfaction has stayed essentially stable.

Researchers propose that 'the societal norms for production and consumption' in some way impact on a person's material goals, perhaps by setting a benchmark of what a person needs in order to participate satisfactorily in that society. If the societal norms change as when a new

product becomes popular, then one may also acquire the need for the product. This must be the psychological mechanisms underlying fashion. The product may or may not be useful or improve quality of life directly, but the indirect effect could be the satisfaction derived from complying to the norms of that society, yielding a continued sense of belonging rather than being marginalised in some way.

The way you spend your money also impacts on your happiness. Purchases made with the primary intention of acquiring a life experience are more likely to bring happiness than material purchases. Experiences are open to positive reinterpretation and form a meaningful part of one's identity. Enjoyable life experiences contribute to successful social relationships.

Career/Business

The work we do comprises a large amount of our time each day and forms such a significant part of our identity that it is not uncommon to hear someone describe themselves as their job. "I am a taxi driver. I am a housewife." Therefore job satisfaction is important to overall happiness.

Job satisfaction comes from a good fit between the person's abilities and interests and the challenges that the work provides. Then there is the value of the work to the greater community that provides a further source of happiness. This may even compensate for a poor fit to the job if the person highly values the social contribution of the work. The influence that work projects have on happiness was found in an Australian study to be based on their beneficial impact and their ability to enable self-expression, demonstrate social significance, and reflect confidence.

Being happy facilitates action and creative problem solving and in such ways happiness may open more opportunities for career advancement. However, there are ambiguous findings on the notion that happy workers are more productive due to the variety of ways that happiness is operationalised.'

Gross National Happiness

In developing an understanding of the notion of Gross National Happiness I began with a framework of economic measures.

Gross Domestic Product (GDP) is the sum of all output produced by the economic activity within a country. The measure of an individual's economic output is an average dependent on the GDP and the size of the population.

Gross National Product (GNP) is GDP plus net income from abroad such as rent and profits.

Gross Domestic Happiness (GDH) could be the sum of all the happiness of the people within a country. It could be argued that this

measure should exclude the days spent out of the country by any citizen. On those days their happiness is produced outside the country.

The individual measure of happiness would be an average of the GDH per capita.

Gross National Happiness (GNH) then is GDH plus perhaps any of the following:

- happiness generated abroad and brought into the country, by locals or foreigners
- any change in happiness levels of visitors during their visit to Bhutan
 - o Is the visitor happier when leaving than when arriving? Could be due to looking forward to going home or perhaps glad that the visit is over.
 - o If less happy when leaving than arriving may be sad to be leaving.
- levels of happiness of visitors while they are in Bhutan
 - o a short questionnaire could be distributed at the airport on arrival and collected on departure
 - o asks for a daily rating of happiness to be recorded at the end of each day
 - o asks whether person feels generally happier during their visit to Bhutan than before they arrived
 - o asks what the person might attribute any change in their happiness to.
 - o Happiness items could be embedded within feedback questions regarding the various domains of satisfaction. This would be useful feedback for the government services in terms of providing satisfactory services to the visitors,

This is obviously more complex and difficult to quantify with the exactness that economic measures can use. However there is merit in pursuing the notion of GNH being more than simply an average of the sum of individual happinesses. Including visitors happiness would demonstrate a policy commitment to valuing and enhancing the enjoyment visitors experience.

For the purposes of describing the following model of national happiness I will define GNH as an average of individual measures of happiness within the citizens of the country.

Model

The matrix style model of the relationship between life domains, personal happiness and GNH is a three dimensional model similar to an axel with two wheels.

The Individual

I shall begin in the centre of one wheel, the wheel of individual experience. The centre is conceptually the individual, the person who experiences life and experiences happiness.

Here is the experience of happiness, at the individual level. It is related to the happiness of those around us, ie a sense of a collective happiness, that is somewhat more than the sum of the individuals if they were alone; but any extra happiness is experienced by the individuals in the group.

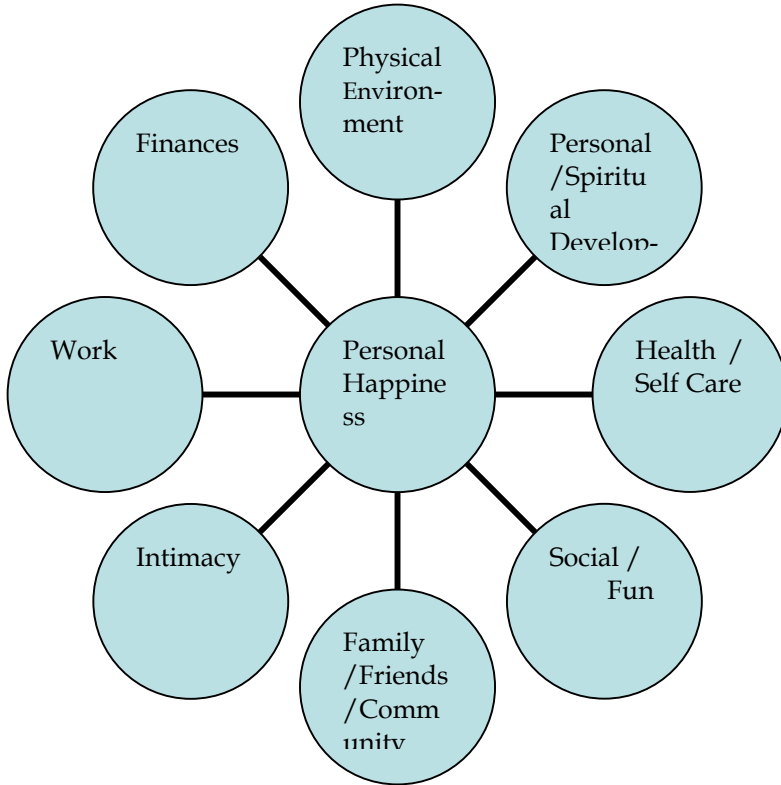
This individual happiness is the commodity to be quantified into a measure of GNH. Because it is an experiential commodity, self-reports have been regularly used although data is accumulating on physiological evidence of emotional experience. Neuroscience has demonstrated that the left prefrontal lobes of experienced Buddhist practitioners are active persistently, not just during meditation, which indicates positive emotions and good mood.

The content or the substance of happiness remains a sublime mystery but the experience of it is distinctly quantifiable. The quantity of happiness is the relative measure of a level. One experiences a certain level of happiness that may increase and decrease. The level is a position nominated in relation to greater or less amounts of happiness which the person has previously experienced, or which they believe would be possible for them to experience.

The happiness continuum offers the possibility of a rather limitless range of happiness. The notions of enlightenment and bliss suggest that greater levels of happiness are possible. We assume that the level of happiness is related to the experiences of one's life. However is it a measure of enlightenment that one's happiness can be independent of life's dramas? Or can there be no true happiness while other beings are suffering?

Average Satisfaction in the Various Life Domains.

If the centre of the wheel analogy is the individual's experience of happiness, then the tyre if you like is the wheel of life. Sub-divide the tyre into 8 distinct sections which become the 8 Life Domains. The spokes connecting the individual to each domain are the avenues through which the individual interacts with life.

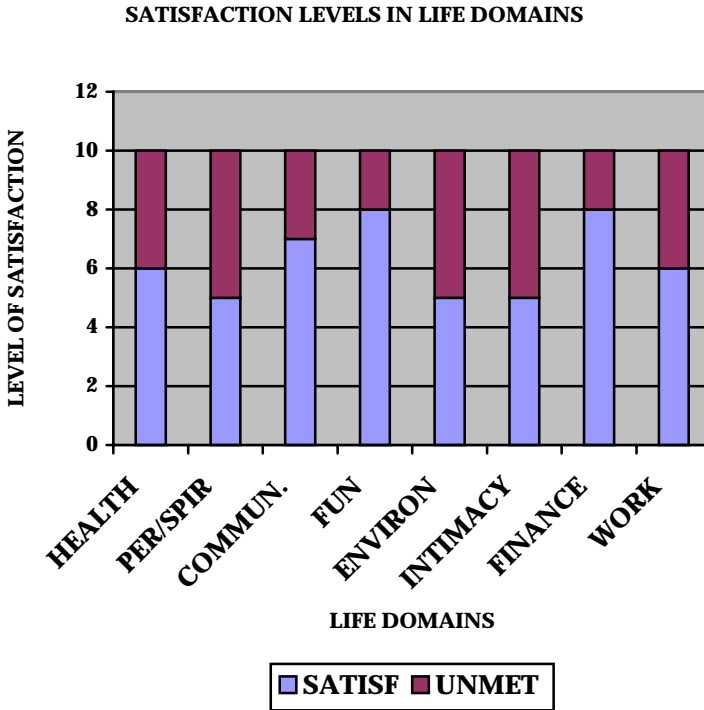


These avenues are shaped and coloured by individual and social values, personality factors, life abilities, and psychological variables. Through this individual filter one evaluates how satisfied they are with each area of their life. The satisfaction derived from each sector pools together in the individual's assessment of over-all-level-of-happiness.

The following graph demonstrates how the levels of satisfaction with each domain produce a somewhat individual profile of the content of personal satisfaction.

From such individual ratings an average is deduced which becomes the person's overall happiness score, in this example it would be a score of 6.25 or 62.5%.

This aspect of the model, the relationship of individual happiness to satisfaction with life domains, is not new. It is simply a visualisation of the relationship.



The 3rd Dimension.

Now overlay this wheel of the individual with a parallel wheel symbolising the level of the nation, here the Kingdom of Bhutan. It might be useful to consider what role other levels such as family, village / town, district, and global might play in supporting individual happiness. However I will just explore the wheel at the level of the Nation.

In the centre is the measure of national happiness (GNH) as previously defined. It arises from the input of individual happiness. The reverse is also possible. Community happiness at the national level can influence individual happiness. This relationship of individual happiness and national happiness is the central axis of the model.

If the core philosophy of the nation is promoting GNH then this will drive the policies of the government. The government, as the structure and people who manage the running of the country, are the national representatives who have a direct input into the well-being of the citizens. They are the conduit through which policy direction can become manifested into the services provided by government departments. The government then are the spokes of the national wheel.

The remaining link in this simplistic model is the intra-domain connection between individual and national levels. Visualise that each Life Domain is connected to each level via some type of cylindrical gauge. The level is the measure of individual satisfaction in that domain. However both the individual and the government have an input into that domain.

This describes the theoretical pathway of how the policies and services of the government can contribute to the satisfaction and happiness of its citizens and hence endeavour to increase Gross National Happiness.

Implications Of The Model

There are several courses for increasing satisfaction. Needs and expectations produce some sort of goal that one aspires to reach. The setting of the goal defines the benchmark of achieving satisfaction. The process of optimal goal setting can be learned. Make the goal realistic, achievable after some effort, action oriented, related to a process rather than an outcome, a step on the pathway to a bigger goal and specific enough that you will recognise when you have achieved the goal. As needs are met and goals reached it is possible to set further goals. This allows ongoing and renewable satisfaction.

It is also possible to reframe the satisfaction so that it is not dependent on the reaching of the goal but instead on the experience of the journey it took to get there. Enjoying the journey and being absorbed in the flow of the process is a practice of mindfulness, keeping the consciousness engaged in the present rather than distracted by the wanderings of the mind.

Mindfulness-based stress reduction programmes are gaining popularity in Canada. The five-step process used is: 1. find a suitable place; 2. close eyes and be mindful of the breath; 3. mentally scan your body for tension and release it while exhaling; 4. follow the flow of your thoughts and 5. acknowledge your emotions. Such programs have been demonstrated to ease medical conditions including preventing depression relapse, pain management, psoriasis, anxiety and other ailments exacerbated by stress.

Satisfaction can be lost when sold on the idea of requiring more consumer goods. The benchmark can be placed unreasonably high and the person may have to adapt to not acquiring the desired object. It may be more satisfying to not know about something than to desire something unattainable.

Satisfaction with personal efficacy is derived most from domains in which the self is the locus of control and the locus of causality. Consideration of the perceived locus of control one has in a particular domain may reveal a source of dissatisfaction. This could be addressed exploring the dynamics of control and whether it is appropriate or possible to become more empowered in that domain.

Life ability is defined as a person's psychological capital. It is described as:

- a. absence of functional defects: presupposes normal level of functioning with the body and mind working as designed.
- b. excellence of function, positive health: reality control, emotional intelligence, autonomy, creativity, innersynergy of traits & strivings.
- c. self-actualisation: acquiring new skills for living as one moves through life. Able to realise one's potential at one's current level of development.
- d. art of living: associated with refined tastes and an ability to enjoy life in an original style.

Therefore one would first look for any functional defects that may be impacting negatively in a life domain, such as a physical or mental health problem. Any defect would need treatment to return as close as possible to normal or management to create a closer fit between the situation and the person's capability.

There needs to be a fit between living conditions and life ability. The context that we work, live and love in needs to fit the personal resources that we bring to the arena. Insecure and slow people may need regulated economy in which to work and energetic individualists may need a competitive free market society to be happy. If there is a disparity there will be dissatisfaction.

When there is a gap between our abilities and what is required for the situation it is possible to specify what skills are lacking and learn them. These could be practical skills such as typing or social skills such as communication.

Secondly, to develop excellence of functioning and positive mental and physical health, one can apply psychological techniques. Improving our psychological functioning is the groundwork of the positive psychology movement. Training in psychological skills such as stress management, goal setting, time management and discipline may also help achieve the desired level of satisfaction.

Having addressed these levels of life-ability further effort to become more self-actualised and further refine one's life should bring about a growing enjoyment of life.

We can learn from others about how to overcome adversity. Burns collated a list of psychological strategies to master adversity:

- a. Be optimistic rather than pessimistic 'Lucky it wasn't me rather than it could have been me'
- b. Specify the positive aspects of the situation
- c. Stay flexible and accept that bad things happen in life and we go on.

- d. Be other centred: motivated to overcome adversity for the sake of others (eg: family or company)
- e. Be hopeful and future oriented, not holding onto the past or stuck in a problematic present

Seligman recommends identifying your signature strengths and using them every day in the main realms of your life to bring abundant gratification and authentic happiness. The 24 strengths are categorised under wisdom and knowledge and include virtues and characteristics such as courage, humanity and love, justice, temperance and transcendence

By developing these strengths and applying them in the domains of life that are unsatisfying Seligman proposes that we can do something about increasing our own happiness. Just this simple realisation of having some sort of control over our own happiness in turn generates more happiness. This demonstrates the complex matrix of relationships between the many components of happiness.

Work on the Self; Other Psychological Variables Contributing to Personal Happiness.

In Chinese folk psychology happiness can be achieved with the wisdoms of discovery, contentment and gratitude, giving and self-cultivation. By discovering the nature of our own happiness we can learn how to cultivate it. Promoting happiness is in itself a therapy and antidote to treat afflictive emotions. Happiness also gives emotional immunity to protect against afflictive emotions.

One of the most widespread disorders these days is depression. Depression leads to suicide as well as other unhealthy behaviours such as smoking, high alcohol consumption and physical inactivity. If depression is at the opposite pole to happiness then treatment for depression should increase the happiness experienced by that person or at least reduce their unhappiness.

The four best practice treatments these days are medication, exercise, bibliotherapy and psychotherapy. Medications only serve to reduce unhappiness, at best to bring the person to a rather neutral affect. They can be useful in reducing depression but no more so than effective psychotherapy.

Exercise is very effective in lifting a depressed mood. The physiological effects of muscles moving, concrete body sensations, increased blood circulation to the brain and production of endorphins all contribute to feeling better. The context of the exercise can compound the benefits if there are opportunities to socialise and / or go into nature. Choosing an exercise that is appealing and enjoyable makes it easier to do the exercise.

Bibliotherapy is the use of therapeutic books for education and instruction. Learning to understand the nature of depression and some of

the things one can do to counter it empowers the person and brings the possibility of some hope. If there is no hope there is not motivation to change or do anything.

Psychotherapy is a counselling process, a talking therapy. In conversation with the therapist the client seeks to understand the dynamics of the problem and learn ways to resolve it. Cognitive Behavioural Therapy is currently the most popular and demonstrably effective psychotherapy used in the West. It operates on the paradigm that the way we think about things is changeable and influences how we feel. 'Self-rated happy and unhappy people have been shown to differ systematically in the particular cognitive and motivational strategies they use.

In regards to happiness there are some myths of happiness that may be influencing our thoughts. Learning to have some input to our own happiness frees us from the passivity of believing in a genetic predisposition to happiness. We can be selective about what to believe.

Consider the effect of advertising which makes claims of happiness coming from a product or that you won't feel happy without the product. The entertainment industry thrives on idealised romance and unrealistic adventures. In fact seeking thrills leaves the rest of life rather dull by comparison.

Then there is the sense of agency we have with the things that go on in our lives. If we think that events, things or people 'make' us happy then our happiness is conditional on external factors. As external things are generally beyond our control we feel our emotions are at their mercy. We seek things that we think will make us happy but if we do get them we may not feel as good as we expected.

Psychotherapy provides a forum in which a person can consider the possibility of having more agency in their life, gain some experience of it and discuss the way it effects their experience of life.

When the psychologist's work is founded on an optimistic framework there is a presupposition of a positive outcome, communicated by questions that ask 'what' and 'how' rather than 'why'. The focus is on where a person is going rather than where they have been. Asking 'when' encourages a commitment to that goal.

Positive emotions have been linked to broadened scopes of attention, cognition, and action and enhanced physical, intellectual and social resources.

Beliefs

Optimism is a skill that can be learned and practiced. It activates the left pre-frontal cortex which corresponds to feeling in a good mood. Pessimism activates the right pre-frontal cortex. An optimistic assumption that a positive outcome is possible promotes happiness. Optimism provides an internal buffer to negative experience.

It is important to have some notion of the meaning of life and of some purpose to our own life. This may include a belief in God but it is not necessary to be religious to be happy.

Personality

An examination of the importance of extraversion to the experience of happiness suggests that the personality trait of introversion-extroversion is an instrumental variable that mediates the ways individuals choose to achieve their own happiness. However extraversion is not always an essential correlate of happiness. Happy introverts do exist. But if the intraversion is related to confidence and social skills it may be changed by building confidence and skills training enabling more extroverted behaviour. Then simply by acting extroverted one may increase their well-being.

In a reframing of the term 'neuroticism', emotional stability was found to be more strongly associated with happiness than extraversion and was the sole significant predictor of the happiness of younger people.

Perceived Freedom

The perception of freedom is related to the notion of locus of control and sense of agency. It may be freedom at work, in expression or in life as a whole. This individualistic value is likely to be higher in Western capitalistic societies as it is a value that might conflict with a social value.

If there is a gap between perceived freedom and desired freedom dissatisfaction will arise. Perhaps cognitive therapy could firstly correct the perception if it is wrong. If their perception is accurate CBT could help the person accept they are not as free as they desire and start to explore options of reducing the gap.

Further psychological variables influencing happiness include tolerance towards groups as neighbours and trust in people and official institutions. Conscientiousness is an additional dimension of personality relevant to understanding subjective well-being. Gratitude is an effective trait important to happiness. Grateful thinking can improve mood.

Competitiveness can impact negatively on the happiness of a society, especially if the women are equally as competitive as the men.

At the community level there are dominant cultural narratives that can have deleterious effects on some individuals, for example socially marginalising people with mental illness, behavioural or substance abuse problems. Narrative theory, including description and critical analysis of community narratives and personal stories, can assist the community and its individuals to reconstruct narratives that are more respectful and helpful.

People responsive to their bodily, personal cues (versus situational cues) experience the mood of the emotional behaviour they consciously

practised and recalled more life events with an emotional content associated with their training.

Generosity has been linked with happiness. Six primary motivations have been identified for donations to charity: 'happiness for oneself, family and others; gratitude – a sense of blessing and a desire to give back; identification with others, such as church or school communities; "hyperagency", or the desire to make an impact on others' lives and the community; aspiration to care for or meet the needs of others directly; and ..the recognition of one's own fortune and empathy for other's misfortune."

Breathing patterns have been differentiated among joy, anger, fear and sadness and used to manipulate emotional experience by modifying the breathing to match the desired emotion.

Facial expressions reflect emotions and can be modulate emotion experience. Even the simple act of smiling can activate the experience of joy. Note that a genuine smile includes eye muscles not only the mouth.

In addition to psychotherapy Burns suggests twelve steps an individual can practice for enhancing happiness:

1. Be active
2. Be outgoing
3. Be flexible
4. Be passionate
5. Be compassionate
6. Be focussed
7. Be positive
8. Be aware of possibilities
9. Be a problem solver
10. Be a sensory seeker
11. Be connected
12. Behave in a happy manner

Government Services Can Increase GNH

In his introduction to Well-Being: the Foundations of Hedonic Psychology, Daniel Kahneman expresses the hope that hedonic science will prompt economics to shift its focus from 'those aspect of life that can be traded in the marketplace' to 'desirable goods such as love, mental challenge and (reduction of) stress'.

This model predicts that the government can increase GNH by delivering services that strive to increase consumer satisfaction. By exploring the ways in which Government Departments contribute services that influence the various life domains, avenues open up for influencing personal happiness.

An American study in the late 1970's examined the linkages between public policy and quality of life and found the strongest relationships were

between specific public services and specific domains of life quality that might logically be expected to have close association.

The Health Department could explore ways it could utilise the skills of Positive Psychology in the community. As there are currently no psychologists working in Bhutan there is a lot of scope for developing psychological services.

The Education Department for example provides education to children. This lies in the domain of Career. The delivery of that service will already have aims regarding quality and content of curriculum, school environments, teacher training and so forth. Happiness can be included as an aim of education. Providing a happy and supportive environment should be more satisfying for students and teachers alike. In Norway it was found that social support from teachers significantly enhanced students' happiness.

A recent book entitled 'Happiness and Education' proposes helping children understand what happiness is and how to develop it. Children can be allowed to retain happiness as a value rather than have it supplanted by economic values. The book also explores ways in which to make schools and classrooms happy places.

If the Education Department can increase the work satisfaction for the teachers and increase life abilities and school satisfaction for the students then it would be contributing to the development of GNH.

Each Department could review its provision of service to identify first whether the service is satisfactory and if not, then find ways to make it so. The Department could also work from the ground up and request feedback from people about ways of providing a more satisfactory service.

When implementing change it is useful to obtain some measure of its effectiveness in achieving the desired aim. Again consulting with the end-user about any significant change in their level of satisfaction would be the clearest measure of a successful outcome.

In the process of linking governmental services to the domains of life which comprise the source of individual satisfaction, it is not necessary to be too fixed about finding a match to the domains that I have described in this model. As previously mentioned these are somewhat arbitrary constructs that are simply a useful way to understand the complex picture of life. Different sub-divisions could be utilised in the same way to assist in identifying the multiple pathways linking government services to people's lives.

A Pilot Study Proposal to Test the Model in the Bhutanese Context

In order to evaluate individual happiness in Bhutan a somewhat comprehensive pilot study is proposed, which incorporates measuring individual happiness, collecting individual data on a list of correlates of happiness and seeking feedback about what brings them happiness.

There are geographical and cultural considerations for assessing happiness in the Bhutanese context so that the data will be nationally representative and useful in cross-cultural studies. Access to subjects is of practical relevance with many people living in remote areas. This may also influence a willingness to participate if it requires people to travel for an assessment. Variations in education and literacy may influence response capability and an appreciation of the value of such research.

Although English is widely spoken it would be unrepresentative to only assess Bhutanese people who speak English. A translation of any survey would be required as well as translations back into English for any open-ended questions. As well as Dzongkha other dialects may require translations. The subtleties of emotional concepts may not be directly translatable and could possibly be unfamiliar to Bhutanese people.

The application of the Life Domains used in this model may be inappropriate in Bhutanese society. Exploration and definition of appropriate domain constructs would be most useful. Even the dynamics of the contribution of domain satisfaction to overall satisfaction may be surprisingly different than expected. For example, job satisfaction has been shown to contribute to global satisfaction more for Euro-Americans than for Asian-Americans or African-Americans.

The research implications of the integration of Buddhist philosophy into the Bhutanese psyche is worth considering. Buddhist values are likely to dominate personal values as well as provide meaning to life for most people. The large proportion of people living in monasteries may need considering as a special sub-population that may have distinctive features in relation to their experience of happiness.

There is also the issue if the inclusion of non-Buddhist immigrants into the figures of GNH. This presents a rather political dilemma of whether and how to include refugees and other people who's right to live in Bhutan is under question.

I propose a pilot study to test some of these concerns and begin to understand the nature of happiness as experienced by the Bhutanese.

Sample Selection

A sample of English speaking Bhutanese with some degree of education would conveniently avoid most of the above mentioned difficulties of language. Language issues could be explored before expanding the survey to a national sample.

Subjects need to be able to make a cognitive judgement which integrates the sensory, cognitive and affect modes of appreciation. Cognitive appraisals are based on aspirations, expectations and values which require data collection. These are then judged as to how favourable they are, does on like or dislike something. So the subjects would need to be

of a minimum age of say 15 years old as well not have cognitive impairments.

The sample needs to be large enough to cover the ranges of correlates measured to be considered a reasonable cross-section of society. An initial sample size of 100 would be adequate for a pilot study.

The subjects would include both males and females, of ages 15 to elderly, who work in a wide range of occupations and live in families or communities of all descriptions, with a variety of health issues and a mixture of income levels.

Survey Selection

There are four scales currently in use to measure individual happiness: the Satisfaction With Life Scale (SWLS), the Subjective Happiness Scale (83), the Oxford Happiness Inventory (84) and the Bradburn's Affect Balance Scale.

If resources allowed the use of all four scales in the pilot study, a comparison of the practicalities of survey administration could be made as well as gaining a more comprehensive understanding of each individual's happiness. This would in turn provide some insight into the nature of Bhutanese happiness.

Survey Method

Along with the administration of the happiness surveys, data could also be collected on some of the correlates of happiness. These would include age, gender, years of education, family income, employment, socio-economic status, marital situation, number of children in household, memberships, political concern, religiousness, self-estimate of health, perceived fate control and tolerance.

Some open ended questions could be presented either by interview or questionnaire to capture information that may be overlooked by the surveys. Questions such as "What brings you happiness?", "How important is happiness to you?", "What activities do you enjoy?" could be generated. More specific questions could target on suggestions to improve satisfaction with government services.

Conclusion

In the current global climate, the peaceful and seemingly happy lives of the Bhutanese people are endangered by the increasing pressures of Westernisation. An exploration of the nature of happiness in Bhutan is of benefit to the global community as it allows us to learn more about traditional human happiness. The people and government of Bhutan can also learn how to preserve the qualities of life that give rise to personal happiness and to direct government services to increase GNH.

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Measuring Individual Happiness in Relation to Gross National Happiness in Bhutan: Some Preliminary Results from Survey Data

PRABHAT PANKAJ AND TSHERING DORJI

Abstract

This paper attempts to measure individual happiness and relate it to the GNH parameters. The most common GNH parameters have been converted into micro-working variables using the scaling technique. Data on such variables are collected using a field survey of 612 individuals, from both urban and rural areas, and we used econometric technique to establish the interconnection. The study concludes that while education has strong influence on the happiness of people in urban areas, it has an extremely low impact in rural areas. Enhancement in health would make people happy, more so in urban areas. Income has emerged as a weak variable influencing happiness both in rural and urban areas. Good governance, specifically the decentralisation of the government seems to be working well and has significantly added to people's happiness. Cultural participation and cultural identity have emerged as the strongest of all variables influencing individual happiness. The relationship turns out to be stronger in rural areas in comparison to urban areas. Deeply religious people seem to be happier. Religiosity does not bring as much happiness in urban areas as it does in rural areas. Thus, the stated parameters of GNH have a linkage with individual happiness, suggesting that a better performance in GNH parameters would, in all probability, lead to an enhancement in individual happiness.

The Study

Gross National Happiness (GNH), has emerged as a fitting paradigm of development in Bhutan and provides the overall philosophy and guidelines for the country's future progress. The nation today is on a path that many would envy as the concept of GNH directs its holistic growth in the face of globalization and subsequent fragmentation. To make the concept of GNH more meaningful and operational, there have been several attempts to quantify the concept which include a wide range of factors representing economic, social, political, environmental and cultural dimensions of the society. Fulfilling these factors lead to gross national happiness. However, any attempt to quantify such a noble concept as an absolute index for measuring the nation's growth would be akin to preconditioning individual happiness. Since national happiness would be

some kind of aggregate of individual happiness, presumably, the parameters constituting GNH are also contributing significantly to individual happiness. But are they? Answering this question calls for micro level evidences on what governs individual happiness. A more focused research question to be addressed here is: 'To what extent do factors constituting GNH contribute to individual happiness?' The dynamic question to be asked is: 'What factors, constituting GNH, contribute significantly to individual happiness?' Answering these questions would enable us to circumscribe GNH and relate it to the individual's happiness. This will also provide an indication to prioritize the various aspects of GNH. Against the above backdrop, the present study seeks to measure individual happiness on the yardstick of the constituents of GNH and comment on their linkages.

Is Happiness Measurable?

Scholars from various disciplines have approached the subject of happiness in different ways. Perhaps, the answers to the questions 'what is happiness?' and 'what makes us happy?' have varied as much as have the people who posed them. The more we chase happiness, the more it eludes us. Happiness is most often viewed as a highly personalized and dynamic phenomenon. Nevertheless, there seems to be an element of objectivity, developed over time, and the growing literature about happiness research suggests that individual happiness can be measured and its determinants quantified. For example, Triandis (2000) provides an extensive overview of the determinants of subjective well-being both for individual and a nation. A vast body of literature posted at <http://www.eur.nl/fsw/research/happiness/provides> studies attempting to quantify happiness in terms of well-being and life satisfaction. Individual happiness not only depends on the present circumstances but also on past experiences and future expectations of the individual. Interpersonal comparison also plays an important role in determining happiness. In this sense, happiness is a collective or aggregate expression. The growing literature on happiness indicates that such a subjective expression can be measured by asking questions about an individual's well-being. Several studies have found statistically valid and significant results. This has been referred to as the measurement of self-reported happiness.

Brief Review of Empirical Literature about Happiness

Jeremy Bentham provided one of the earliest accounts of the calculus of pain and pleasure while bringing the discussion on utility to the forefront in England in 1789 (Stigler, 1965). Bentham's thirty-two circumstances explained pleasure and pain. However, discussion in economics thereafter centered on discovering and rediscovering the principles of marginal utility and later on their measurement. Utility is akin to welfare. As such, an

enhancement in welfare can be measured in terms of changes in utility. More income brings enhanced consumption which increases utility and hence welfare. Therefore, as a matter of policy it is pertinent to aim at increasing national income and per capita income.

It took a long time to realize that enhancement in income alone is not the determinant of economic growth. Alternatively, growth is to be perceived as holistic and happiness is a major and genuine concern of development. Studies have confirmed that happiness, not income, constitutes the ultimate goal of most individuals (Easterlin, 1995 and 2001; Oswald, 1997; Ng, 1997). Easterlin provided one of the earliest empirical works about self reported happiness. The decade of 1990s witnessed increased awareness on the subject and economists have shown that happiness is not an entirely personalized phenomenon; rather, it also depends on conditions like unemployment, inflation and income (Clark and Oswald, 1994; Oswald, 1997; Easterlin, 2002). Some scholars have also tried to quantify the effect of variables such as freedom (Frey and Stutzer 2000), air pollution (Welsch, 2002), aircraft noise (Praag and Baarsma, 2001) and climate (Rehdanz and Maddison, 2003). The growing body of knowledge about happiness suggests that talking about national happiness in Bhutan is timely.

The present study is not an attempt to quantify individual happiness in Bhutan; neither it's an attempt to identify the determinants of happiness as in the studies mentioned. We describe the most common constituents of GNH and convert them into operational variables. Then we utilize econometric technique to find out the significance of these variables on self-reported happiness. Data have been collected through the execution of a pre-designed and tested questionnaire.

Theory of GNH

GNH is the overall guiding principle for the development of Bhutanese society and the economy. GNH is essentially a summarization of the basic tenets of Vajrayana Buddhism, which embraces harmony and compassion. The document *Development Towards Gross National Happiness* (RgoB, 2000) describes GNH as "Bhutan's bridge over the gap between values and development" (p.23). The perspective planning document *Bhutan 2020: A Vision for Peace, Prosperity and Happiness* (Planning Commission, 1999) identifies GNH as a "single unifying concept of development" which does not essentially reject material progress, but takes it as a precondition for enlarging self-reliance, opportunities and choices (p.47). The *Ninth Five Year Plan 2002- 07* (Planning Commission, 2002) describes GNH as the overarching philosophical underpinning and the ultimate guideline of the country's future development proceeds (p.6). It would not be easy to quantify how the country has progressed with GNH. Namgyal and Wangchuk (1998) tried to provide a framework for the measurement of

GNH without actually attempting to measure it. The merit of their predictive model, which follows the path analysis tool for setting the variables, is that it considered population as a resource, which includes the ecosystem stressor impacts of people. The model adds to the explanatory strengths of GNH without throwing much light on quantification (Pankaj 2003, pp.20-21). At the operational level, the theory of GNH would mean that every policy and every project is to be planned and evaluated not simply in terms of the enhancement it makes to GNP and the material basis of society but also by its contribution to the total well-being of individual and society (RGoB, 2000: *Development Towards Gross National Happiness*, p.22). Therefore, enhancement in GNH must contribute to enhancement of individual well-being. Here the inter-linkage between individual happiness and GNH can easily be identified. GNH and individual well-being are inter-dependent.

What Does GNH Mean to Individual?

Based on the overall guiding principle of GNH, the “normative architecture of change and development” (Planning Commission 1999: *Bhutan 2020*, p.49) includes the following elements under various broad categories:

Social:	Human development
Economic:	Self-reliance, Sustainability, Flexibility, Balanced and Equitable development
Political:	Independence, Sovereignty and security of nation state and Governance
Cultural:	Identity, Unity and harmony, Preserving and Promoting culture and heritage
Environmental:	Preservation through environmentally sustainable development

If the country is able to pursue development and keep all above elements in balance, it is ostensibly adding to the GNH and creating individual well-being and happiness. The question here is--what does this mean to individuals? This requires the deconstruction of macro parameters into working variables to help articulate their meaning to individual. This would also help in constructing appropriate questions to collect primary data for the study.

Social Variables: Education and health are two widely used social variables in economic literature. At macro level, educational parameters are the literacy rate and enrolment ratios. The plausible working variable at individual level for education would be educational accomplishment, state of being educated or illiterate. Macro indicators for health are many and varied but the most commonly used ones are IMR and life expectancy. For

an individual, health would mean either being sick or not sick. These two parameters were converted into scale variables and the following two questions were asked during the survey: What is your level of education? How long were you been bed ridden or not been able to work due to illness during the last one year?

Economic Variables: At macro level, economic variables are mainly growth rate and per capita income. For individuals the meaning of this parameter is individual income, wealth and assets. Since there is a greater chance that these three parameters are correlated, the present study used merely personal income as the economic variable. A simple question has been framed: What is your monthly/annual income?

Political Variables: The political variables are related to maintaining independence, sovereignty and security of the nation. Better governance and decentralization are indeed the part of the overall political goal. The survey first included the question relating personal security with that of national security. The question asked was—how much do you think national security is important for your individual security? The pilot survey indicated a heavy bias in favour of “extremely important” option. Consequently, the question was dropped from the survey. The next question framed is related to benefits from decentralized governance: How satisfied are you with the role played by your local public representatives?

Cultural Variables: Two questions were framed to capture cultural variables: one, representing cultural participation by individuals and two, representing individuals’ sense of cultural identity. This is made into a scale variable. The questions asked were: How often did you engage in cultural events and traditional sports during last one year? How often do you wear national dress?

Religious Variables: This is captured in terms of individuals’ religiosity. The question asked was: How often or how regularly did you engage in religious activity during last month?

Environmental Variables: Presumably, rural areas have a better natural environment than urban areas because of less degradation and damage. The study splits the information into rural and urban separately and thereby attempts to capture the impact of a better natural environment on happiness.

Happiness: Measurement of happiness followed a self-reported, single question approach. This is used as a five-step scale variable, an approach followed in all scale variables in this study. The question asked is: Taken all together, how would you say things are these days? Would you say that you are...? Table-1 provides the summary of explanatory variables used in the study.

Study Design and Method

Questionnaire: The survey was carried out based on a pre-designed questionnaire. A pilot survey of 33 individuals was conducted to test the questionnaire. After necessary changes were made in the questionnaire, a full-fledged survey was conducted during the months of November-December 2003.

Table-1: Summary of Explanatory Variables Used

Broad Category of variable	Variable	Nature
Social	Education	Scale
	Health	Scale
Economic	Income	Nominal
Culture	Cultural Participation	Scale
	Cultural Identity	Scale
Religion	Religiosity	Scale
Environment	Rural/urban	Unit of analysis

Sampling: The survey covered 612 individuals, 246 from rural and 366 from urban areas respectively and the sampling design did not follow any fixed pattern. The only aim was to cover as wide a range of people as possible and categories included farmers, government employees, taxi drivers, carpenters, masons, cooks, business people, professionals, housewives and students. The range of age was 15 years to over 60 years. Table-2 provides the distribution of sample across occupation categories and age.

Table-2: Distribution of Sample across Occupation and Age

Category	Age in years				Total
	15-25	26-40	41-60	60+	
Govt. Employ	-	81	86		167
Farmer	10	67	76	08	161
Informal Occ	-	40	14	05	59
Business	06	19	28	12	65
Professional	-	01	04	-	5
Student	22	46	-	-	68
House wife	02	33	52	-	87
Total	24	273	52	25	612

Area: The survey was confined to three Dzongkhags in eastern Bhutan, namely Trashigang, Trashi Yangtse and Mongar.

Econometric method: Regression technique is used to explain happiness based on the chosen independent variables. Simple linear model is followed to explain the relationship. The suitability of the model is tested. While plotting the fitted curve, log estimation using SPSS software is also followed to provide a better understanding.

How happy are we? Happiness has been measured on a scale of 0 to 8, zero signifying not at all happy and 8 indicating extremely happy. The individual points have been averaged for the number of sample in each category. Therefore, the overall point represents an average for the sample considered. Table-3 reports the observed happiness across broad income groups, occupation categories and age. Panel A of Table-3 suggests that overall happiness for the entire sample is high at 7.04. This is observed to be slightly higher in rural areas (7.08) in comparison to urban area (7.01). The trend suggests that as income moves up, the happiness scale tends to increase. However, it seems that lower and higher incomes groups of rural area are happier than their counterparts in urban area. The middle income group seems to be happier in urban as opposed to rural area.

Table-3: Happiness Scale (0 to 8) across Income Group, Occupation and Age

A. Happiness across broad income group (N=612; N(urban)=366, N(rural)=246)			
Income Group	Happiness Scale		
	Urban	Rural	Entire Sample
Low (upto Nu.10,000 p.a.)	6.01	6.35	6.18
Middle (Nu. 10,000 to 1,00,000)	7.42	7.05	7.23
High (Nu. 100,000 +)	7.61	7.84	7.72
Entire Sample	7.01	7.08	7.04
B. Happiness across occupation categories (N=612)			
Occupation Category	Happiness Scale		
Farmer	7.74		
Student	7.62		
Government Employee	7.55		
Housewife	7.25		
Businessman	7.11		
Professional	6.75		
Informal Occupation	5.26		
Entire Sample	7.04		
C. Happiness across age groups (N=612)			
Age Group (in years)	Happiness Scale		
15 to 25	7.55		
26 to 40	7.31		
41 to 60	6.85		
60 +	6.44		
Entire Sample	7.04		

Panel B of Table-3 demonstrates that farmers are the happiest people with a high happiness scale of 7.74, followed by students (7.62), government employees (7.55), housewives (7.25), businessmen (7.11) and professionals (6.75). People working in the informal sector are the least happy lot with happiness scale of 5.26. Panel C of Table-3 clearly suggests that happiness tends to decrease with age. The younger population is happier than middle aged and middle aged is happier than the elderly.

The Regression Results

The variables in this study have been scaled uniformly and the size of the sample is small. The averaging across income groups has produced 10-12 observations with 8 explanatory variables. In all its probabilities, the multiple regression estimation is likely to produce serious multicollinearity problems. The estimation is tried and it produced high R² but only few significant t-ratios. This also demonstrates high pair-wise correlations among regressors with low tolerances which was expected. Despite the presence of multicollinearity, estimation could have been tried if the sole purpose of regression analysis was prediction. Therefore, Blanchard’s suggestion to “do nothing” as multicollinearity is “God’s will” (see for detail quote Kennedy 1998, p.190) could not have been tried. Instead, single variable regressions have been estimated. This provided the flexibility of comparison, easy plotting and of course no multicollinearity. This serves the purpose of establishing inter-linkages of each explanatory variable with happiness. The estimation results along with plotting is presented below:

Happiness and Education

Urban

Estimation and Model Summary

	B	S.E.	t	Sig.
Constant	5.599	0.278	20.15	0.000
Education	0.318	0.073	4.35	0.001
R ²	0.654			
Adj. R ²	0.620			
S.E. of Est.	0.498			
DW	0.622			
F	18.91 (Sig. 0.001)			

Happiness and health**Rural**

Estimation and Model Summary

	B	S.E.	t	Sig.
Constant	3.89	0.899	4.33	0.002
Health	0.459	0.139	3.31	0.009
R ²	0.549			
Adj. R ²	0.498			
S.E. of Est.	0.565			
DW	1.072			
F	10.93 (Sig. 0.009)			

Happiness and Income**Urban**

Estimation and Model Summary

	B	S.E.	t	Sig.
Constant	6.30	0.200	31.43	0.000
Income	7.3E-06	0.000	3.20	0.009
R ²	0.506			
Adj. R ²	0.457			
S.E. of Est.	0.595			
DW	0.409			
F	10.25 (Sig. 0.009)			

Rural

Estimation and Model Summary

	B	S.E.	t	Sig.
Constant	6.45	0.199	32.39	0.000
Income	7.4E-06	0.000	3.40	0.008
R ²	0.563			
Adj. R ²	0.514			
S.E. of Est.	0.556			
DW	1.306			
F	11.57 (Sig. 0.008)			

Happiness and Governance

Urban

Estimation and Model Summary				
	B	S.E.	t	Sig.
Constant	2.20	0.597	3.69	0.004
Decentralization	0.752	0.100	7.52	0.000
R ²	0.850			
Adj. R ²	0.835			
S.E. of Est.	0.328			
DW	0.750			
F	56.50 (Sig. 0.000)			

Rural

Estimation and Model Summary				
	B	S.E.	t	Sig.
Constant	-6.17	3.94	-1.56	0.152
Decentralization	1.815	0.550	3.29	0.009
R ²	0.547			
Adj. R ²	0.497			
S.E. of Est.	0.566			
DW	1.21			
F	10.88 (Sig. 0.009)			

Happiness and Cultural Participation

Urban

Estimation and Model Summary				
	B	S.E.	t	Sig.
Constant	-0.353	0.922	-0.383	0.710
Cultural Participation	1.147	0.151	7.62	0.000
R ²	0.853			
Adj. R ²	0.838			
S.E. of Est.	0.324			
DW	1.089			
F	58.04 (Sig. 0.000)			

Rural

Estimation and Model Summary

	B	S.E.	t	Sig.
Constant	-6.836	2.908	-2.351	0.043
Cultural Participation	1.827	0.389	4.698	0.001
R ²	0.710			
Adj. R ²	0.678			
S.E. of Est.	0.452			
DW	1.079			
F	22.07 (Sig. 0.001)			

Happiness and Cultural Identity

Urban

Estimation and Model Summary

	B	S.E.	t	Sig.
Constant	0.893	0.546	1.635	0.133
Cultural Identity	0.900	0.085	10.592	0.000
R ²	0.918			
Adj. R ²	0.910			
S.E. of Est.	0.242			
DW	1.02			
F	112.19 (Sig. 0.000)			

Rural

Estimation and Model Summary

	B	S.E.	t	Sig.
Constant	-0.172	2.339	-0.73	0.943
Cultural Identity	0.967	0.323	2.994	0.015
R ²	0.499			
Adj. R ²	0.443			
S.E. of Est.	0.595			
DW	1.052			
F	8.96 (Sig. 0.015)			

Happiness and Religiosity

Urban

Estimation and Model Summary				
	B	S.E.	t	Sig.
Constant	1.132	1.223	0.925	0.377
Religiosity	0.807	0.178	4.527	0.001
R ²	0.672			
Adj. R ²	0.639			
S.E. of Est.	0.485			
DW	0.698			
F	20.49(Sig. 0.001)			

Rural

Estimation and Model Summary				
	B	S.E.	t	Sig.
Constant	-31.224	10.316	-3.027	0.014
Religiosity	4.975	1.349	3.688	0.005
R ²	0.602			
Adj. R ²	0.557			
S.E. of Est.	0.530			
DW	1.368			
F	13.59(Sig. 0.005)			

Conclusion

The observed happiness in the overall scale of zero to eight seems to be high. The estimation also points to an enhancement in happiness as the income moves up the scale. In the overall scale of happiness, rural people seem to be happier than urban people. However, the results differ across the income groups. Under the 'low' income category, rural people are happier than urban, while this is not true for the 'middle' income group. The urban middle class is happier than the rural middle class. This reflects the attitude of the urban middle class with a strong preference for the 'urban life'. This also tends to explain the rural to urban migration of middle class people. The estimation suggests that the preference for the low and the high income groups are more towards cultural participation and religious practices, as these groups are found more contented in rural settings rather than urban. Further, the dis-aggregation of data clearly indicates that across rural-urban settings, it is the 'low' and 'high' income groups seeking more happiness in cultural participation and religious pursuits.

Overall, income does not appear as a significant variable for both rural and urban sector. The constant value is more than six in both the cases whereas the income coefficients are extremely insignificant. This shows that even if income is zero, the happiness scale would not suffer much downward from the average of 7.04 for the entire sample. The caution to be followed in this conclusion is that the R^2 values for both rural and urban are only moderate. Therefore, it would not be safe to say that income does not add to happiness at all. Rather, income perhaps does add to happiness but it is a weak variable.

Bhutan is a deeply religious country, so it is but natural that people would find happiness in such pursuit. This has been confirmed by the present survey results where cultural participation and religiosity have emerged as the strongest variables. However, these two variables have much more profound impact on the happiness of rural population vis-à-vis urban population. This could reflect the perceptual change in the urban population towards traditional values and modernisation

The urban population tends to attach more significance to health and education because of their awareness of the benefits of better health and education, which ultimately become the source of a 'better life'. This awareness is not as pervasive in rural areas. Once again, the migration process from rural to urban can be explained based on people's overt realization of the benefits of health and education. The coefficients of health and education are positive and higher for urban sector.

Decentralization factor as a source of happiness of people seems to be realized more by the rural population. This is, perhaps because the urban sector's experience with local level representative is not so direct as it is with the rural sector. For rural people, the local level representatives are doing fine and they are satisfied. The decentralization coefficient for the rural sector is more than double (1.8) than that of urban sector (0.7).

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National Happiness: Universalism, Cultural Relativism, or Both? An Assessment

CHRIS WHITEHOUSE AND THOMAS WINDERL

Abstract

The concept of Gross National Happiness seeks to address perceived shortfalls in mainstream development thinking. Gross National Happiness is intuitively attractive, yet remains to be formalized; on the other hand, Human Development indicators are highly formalized but do not allow for national, regional or cultural differences.

By comparing National Happiness with the Human Development Index and its components, the paper explores the differences between them. Overall correlations between National Happiness and the HDI and its components are not strong. An analysis of data on 67 countries suggests that there are significant differences in which aspects of development correlate most highly with happiness, and these variations appear to be dependent on (a) whether HDI is high or low; (b) whether GDP/GNP is high or low; and on (c) the geographical location of these countries.

The paper argues that for National Happiness to be effective, it can, and should, accommodate both the need for a universally applicable measure, and the requirement for the means to achieve this happiness to be defined in the context of the relevant culture.

Happiness as the New Development Paradigm?

Challenging the Human Development Paradigm

The Himalayan Kingdom of Bhutan has taken the bold initiative of promoting Gross National Happiness as a development concept. This small country with a big vision is offering a conceptual challenge to current development thinking. At the same time, it is perhaps making a tongue-in-cheek broadside at the weaknesses inherent in Gross Domestic Product (GDP), which continues to be quoted in the development world as a key indicator of development. It has been suggested that GDP fails sufficiently to take account of transactions in the informal sector and of losses to a country's stock of raw materials. However, mainstream development economics argues that although taking a wider and multidimensional view is *conceptually* correct, GDP per capita still serves as a fairly good proxy for development.¹

The concept of GNH is much more than a poke of fun at GNP and GDP, however. It presents a challenge to the broader measures of development, such as those used in UNDP's Human Development Reports,

¹ Ray, 1998, pp. 29-33.

including even the Human Development Index. Year by year, the number of measures given in those famous back pages of the Human Development Reports has steadily risen. The Human Development Index (HDI), created as a means to draw together some of the key measures into a single ranking, has been complemented by additional indices. The annual Human Development Report now includes new aspects to development, such as a focus on human and income poverty, and on gender.²

Recent decades have seen a shift in emphasis away from the idea that development would 'take off' once the necessary infrastructure was in place.³ There has been a gradual shift, too, away from a purely economic basis for development. Yet still development seems to be a puzzle, even for the practitioners. What is it that we are aiming for? And how can we assess the extent to which we are achieving the development we are seeking? The last decade saw a strong emphasis on the latter question with a general move of development organizations towards result-based management, logical frameworks and indicators to measure progress and success. However, as Eveline Herfkens⁴ has expressed it, there has been too much emphasis on doing things right, and too little thinking about doing the right things.

The "right things" should ideally be defined by the people affected by development activities. Although there have been moves towards greater decision-making at local levels, with more power in the development process being granted to the governments of the developing countries themselves, there is still a basic assumption that development is best defined according to universally accepted norms. No country can be described as developed if life expectancy is low, per capita GNP is insufficient, infant mortality is high, and so on. It has been accepted, perhaps without enough analytical thinking, that development can be defined and achieved without due consideration of regional or cultural differences.

The parallel with rural development is striking. Those visiting 'backward' village communities, armed with Participatory Rural Appraisal tools and other participatory techniques for needs assessment, face a similar dilemma. While the village people may perceive their development needs in one way, there is a limit to how much we can let their views influence development programmes. After all, how could they articulate their desire for street lighting if they have never experienced the benefits of electric

² *The human poverty index for developing countries (HDI-1) measures deprivation in the three basic dimensions of human development rather than average achievement. And since the classic HDI does not capture well the differences in high human development countries, the human poverty index for selected OECD countries (HDI-2) focuses on social exclusion. The gender-related development index (GDI) adjusts the average achievement of the HDI to reflect the inequalities between men and women.*

³ *The Human Development Report 2003, however, is again focusing more on the decisive influence of the geographic setting and the basic infrastructure of developing countries. It has to be seen whether this indicates a broader move of the development assumptions back to an emphasis on infrastructure.*

⁴ *Herfkens, 2001*

power? How could they recognise the payback of increased literacy if none of them have ever been able to read a written word?

The reality is that yes, we can listen to the village people, but still we know best. The result will likely be that every village will end up receiving the same kind of development assistance, with local differences accommodated through token gestures of 'response to locally defined needs'. Thus schools might be built in each village, but the paintwork might be different.

And the same for many years has been true of consultants advising developing country governments on their development plans. Given the dramatically different problems and baselines in developing countries, one would expect that poverty reduction strategies, for example, would differ accordingly. The reality, however, is that those strategies – expressed in the Poverty Reduction Strategy Papers (PRSP) or national strategies – are astonishingly similar across the world.

The bandwagon effect is strong. Not only will the head offices of global development organisations be focusing on particular areas of development (e.g. UNDP worldwide focusing on its 'practice areas'⁵) - but these various development organisations tend to follow each other. Not so many years ago, women's literacy was the worldwide development fad supported and adopted by the majority of aid agencies; then environment and gender issues; now a rights-based approach. Funding support was once channelled through governments, and more recently through NGOs. Almost universally, development organisations have shifted from having large numbers of small projects, to small numbers of larger 'integrated' programmes. And it is likely that the fashions will change yet again, so the funding may again be through governments, projects will become smaller again, and it may be fashionable once again to build schools, roads and hospitals.

Possible Contenders: Welfare, Wellbeing and Happiness

The idea of happiness as a societal goal is not a new one; it was not even new when the concept of Utilitarianism was developed, where the moral good of an act was to be measured in terms of the resultant increase in total happiness. Mainstream economics recognizes that the ultimate goal of an economic system is not to produce physical output, but rather to enhance the welfare of the participants in this system. Therefore, the efficiency of an economy should be judged by its contributions to the welfare of the households living in it. For John Stuart Mill and F.Y. Edgeworth, the welfare of society was based on the welfare of its individual members. Their "felicific calculus" tries to measure the "progress towards

⁵ The practice areas in which UNDP currently is focusing its efforts since 2003 include Poverty Reduction, Democratic Governance, Environment and Energy, HIV/AIDS and Gender.

their objective, the greatest happiness of the greatest number, in an objective manner".⁶

Following the "invention" of development in President Truman's Point Four, the key element of development was identified as economic growth. This universal approach was challenged in the 1970s by the concept of self-reliance. Tanzania's concept of *Ujamaa* (familyhood) and the emerging "basic needs" approach both stressed the uniqueness of development in different areas. On similar lines, the Dag Hammerskjold Foundation Report in 1975 rejects the notion of development as a simply economic process, and stresses that there is no universal formula for development.⁷

Yet none of these concepts have been widely adopted, perhaps because of the failure of their proponents to sufficiently operationalise these ideas.⁸ GNP-related measurements of development continue to dominate development discussion and practice. Even alternative measurements of progress, like UNDP's Human Development Index, integrate GNP per capita as an essential component.

Bhutan's Concept of Gross National Happiness

The Himalayan Kingdom of Bhutan has entered the discussion with a catchy, if not new, philosophical idea: that Happiness, rather than economic development, is the ultimate goal of progress and development.

The basic idea behind this concept is that not only material well-being, but the composite satisfaction of material and spiritual well-being should be at the centre of development. It is not substituting the traditional Gross National Product as a proxy for development, but complementing it. The main difference between Gross National Happiness and Gross National Product is that the former focuses on the end, and the latter on the means to this end. Efforts have been made to operationalise the concept, but with limited success. In a critical assessment of the concept, Stehlik describes Gross National Happiness as "a wonderfully fresh, yet familiar, paradigm, one which pro-actively deflects attention from the sinking paradigms of the past". But "apart from proclaiming the GNH concept, Bhutan has done too little to fill it with flesh and bones", thus "its core remains elusive, as elusive as happiness itself"⁹.

In Bhutan, a four-pronged working definition has emerged over the last years. As Lyonpo Jigme Y. Thinley proposes, "GNH is being presently pursued through four platforms: economic development, environmental preservation, cultural promotion and good governance"¹⁰.

⁶ Kay, 2003, pp. 177-178.

⁷ Rist, 1997, pp. 123-170.

⁸ Some – like the Tanzanian concept of *Ujamaa* – have been tried out in practice, but were not overly successful.

⁹ Stehlik, 2000

¹⁰ Lyonpo Jigmi Thinley, 1999, p. 9

Currently, the concept of GNH, despite its attractive label, is not so very different from UNDP's concept of Human Development. It is also somewhat surprising that the interpretation of GNH in Bhutan is utterly secular. No direct link is made to the Buddhist belief system, as one might have expected in what has been described as "a Buddhist kingdom, the last remaining Vajrayana kingdom in the world"¹¹. Nevertheless, GNH serves as a crucial rallying point and distinctive label for Bhutan's national identity and state ideology.

To bring sustainable life to the concept of GNH for Bhutan, it has to be operationalised. To be anything more than a curiosity, unique to a small, distant Buddhist Kingdom, the concept needs to be made universally applicable. It is argued here that the idea of GNH should not be left to peter out as a quirk of history, for there is truly an intrinsic value in the concept, and if well operationalised, it could indeed become a universal development indicator, maybe as a component of a future Human Development Index, or even its replacement.

Bhutan seems to be in a favourable and unique position to achieve this. It is a country of well educated people, with a strong and vibrant culture, and still free from many western influences. It is perhaps the only country in the world where a majority speak English well, but where there is no McDonalds to be found. Bhutan therefore is able to think analytically, argue effectively, and therefore also to define development in its own terms. The elites of many 'developing' countries might accept 'universal' concepts of development, due in no small part to their own personal western education, combined with the fact that their own country's culture may be already weakened by past colonisations and exposures. Bhutan's leaders, however, are less influenced by the west, have stronger traditions and cultures to cushion the impact of western influences, and above all have a rare-to-find confidence in their own thinking, and in their own culture.

For GNH to survive, let alone to grow, as an accepted development paradigm, its proponents need to anticipate and respond to a number of key challenges:

Challenge 1: Happiness is purely psychological, and therefore is not an appropriate concept in development.

Challenge 2: Development is a concept which ranges from zero (caveman) to infinite, and can increase year by year. Happiness is of limited range only, and is liable to go up and down. For example, even after a substantial increase in happiness (e.g. the ecstasy resulting from a pay-rise, for example), the happiness level will return back down towards the average.

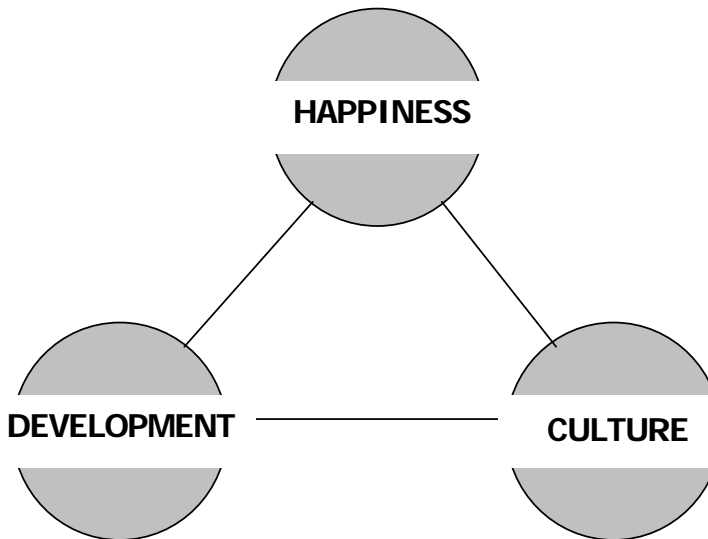
¹¹ *Royal Government of Bhutan, 2000, p. 20*

Challenge 3: Happiness is necessarily a subjective concept, so cannot effectively be measured, so even if it were a theoretically sound alternative to HDI, in practice it is of no use.

Challenge 4: GNH may be OK for the special case of a small Buddhist Kingdom such as Bhutan, but cannot be applied to other countries.

Measuring Happiness, Human Development and Culture

From a development perspective, the relationship between human development and the level of happiness is intriguing. A better understanding of this link could significantly change the way development is perceived and pursued. Furthermore, it is evident that culture and history play a significant role as well, as will be illustrated in more detail. In the following paragraphs, the authors seek to identify some of the possible causal relationships, and attempt to identify pointers for further investigations.



Measuring Human Development

The United Nations Development Programme (UNDP) has, through its Human Development Reports (HDRs), attempted to bring together a number of universally applicable measures in order to enable countries' development statuses to be compared both over time, and with other countries. Indeed, as development thinking progresses, there is a concomitant increase in the number of different measures given in the HDRs. In recent years, a formula has been devised, through which a

number of key development indicators are compiled into a single measure, the Human Development Index (HDI)¹². This has become a much used tool, and, since it is used to categorise countries into high, medium, and low human development, the HDI is now a key factor for donor countries deciding on their aid allocation.

However, there are three key challenges to the HDI and its component parts. Firstly, HDI by its very nature focuses on quantitative aspects of development, e.g. on GNP, number of schools, enrolment ratios, and so on, but ignores qualitative components of development. Secondly, the selection of those components and the development of the formula through which HDI is deduced have been carried out by experts from the West, and from individuals in developing countries who may have been heavily influenced by western values. Thirdly, the flipside of HDI being a universally applicable measuring stick is that, by its very nature, it is unable to accommodate regional or cultural diversity, in terms of development priorities, traditional values systems, and so on. Hence the Human Development Reports provide us with details of schools and health facilities, but none of churches, temples and mosques; there is no mention of access to camels; nor of yak herd populations. And despite the current trend towards empowerment of people to make their own development decisions, and decentralisation of development as a whole, the very reliance we have on HDRs and the HDI itself serves to 'centralise' development thinking.

Measuring Happiness

The word "happiness" is intrinsically ambiguous in day-to-day language. Compare the durations of happiness in "He was really happy last night" and in "I like Susan, as she's such a happy person". For the sake of this paper, we shall ignore the fleeting, short-term aspect of happiness, and focus on happiness as satisfaction-with-life-as-a-whole, something which would be unaffected by taking alcohol, or losing a pet dog in a car-accident. There are increasing efforts worldwide to measure subjective happiness (or 'satisfaction with life as a whole') and to compare national averages - such as those found in the World Database of Happiness, and the World Values Surveys.

First, a clear definition in the national context must be the first step to establish GNH as an operationalised concept. Not surprisingly for a concept so young yet so complex, there is as yet no single succinct definition of the Bhutanese concept of Gross National Happiness. But a clearer definition - and an objective way of measuring progress over time and in different regions of the country - is a necessity for GNH to become a useful tool in international development (and, it is argued, even within Bhutan).

¹² *The Human Development Index is constructed using three dimensions of human development: a long and healthy life, knowledge, and a decent standard of living. These dimensions are measured through life expectancy at birth, the adult literacy rate and gross enrolment rate, and GDP per capita (PPP US\$).*

Second, a definition of GNH needs to be clearly different from other mainstream concepts of human development. Over recent years, the four platforms of GNH referred to earlier have developed into five interrelated objectives to achieve the overarching goal of GNH:

Human development
Culture and heritage
Balanced and equitable development
Good governance
Environmental conservation ¹³

From these five objectives, a definition can perhaps be drawn up. However, such a definition of Gross National Happiness would again focus on the means to achieve GNH rather than focusing on the ultimate end, happiness. Such a definition would be, furthermore, not very much different from current mainstream definitions of human development.

Third, once such a definition is drawn up and agreed upon, it has to become measurable. There is little point in defining GNH when no means of measuring changes have been devised. Such measurement would indicate if adopted policies lead in the long run to the desired results, that is, in increasing the general level of happiness.

There is one respect in which Gross National Happiness should be no different from other development indicators - which is that when getting a national average score of happiness, any disparity between age-groups, across gender, race or religious groups, should also be noted and recorded. Just as we may seek to avoid national economic growth activities which negatively affect the economic levels of a certain group of the population, so also it may be inappropriate to carry out certain programmes to enhance GNH, if these will adversely affect the Happiness of certain segments of the population.

Summing up, in order for GNH to be successfully operationalised, it has to meet at least three key criteria:

GNH has to be clearly defined in such a form that it can be understood and used, both in Bhutan and beyond its borders.

To be valued as an alternative concept, there must be a clear distinction between GNH and other development indicators such as HDI.

Whether in Bhutan or internationally, the status of GNH in a country has to be measurable, and then measured.¹⁴

There seems to be little doubt that Gross National Happiness has the potential to meet all the above requirements, and, indeed, that once these are met, GNH may turn out to be not only as good as HDI as a measure of

¹³ *Country Presentation Bhutan 2001*, pp. 40-41.

¹⁴ *Measurements can be made through the use of indicators (direct or proxy)*

development, but, through accommodating regional values differences, it may supersede HDI as the preferred development measure.

The five interrelated platforms to achieve GNH are not a definition per se. However, they can serve as an effective tool of guidance for development planners in Bhutan. It is suggested that if a definition can be developed which could be applicable to any country, then this would serve not only to clarify our discussions, but also serve as a foundation upon which countries, including Bhutan, could develop their own culturally- and regionally- specific definition of GNH. Thus, there could be a universally accepted global definition of 'GNH'; and local specific definitions of GNH-B (GNH for Bhutan), GNH-SL (GNH for Sri Lanka), and so on.

A summary of some key differences between the two types of development measure are given in the table below:

Aspect	Gross National Happiness (GNH)	Human Development Index (HDI)
Applicability	Applicable within a region, country, culture, etc.	Universally applicable
Extent to which quantifiable	Difficult to quantify	Quantifiable
Clarity of definition of concept	To be developed	Well defined, even if many people do not know the definition
Objectivity	Subjective (but it could be argued that it is an objective decision to measure subjective perceptions of citizens)	Objective (but it could be argued that the components of HDI were subjectively-selected)
Ability to accommodate cultural differences	Yes	No

Measuring Culture

There have been many attempts to define a 'national culture', and indeed its component concepts of 'nation' and 'culture'; and discontent has grown concerning the conceptual disarray around the idea of national culture. The distinction between an objective and a subjective component of national cultures still proves to be a sticking point:

The objective approach tries to pin down the various ingredients of a group of people in order to develop a national culture.¹⁵ It stresses the primordial roots of common ancestry and the ethno-cultural identity of a nation expressed in objective cultural characteristics.

¹⁵ *Stalin, 1912 defined a nation in Marxism and the National Question by five elements: a stable community of people, a common language, a common territory, a common economy, and a common culture (Stalin 1912, p.272).*

The subjective approach stresses the will of a group to become and to be a distinctive culture. A national culture is based on an imaginary daily plebiscite, through which the members constantly approve their membership in a cultural group. It stresses the conscious construction of common myths, and the subjectivity of national characteristics.

Measuring culture is therefore difficult. This paper assumes both that a nation shares a something of a related national culture, and that geographic areas such as continents share related cultures as well.

Happiness and Human Development

A number of studies have revealed that the relationship between happiness and human development is not straightforward: "Difference in income, education, occupation, gender, marital status and other demographic characteristics explain surprisingly little of the variation in people's level of subjective well-being"¹⁶.

Extensive work has already been carried out to assess subjective happiness levels worldwide, and valuable data on this has been made available on the internet, including the World Database of Happiness¹⁷, and the World Values Survey.

It is on the basis of this data that the authors have attempted to compare happiness of countries with other development measures, including the Human Development Index (HDI) for 1997 as reported by the United Nations Development Programme.¹⁸

Correlations of World Values scores, Database of Happiness, & Human Development Index

	World Values score	Database of HAPPINESS	Human Development Index (HDI) 1997
World Values score	1		
Database of Happiness	0.94	1	
HDI 1997	0.47	0.32	1

As the table above shows, the correlation between the World Values score and the Database of Happiness is indeed high with a coefficient of 0.94. But the correlation between happiness in both surveys and the Human Development Index is relatively low with 0.47 and 0.32 respectively. But due to the extent to which happiness is by its nature difficult to quantify, the data has to be approached with caution. The data is limited not only in the extent to which data truly represent happiness levels in the various

¹⁶ Inglehart/Klingemann, 2000; for an overview see Frey/Stutzer 2002.

¹⁷ Veenhoven, 2002

¹⁸ UNDP, 1999

countries reviewed, but also in the range of countries studied. The majority are from Western countries, Eastern Europe, with reasonable coverage from Central and South America, but only a handful from Africa and Asia, and none from the Middle East.¹⁹

In the 67 countries reviewed by the authors, which were covered in both the HDR data and the World Database of Happiness (WDH), the correlations of Happiness with HDI, or any of the key sub-components of HDI, all appear to be low, as shown in the table below:

Correlations of Human Development Indices with Happiness

Human Development Indices	Correlation with happiness index
Human Development Index (HDI) 1997	0.32
Education Index 1997	-0.04
Life Expectancy Index 1997	0.31
GDP Index 1997	0.52
Gender-related development index (GDI) 1997	0.55

The Human Development Index shows with 0.3179 a surprisingly low correlation with the level of happiness. The same can be said for its three components: both the education index and the life expectancy index correlate very low (-0.0391 and 0.3118 respectively). A slightly higher correlation can be found with the GDP index and the gender-related development index (0.5178 and 0.5529).

A glance at a scatter diagram (reproduced below), showing the relationship between happiness and HDI, reveals some interesting possible patterns:

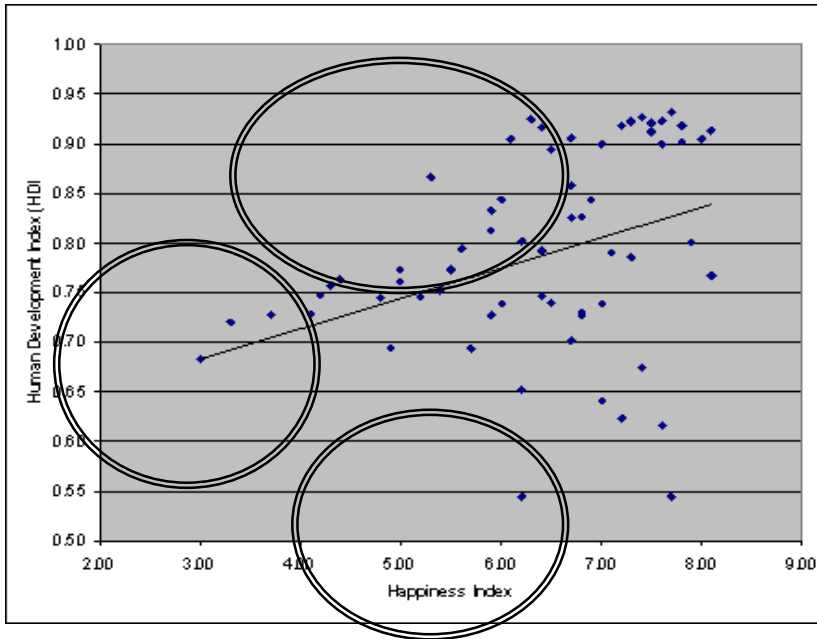
¹⁹ *Correlations enable assessment to be made of the extent to which a rise or fall in one dimension is matched by a rise or fall in another. A correlation coefficient (r) of 1 implies that the match is perfect. If r is -1 , there is a negative perfect match (as one dimension rises, the other falls in value). Where r is anywhere between 1 and -1 , the match is imperfect. The closer the value is to zero, the less related the two dimensions are likely to be.*

However, it is important to take account of the following notes of caution when looking at correlations in this study:

It must be emphasised that correlations never express causality. Any correlation that might be found between HDI and GNH, for example, should not lead us to infer either that an increase in HDI causes the rise in GNH, nor that high GNH results in an increase in HDI. Indeed, there may a third factor (or a combination of factors) whose increase might 'cause' both the GNH and the HDI to rise.

The extent to which a correlation is high is also highly affected by the number of pairs of data being considered. It is for this reason, therefore, that consideration was given in this research to those data-fields for which each country had a data entry. From the data available from the HDR, the total number of data fields which satisfied this requirement was 44 (out of an original 120 data fields).

Taking into account the above, the reader is advised to focus on the ranking of the correlations, more than on the actual 'r-value', since the data set sizes may not be identical - this is particularly true when reviewing data classified into geographical regions, where the numbers of countries considered ranges from 3 to 22.



For countries scoring low on the happiness scale (below 5½), an increase in human development appears to result in a small increase of subjective happiness as well (see circle 'A').

Interestingly, countries at the low end of human development countries (below 0.7) tend to score higher on the happiness index (see circle 'B').

None of the countries with a relatively high level of human development (of over 0.8) is very unhappy (i.e. scoring below 5 in Happiness) (see circle 'C').

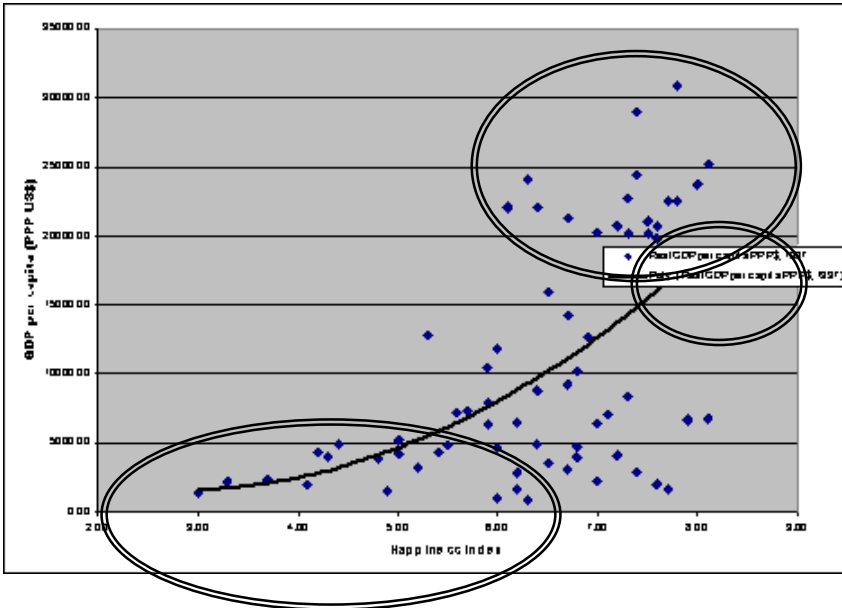
Since in the initial comparison of happiness with dimensions of human development, GDP has a reasonably high correlation, it seems worthwhile to examine the scatter diagram for GDP per capita in Purchasing Power Parity (PPP) terms as well. Again, a first analysis of the scatter diagram points to a number of possible relationships:

Again, at the lower level of GDP (below 8,000), happiness does not correlate strongly. It can be assumed that factors other than GDP play a dominant role (see below, circle 'D').

Above a per capita GDP of \$20,000, none of the countries captured by the surveys is extremely unhappy (i.e. none falls much below 6 in Happiness). One conclusion could be that if GDP does not necessarily bring happiness, it prevents you on a high level from being very unhappy.

However, a reverse causal relationship would also be supported: if your general level of happiness is high (above 6), your economic output tends to be much higher (see circle 'E').

Furthermore, there are no countries with a medium-level GDP and a very high level of happiness. This could indicate that through increased economic development, general happiness is unable to reach or maintain very high levels, until this transition period is overcome (see empty circle 'F').



As a next step, in order to explore subgroups within the countries where data is available, an attempt has been made by the authors to break up the 67 countries into groups, and to study correlation results. The results need to be taken with a pinch of salt, especially where the number of pairs of data is small, but they may suggest areas requiring more detailed study.

The authors primarily used data from the HDRs, but through an internet search, were also able to include some other transparency measures (such as transparency²⁰, press freedoms²¹). Then, only those measures for which data were available for each of the 67 countries were considered in this analysis. Thus the analysis was limited to 40 fields.

Firstly, the countries were split into two almost equal groups, with one group consisting of the top 34 in HDI, and the other of the bottom 33 countries. The correlations amongst each group between happiness and

²⁰ Transparency International, 2003

²¹ Freedom House, 2000

other measures given in the HDR were then carried out. It was found that in the bottom 33 countries, there were a larger number of high correlations between happiness and these measures; in the top 34 countries, the correlations tended (a) to be weaker and (b) to be different in nature:

List of measures which, when correlated with Happiness, revealed coefficients above 0.50, for "High" HDI countries, and for "Low" HDI countries:

Transparency - 2003 international corruptions perceptions index	0.58
Women in government, At ministerial level %, 1996	0.58
Real GDP per capita PPP\$, 1997	0.52
Population aged 65 and above as % of total, 1997	-0.76
Total fertility rate, 1997	0.72
Population aged 65 and above as % of total, 2015	-0.71
Female economic activity rate age 15, Index, 1985=100, 1997	0.69
Dependency ratio %, 1997	0.67
Under-five mortality rate per 1,000 live births, 1970	0.67
Real GDP per capita PPP\$ rank minus HDI rank	-0.61
Electricity consumption, Per capita kilowatt-hours, 1996	-0.61
Female economic activity rate age 15, Rate %, 1997	-0.60
Women in government, At ministerial level %, 1996	0.60
Female economic activity rate age 15, As % of male rate, 1997	-0.60
Main telephone lines, Per 1,000 people, 1996	-0.59
Dependency ratio %, 2015	0.59
Televisions, Per 1,000 people, 1996	-0.59
Adult literacy rate %, 1997	-0.58
Education index	-0.56

From the above table, it can be seen that in the high HDI group, there were no correlation coefficients above 0.6 between Happiness and other measures given in the HDR. In the low HDI group, however, eleven correlations were above 0.6, of which three were higher than 0.7.

It is also interesting to note that the three highest correlations of happiness for high HDI countries (of transparency at 0.58; women in government at 0.58; and real GDP per capita at 0.52) scored amongst the very lowest in the low HDI countries (-0.02, 0.40, 0.16 respectively). Conversely, the top three correlations for the low HDI countries (population over 65 in 1997 at -0.76, total fertility rate 1997 at 0.72 and population over 65 in 2015 at -0.71) were amongst the low correlations of the high HDI group (-0.10, 0.32, and -0.13 respectively).

The greater number of high correlations in low HDI countries may indicate that those countries do not have the luxury to choose their means to happiness; while, high HDI countries, no longer worried, perhaps, by comparatively unimportant differences in HDI measures, can diversify in their expressions of happiness.

Furthermore, it is worthwhile to note that for low HDI countries, there are some very surprising correlations. The correlation of happiness with education index in this group, for example, is negative, at -0.56 . It is also negative for adult literacy (-0.59), for number of televisions, and number of telephones per 1000 population (both at -0.59). It is negatively correlated to HDI 1997 (-0.32), life expectancy index (-0.22), and has very low correlations with GDP index ($+0.11$) and GNP per capita, 1997 ($+0.05$).

Similar patterns emerged when the countries were grouped according to their GNP per capita in 1997, as illustrated below.

List of measures which, when correlated with Happiness, revealed coefficients above 0.50, for "High" GNP countries, and for "Low" GNP countries:

Transparency - 2003 international corruptions perceptions index	0.69
Real GDP per capita PPP\$, 1997	0.66
GDP index	0.64
GNP per capita US\$, 1997	0.60
Population aged 65 and above as % of total, 1997	-0.77
Population aged 65 and above as % of total, 2015	-0.72
Female economic activity rate age 15, Index, 1985=100, 1997	0.71
Total fertility rate, 1997	0.70
Women in government, At ministerial level %, 1996	0.67
Dependency ratio %, 1997	0.66
Female economic activity rate age 15, Rate %, 1997	-0.63
Female economic activity rate age 15, As % of male rate, 1997	-0.62
Electricity consumption, Per capita kilowatt-hours, 1996	-0.61

It is noteworthy that amongst the top four high correlation factors for happiness in the high GNP countries, three related to economic status (GDP and GNP), and one to transparency, but these features were not found in the low GNP countries. The high correlation factors for low GNP countries again showed some unexpected large negative correlations.

Happiness and Culture

In their paper “Genes, Culture, Democracy and Happiness”, Inglehart and Klingeman²² looked for patterns and groupings in scatter diagrams of HDI and Happiness. The ex-communist countries seemed largely to fall together, as did the traditionally protestant countries. The authors use this as an argument that culture does indeed matter. However, unless further data is obtained from other countries (e.g. more Muslim countries, more African countries, more low-development countries) then it is hard to judge to what extent these groupings are in fact based on political ideology, on religious traditions, on geographical location, or, even, on the most commonly spoken international language used there.

Assuming that geographical categorizations somehow reflect cultural difference, the authors categorized the countries with relevant data broadly on a geographical basis²³. In each category, happiness was correlated with the other measures given in the HDRs, and the highest correlations were identified.

Since the number of data sets varies between regions, the absolute values of the correlation coefficient are of less relevance. However, the ranking of correlation coefficient values reveals pointers to possible regional variations, summarised below:

Geographical Region	Areas showing high correlation with happiness (in approximate order of strength of correlation)
Africa:	Economic factors, gender issues
Asia (excl. Russia):	Economic factors, education, mortality
South America:	Mortality, economic factors
Central America:	Gender issues
Eastern Europe & Russia:	Economic factors, mortality
Western Countries:	Transparency, economic factors, press freedom

Thus there may indeed be differences geographically (and, one might assume, culturally). It also could suggest that there are differences both in extent and nature when comparing high income countries with low income countries, or high development countries with less developed countries.

Recommendations for Further Study

The above findings have to be taken very cautiously. It became clear during the course of this study, that data to which the authors had access

²² Inglehart/Klingemann, 2000, p.168.

²³ The groups were as follows: Western Europe, USA, Canada & Australia (total 22 countries); Eastern Europe and Russia (19); Central America including north coast areas of South America (10), South America (8), South & East Asia (5), and Africa (3).

was severely limited. This may be a failing on the authors' part to access all the relevant data through the internet; or it may be that the data is not yet existent.

In the light of these preliminary findings summarised above, the need for more data from more parts of the world becomes very apparent. It is suggested that the following should be done, to assess with more confidence the extent to which regional, cultural, historical or religious aspects may impact on the relationship between happiness and development.

There are a number of tasks which will need to be taken up before GNH can be operationalised as a universalisable measurement for development.

There is, most urgently, a need for more data, and for these data to be drawn from a wider range of countries. Analysis of any commonalities across countries could then be attempted to assess the extent to which specific factors, or groups of factors, might be involved, thereby enabling one to deduce the extent to which culture, history, geography, climate, language-group, race, religion, etc. may be significant factors.

It will also be useful to assess the extent to which there are disparities in happiness ratings within a country. For, if the variations found between countries are small when compared to those variations amongst respondents within a country, then this would severely undermine the hypothesis that national culture is a key factor. It might turn out that groupings across countries, separating e.g. the rich from the poor, could be a more valid division into sub-groups.

Finally, we should note the challenge that governments already face in assessing the development needs of a village community (and, indeed, of a whole country), and should ensure that the same difficulty does not arise if focusing on GNH as a development goal. The need exists for thorough happiness-needs-assessments. It is therefore suggested that any further data collection on happiness could be combined with a survey of people's perceptions as to what changes in their lives might increase or decrease their happiness (life-satisfaction). Thus, as a means to address those challenges raised above, it is recommended to broaden the survey when assessing life-satisfaction across the world: as well as asking respondents to score their overall-life-satisfaction, might it not be valuable to ask some follow-up more open questions which may inform governments on respondents' perceived priorities with respect to enhancing their happiness. This data could then be used both as a tool for designing effective national and local plans, but could also be valuable data (if carried out in many countries) from which any cultural/regional differences and/or similarities can be deduced.

If we can achieve a universally accepted and universally applicable way to measure the National Happiness of a country, then there is a high chance that Happiness can become a respected measure of a government's success in addressing the needs of its people, and may indeed become a key

component of future development indices. In addition, once more data becomes available on the varying needs of sub-groups of the world's population (whether these sub-groups are defined (a) according to country, region, religion or culture, or (b) according to factors which might cross national or regional boundaries, such as slum-dwellers worldwide, urban elites worldwide, etc.), then governments can be equipped with the necessary information which can enable them to devise specific happiness-enhancing programmes for those sub-groups.

Through this mechanism, one can develop a wide range of genuinely needs-based development assistance carefully targeted to the beneficiary groups, yet at the same time have a universally applicable measuring stick of Gross National Happiness. Thus, country A can seek to raise its GNH score by 20% within the next five years by building temples, and country B can aim for the same growth in GNH by supporting literacy programmes for remote villagers, and sports facilities for urban youth.

Bhutan, given its unique position of already working towards having Happiness as the basis for development planning, might be in a good position to take a leading role in this challenging work.

Conclusions

The data which the authors were able to access was limited, and recommendations regarding this have been made. Measuring happiness is still a young science, and correlations, even when the statistics are beyond refute, have to be understood for what they are - indications of relationships, and offering no guidance on causality.

Taking this on board, there are a number of observations and conclusions which this study has been able to offer:

Gross National Happiness (GNH) is different from Development and HDI (Human Development Index):

They are defined differently;

Correlations between Happiness and HDI, and the components of HDI, are not strong.

Happiness is measurable, and as more data is gathered from sub-groups within countries already measured, then these measures can become better accepted.

Plus, taking into account the very limited data available from much of the developing world, our findings suggest that the gathering of more data, particularly from more countries in the developing world, might yield more significant results.

Analysis of data on 67 countries suggests that there are significant differences in which aspects of development correlate most highly with happiness, and these variations appear to be dependent on (a) whether HDI is high or low; (b) whether GDP/GNP is high or low; and on (c) the geographical location of these countries.

The concept of GNH does have the potential to be a future element of, or even a substitute for, HDI.

Indeed, the concept of GNH is an exciting one, and has potentials well beyond the borders of the Himalayan Kingdom of Bhutan. It is anticipated that, as more data is obtained, both in the extent of its detail, and covering more countries of the world, the potential exists for Gross National Happiness to be truly operationalised.

Operationalisation of Gross National Happiness is something that needs to be supported, not just for the benefit of the Kingdom of Bhutan, but through the fact that GNH may very well become a very real factor in development thinking across the world.

As to the question given in the title of this paper, "National Happiness: Universalism, Cultural Relativism, or both?" - the conclusion is that for National Happiness to be effective, it can, and should, accommodate both the need for a universally applicable measure, and the requirement for the means to achieve this happiness to be defined in the context of the relevant culture.

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Adding Spirit to Economics

SULAK SIVARAKSA

In a time when inequality and exploitation dominate our society, there are now movements across the world for peace, social justice and ecology. There are inspiring stories of people applying their ingenuity to protecting nature. In Siam, Buddhist monks preserve forests by ordaining trees into the priesthood. In Thai culture, ordained persons are much respected, so the trees are protected. Such creative resistance is also seen in the struggles of indigenous groups against deforestation and the damming of rivers; in the struggles of local farmers against biotechnology, and countless other examples of people making a stand - however small. These struggles are full of passion, and need to be better integrated. Their common agenda must be firmly placed on a non-violent and spiritual path. This is the only way they can overcome the violence and destructiveness of the dominant world order.

It is abundantly clear that the material benefits of modernization and Westernization are unfairly distributed to the people of the planet. Industrial capitalism has been built upon the violence of conquest, genocide, slavery, debt and bondage. Extermination continues today, especially that of indigenous and ethnic people.

Inequality and exploitation lead to tension and conflict. Although many conflicts are expressed in ethnic terms, the underlying issues are often class based and rooted in the social structures of the global economic system. As social disparities and resistance increase, people have to be managed more and more through violent repression. Thus, we have a situation where the global economy is predominantly a military economy and the world's leading nations are producing the weapons perpetuating the situation.

A Buddhist Response to Global Development

To counteract these global forces, we need to walk a different path from the one offered by capitalism. The teaching we need in order to walk this path already exists. The challenge facing humanity is not the development of more and more technology, markets and bureaucracies but the spiritual development of wisdom and compassion. From the Buddhist viewpoint, all the suffering is directly or indirectly linked with greed, hatred and delusion.

Today, greed is clearly personified in capitalism and consumerism. Human beings are taught to worship money, worldly sciences and technological advance, at the expense of human development and the spiritual dimension of men and women.

Descartes said *cogito ergo sum* - 'I think therefore I am'. I feel that he started the Western dilemma that has now come to the core concept of consumerism, which says 'I buy therefore I am'. Without the power of purchasing, modern people become nobodies.

In Buddhism, we could say 'I breathe therefore I am'. We breathe in for the first time as we enter the world from our mother's womb, and we breathe out the last time when we expire from life. Yet we do not take care of our daily breathing, we breathe in suffering, anxiety, hatred and greed. You do not have to believe in Buddhism. If you are a Christian, you can breathe Christ into you and be happy. Through breathing exercises, we can be mindful and synchronize the head and the heart. We will then have understanding and compassion rather than arrogant intellectual knowledge. We can have a personal transformation, become less selfish and care more for others. We can also develop critical self-awareness and awareness of social ills, in order to find our true potentiality to face suffering both mentally and socially.

The central teaching in Buddhism is the Four Noble Truths and the first Truth is the Truth of Suffering. If one avoids that, one cannot really practice Buddhism. Global development today seems to be a celebration of a way of life that not only leads away from this Truth, but also discourages people from even believing this Truth exists. Global development springs from a civilization that claims to adore life, but actually starves it of any real meaning - a civilization that endlessly speaks of making people 'happy', but in fact blocks their way to the source of real peace and happiness.

From a Buddhist perspective, for human beings to live happily there must be freedom on three levels:

The first freedom is the freedom to live with nature and the environment. We could call this physical freedom. This is freedom from want and deprivation: an adequate supply of the four necessities of life - food, clothing, shelter and medicine. This also includes freedom from natural dangers and the ability to deal with such dangers when they arise.

The second freedom exists in our relationship with fellow humans. We must have social freedom so that we can live safely together without being exploited by others.

But these two kinds of freedom will not be truly effective if they are not connected to inner freedom - this is freedom on the personal level. Having physical and social freedom, people must learn how to live independently, to be happy and contented within themselves.

Connecting Inner Freedom to Social and Physical Freedom

The most important kind of development is human development on the personal level leading to inner freedom. This is a happiness that is independent of externals; with it we are no longer dependent on exploiting nature or our fellow beings. We become more and more capable of finding

contentment within our own minds and through our own wisdom. The ability to be content without exploiting nature or our fellow humans can also be called the ability to be content independent of natural or social conditions. With a more independent kind of happiness, social and physical freedom will be preserved and strengthened. Human beings will then have the best possible relationship with both the natural environment and human society.

From the Buddhist standpoint after the Truth of Suffering, one must go on 'to the Second Truth: the Cause of Suffering, which is greed, hatred and delusion. If we could overcome these, through the Noble Eightfold Path, or other non-violent means, we can really achieve the other two Noble Truths: the cessation of suffering and the way to achieve the cessation of suffering.

The Buddhist tradition itself contains a wealth of pertinent insight into exactly these issues. It is highly appropriate and indeed crucial that those Buddhists who are concerned with the welfare of humanity, spiritual, political, environmental and social, should join together to try and utilize the wisdom of the Buddha in a socially relevant way; by *initiating alternatives to the mainstream*.

A Buddhist contribution to making our global society more peaceful and fair can draw on, broadly, two main strands of its tradition. First, an analysis of structural violence using Buddhism's rich tradition of exploring the roots of selfishness and violence within human individuals. Progressive Buddhists have been applying these teachings to social issues with increasing creativity, depth, and practical clarity. *Concurrently, the Buddhist ethical tradition has always challenged the status quo of economic, political, and cultural power values and structures.* The Buddha actually never referred to his teaching as being one that is entirely intellectual or entirely moral. He often referred to his teaching (*Buddhadhamma*) holistically as *Ariya-Vinaya*, 'Noble Discipline.' In this sense 'noble' not only means 'high' or 'great' but all-encompassing. The concept of *Ariya-Vinaya* (Noble Moral Discipline) applies both to the monastic lineage and the lay people.

It is this kind of balanced approach that is also demonstrated in the engaged Buddhist movement. This movement is applying spirituality, which has an element of intellectuality, of knowledge and personal salvation or wisdom, to social issues, the practical and tangible. This includes solidarity based on compassion and the appreciation of diversity. This solidarity amongst Buddhists and the actions arising from it will be used as a launching point of an investigation of the idea of *Ariya-Vinaya* from the teachings of the Buddha.

“Socially Engaged” Initiatives Laying the Path for a Better World

One of the main projects I am involved in, initiated through consultation with HH Dalai Lama, was inspired by this idea of “Noble ethical discipline.” With help from His Holiness we are presently engaged

in a progressive series of dialogues with Buddhists from various traditions, expanding to Buddhist lay persons and then to other world wisdom traditions. This effort is appropriately called Ariya-vinaya.

The International Network of Engaged Buddhists (INEB) represents the first effort ever to link together socially engaged Buddhists worldwide. INEB deals with alternative education and spiritual training, gender issues, human rights, ecology, alternative concepts of development, and activism. Despite being primarily a Buddhist network, INEB nevertheless has interfaith elements and seeks to consolidate the communities of those holding the same values and tenets of Buddhism worldwide.

Another important project we are working on is the 'Spirit in Education Movement' (SEM). In this complex world in which spiritual and environmental diversity are being worn away, there is little time and thought for education for the heart and soul mainstream education in the West concentrates on the intellect and is becoming more and more business-like and competitive. As the Eastern countries jump gaily onto the consumer bandwagon, their education systems are beginning to emulate the narrow, unconnected fields of Western education.

The Spirit in Education Movement was founded by several prominent alternative thinkers to counteract the negative trends of Western education. From humble beginnings in Siam, working in rural communities, it is founded on the philosophy that education must be spiritually based, ecologically sound, and must offer a holistic view of life. The philosophy is underpinned by Buddhist wisdom and green principles, but also welcomes and associates with other spiritual and ecological wisdom. We aspire to create an environment to awaken Buddha nature and cultivate wisdom as well as the intellect. We aspire to benefit people by increasing individual and collective confidence in their traditional wisdom, skills and heritage. We hope to move individuals from selfishness to compassion, from a lack of meaning in life to fulfillment, and from negativity to positive thinking. We link together action, meditation, art and intellectual learning, within a friendly, nurturing, happy learning environment in spiritually rich places close to nature.

Despite all the suffering in the world, we know there is a way to transcend and see beyond it. Investigating and envisioning new and creative ways to achieve structural changes in our world that will bring about this transcendence must be a key part of a global strategy for positive change in human development. Bhutan is taking a lead in this regard in its efforts to operationalize *Gross National Happiness*. The tools and knowledge are already here within our spiritual, social, and academic systems, but a concerted effort is needed to bring them to bear on the social ills of our world. In addition, the course of such an effort will naturally bring together the entire global Buddhist community, which comprises an immense diversity of people and traditions. The meetings today in Bhutan are an

important first step towards the eventual goal of establishing and furthering dialogue on new systems of indicators that measure human wellbeing, perhaps the best hope humanity has for creating structural changes that will lead to a permanent, peaceful and fair global society. Buddhism can be the path whereby we might not only engage ourselves in the process of liberation, but also might work towards the liberation of all others.

Operationalizing Gross National Happiness

Now on to the reason we are all here today. When His Majesty King Jigme Singye Wangchuck proclaimed, "Gross National Happiness is more important than Gross National Product... [because] happiness takes precedent over economic prosperity in our national development process," I knew that Bhutan was truly embarking on a promising new path, and one that the rest of the world might do well to follow. In such a national policy, it is easy to see the influence of Buddhism. I believe it is a groundbreaking, possibly Earth changing, policy that is coming none too late.

The question is how to operationalize it.

In trying to work through many of the conundrums in operationalizing GNH, one stumbles into a number of quagmires. These problems are what have kept the ground between the economics and spirituality camps so long divided. However, it does not have to remain this way. Bhutan is a pioneer in showing the world that it does not have to limit itself to solely economic pursuits. It is my suggestion that the operationalizing of Gross National Happiness (GNH) be thought of in its first few years as a trial, or an experimental stage. In this way, the process of measurement could be tweaked and modified, or outright overhauled. It should even be possible to engage alternate forms of measurement while inaugural forms are running. By following such a logical plan, the project as a whole never remains at risk of abandonment with the inevitable arrival of criticism or cynicism. The GNH project is one that is worthwhile for the history of humanity, and an experimental phase should involve the kind of risk-taking that will allow it to succeed and, in so doing, break new ground for developing the kind of yardsticks by which we judge ourselves.

Confronting the Quagmire

In measuring happiness, the biggest question to me seems to be whether or not you define happiness for the people whose happiness you are measuring. My inclination here is to say "no" and to recognize that happiness can take many forms, can arise due to a variety of reasons, is not static, and does in fact change over time. If you define happiness for people, then some criteria that at least some people consider critical in forming their overall experience of happiness will inevitably be left out.

The problem with not defining what is happiness is, of course, that from a Buddhist perspective, you are left with no guard against

consumerism—that people’s happiness may come to depend more and more on simply consuming more material goods, which leaves out the more subtle spiritual, cultural, and social domains. This will not lead to any happiness that is lasting and will, in fact, only undermine society’s will to be happy without these things we are told we “need” by marketers.

Keeping it Simple Versus Getting More Complex

Buddhism places value on simplicity. For the purposes of operationalizing GNH, I can think of no better place to keep things simple than in a survey. Of course, many people recommend different surveys as a way to measure happiness; it is not a new idea. In fact, several successful and internationally recognized “happiness” surveys have been done around the world, by such institutions as the *New Scientist* magazine and the University of Michigan’s World Values Survey. We might learn from these examples and devise a “happiness” survey that is in accord with social science parameters. Of course, since we are surveying mostly Buddhists we should be careful not to get too complex and confuse or obfuscate the issue; remember Buddhists value simplicity. Much better, it is, to keep things simple and focus directly on the issue.

Opponents of happiness surveys will argue that they are, of course, too simplistic and fail to capture many important components that would be integral to both understanding some sentiment of public happiness, as well as inform government in a good and appropriate manner, so that it can confront the obstacles to public happiness appropriately, where possible.

Of course, the survey method is not perfect, and it could even complicate the government’s objectives to promote the common good, or happiness, of all. For example, the king has said that the ultimate purpose of government is to promote the happiness of the people. What if the values of the people, perhaps due to the introduction of outside influences, begin to clamor for things in the name of happiness that are traditionally unacceptable? What does the government do then? These sorts of questions lead into an interesting and important discussion about the value of looking at happiness in the short-term versus the long-term.

Buddhist societies, because of the classic importance of karma and reincarnation in the religion, tend to view things in the long-term. In Siam, great tragedies can occur and merit hardly the blink of an eye. For example, when misfortune befalls an individual, the attitude is often, “*mai pen rai*,” or “never mind.” The tragedy that occurs in the present is simply not lasting; the pain will soon pass. Such attitudes are not restricted to Siam but can be found widespread in many societies, especially those with a strong belief in karma.

The great strength of this view is something like an eternal patience and accompanying perspective that sees things in the long-term. Western critics will, of course, lament the terrible fatalism that shadows this kind of

perspective. These critiques are not completely without merit. When people care less about what happens to them in this life, because they presumably have many more to lead after this one, the result is a disempowerment and disengagement in working hard to make positive changes in the present life. Socially engaged Buddhism attempts to rectify this situation by focusing on the good that can be done in the present moment.

The important thing to take out of this discussion of the long view of many societies is that happiness can be seen in the short-term and the long-term. Consumerism borne in the West has tried to inculcate an increasingly short-term view in all of its adherents. Pleasure, satisfaction, and any other desires or wants demand immediate gratification. Unfortunately, the same mass media that dominates the West and is increasingly penetrating long distant kingdoms like Bhutan reinforces this “need” to see things always in the short-term.

So another key question facing Bhutan is: what happiness does the government seek to measure and cater to—a short-term one or a long-term one?

The two need not be mutually exclusive. One might, for simplicity’s sake, think of short-term happiness being delivered chiefly by material goods (since we can enjoy them only in this life), and spiritual, cultural, and social experiences promoting a longer-term happiness. The key here is to realize that both elements – short-term and long-term, material and other – are integral components in that great formula which makes us happy.

The question becomes one of balance: how to balance the needs on the material level with those on the spiritual, cultural, and social? Clearly, provision of basic social services goes a long way in satisfying the needs of the material level. But the satisfaction of spiritual, cultural, and social levels are much more personal concerns. Not that government cannot play a role in promoting happiness in these areas, as the Bhutanese government clearly has in such activities as building community theatres where Bhutanese plays are performed, but the government can perhaps only act in these areas to enhance the spiritual, cultural, and social satisfaction of people through provision of material needs here.

Paying Attention to Relative or Purely Subjective Happiness

Another problem to deal with in operationalizing Gross National Happiness is how to deal with the “relative versus purely subjective” dilemma. Recently, an article in the *New Scientist* magazine declared Nigerians the happiest people on the Earth, followed by Mexicans, and then Venezuelans. Russians, Armenians, and Romanians clocked in as the least happy people on Earth. Interesting to note was that the United States, widely considered to be the richest and most materialist, consumption-oriented society on the planet clocked in at number 16. This would seem to indicate that money plays at least a mixed role in encouraging happiness.

But if one takes these results seriously, then one has to note that the happiness leaders are not the richest countries in the world. Indeed, some are the poorest (and, it should also be noted, that some of the poorest are some of the least happy).

Should Bhutan pay great attention to where the happiness of its people sit in great global surveys? Or should the government pay attention *only* to whether its people are happy or not, period, irregardless of where its international happiness ranking lies? Both seem important to some degree. However, it is easy to see how one could get caught up in global happiness rankings in some misguided effort to keep up with the Jones'. A Buddhist approach would seem to place greater emphasis naturally on subjective happiness, without being caught up in the happenings of the external "other."

This leads into a great discussion, I think, about the nature of these surveys that will try to determine Gross National Happiness. Clearly, a quantifiable measure is desirable in the sense that it allows for one to capture numerically what the Gross National Happiness is. However, if it is found that the Gross National Happiness in 2004 is 19,210 units, really what does this mean? Is this not a useless measure?

It seems more important to me that we keep our eyes on the target—that is, measuring people's happiness, which is really whether they are happy or not—and not getting too seduced by the dominant paradigm of economics. This is not to say that some economists' tools or approaches will not help us in measuring happiness, just that we do not immediately need to be thinking of ways to quantify happiness. That will come with time.

Creating a More Complex Formula for Measuring Happiness: An Alternate Approach

Should "happiness" plain and simple be measured? Alternatively, should a number of more specific proxies serve as indicators of happiness?

Having a number of proxies serve as indicators of happiness at first seems counter-intuitive. Why measure something other than happiness, if what you are trying to get at is, in fact, happiness itself? Opponents of measuring happiness by itself would argue that happiness by itself is just too difficult, and one cannot hope to get a good and accurate measurement of such a slippery concept. So, if that is the case, a number of excellent proxies that, when taken collectively together amount to a good measure of happiness, are the next best thing. In a way, opponents would argue, they might in fact be better than measuring "the real thing."

Such proxies might measure the following:

The degree of trust, social capital, cultural continuity, and/or social solidarity in a society

The general level of spiritual development and emotional intelligence in a society

The degree of satisfaction of basic needs – access and ability to partake of basic health care and education

The level of environmental integrity in a nation– including species loss or gain, pollution, rainforest destruction, etc.

Such an approach essentially defines happiness for those who are surveyed, though they may not know it when being surveyed about these various proxy measures.

There are problems with measuring each of the aforementioned example categories. In the area of social capital and interpersonal trust, social scientists are only just beginning to create good measures to be able to ascertain respective levels of these indicators in society. In my view, I am hesitant to prescribe basing a measure of happiness on a proxy measure that is itself still in development. Cultural continuity and social solidarity are very difficult things in themselves to measure, and it does not make sense to use them as a partial base for something else difficult we are trying to measure. Additionally, in the area of cultural continuity/social capital, one has to figure out how he will deal with the issue of diversity. Cultural continuity seems, by definition, to be at odds with diversity as a value. Yet, I would hesitate to give primacy to cultural continuity/social solidarity over diversity here. The two need not and, in my view, should not be thought of as mutually exclusive this way. To do so is, or at least can be, dangerous.

Ken Wilber and Don Beck are two philosopher psychologists who have done work in the area of uncovering paths or maps of spiritual spaces and experiences. These maps can be used to create effectively charts for spiritual development. By applying descriptions of these different levels, one could survey and find out, in general, the level of spiritual development of a society. This approach, however, raises many questions. For example, what happens if someone has a genuine spiritual experience that is off Wilber's charts? How can that be categorized? Also, what kind, if any, long-term damage might be done to the psyche of a society from its spiritual experience constantly being monitored and evaluated? I, for one, might object to my own spiritual experience being monitored and categorized. And if it was categorized, I might not agree with it. Hence, it is easy to see that monitoring and evaluating the important spiritual aspects of society becomes difficult, not to mention the fact that such monitoring and evaluation might actually promote the kind of "spiritual materialism" that Chogyam Trungpa so charismatically railed against!

The degree of satisfaction of needs is a much easier proxy of happiness to measure – and to some degree the government already does so, in finding out the percentage of people with access to basic education, health care, and safe water. The question that arises within this category is whether such questioning should go beyond just the satisfaction of basic needs, since satisfaction of more "frivolous" needs can contribute to happiness also. The contributions of satisfaction in luxury areas seem important enough not to

be left out completely, but also not important enough to be focused on totally. To do so would lead us right back into the consumption trap that GNP, a mere cash flow model, already has us in. Therefore, I suggest, if a complex approach to measuring happiness is taken, that it take into consideration only satisfaction of truly basic needs. However, the government will have to tread very carefully in this area for the reasons mentioned.

Environment has long held an important priority in the public policy arena here in Bhutan. Sixty percent of the land is protected forest. Another 26% is protected land. Given such a great commitment to the environment (a value held by the people), it makes sense that a measure of environmental integrity be inputted as a value into the formula for calculating the overall Gross National Happiness in this more complex approach. Percentages of protected land might be a starting point in such a calculation, but a way should also be found to incorporate measures that account for loss of quality in the environment, such as level of pollution and species loss, which should be of paramount consideration.

Concluding Remarks

A final question involves whether GNH will serve as an ideal, or an actual target. This seems a strange question to ask after a long exposition on how precisely to operationalize the concept of GNH. As now, it serves as a good and important ideal in Bhutan. When asked questions by the international media, officials proudly answer that Bhutan does not follow Gross National Product, but Gross National Happiness. However, operationally, this does not yet mean anything.

So, currently in Bhutan, GNH is an ideal, something to live up to, rather than something that actually exists. We are trying to find ways to make the ideal a target, to operationalize it. But, can happiness be measured? If it can be measured, can humans avoid the pitfalls of becoming disgruntled because this year's happiness is less than last year's Gross National Happiness. I suspect, once GNH is successfully operationalized and other countries come to follow Bhutan's fine leadership, that this will be the biggest problem with such an indicator. It may actually make those who monitor it unhappy from time to time and invoke a race to become always increasingly happy that is not possible. How familiar a trap would that be to the current one with humans running like rats in the "rat race" chasing money all the time! The key, of course, is to create the proper mental and emotional space between us and our indicators, so that they become instruments of liberation and not instruments of control. To do that, we must fall back and rely on the teachings of the Buddha: awareness, compassion, and true seeing.

Thank you for this opportunity. I look forward to seeing where fruitful discussion on these topics takes us.

Happiness in the Midst of Change: A Human Development Approach to Studying GNH in the Context of Economic Development

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Contemporary theories of economic development have concentrated on socioeconomic and epidemiological indices of development to the exclusion of issues of psychological and spiritual development. Yet, economic development without attention to individual human development may produce increasing wealth but decreasing happiness. The construct of Gross National Happiness (GNH), as the real measure of success in a developmental endeavor, is intended to serve as a corrective to the exclusive concern with materialistic indices of development. Development has intangible as well as tangible aspects. No theory or measurement of development can be complete without both. Naturally, the assessment of the intangibles is more subtle and difficult. However, that does not render it impossible.

We will first briefly address some of the tangible indices of development that must be considered crucial to GNH. Then, we will survey some of the relationships between economic development and subjective well-being in economically developed societies. We will then critique the contemporary psychological conceptualization of happiness as a rather narrow product of utilitarian philosophy. We will contrast this theory with the Buddhist theory of happiness, showing the close relationship between happiness and wisdom. We will continue with an assessment of the kinds of psychological changes that typically accompany economic development, especially individualism, concluding with a measurement model that could be used to monitor change in individual well-being during a period of rapid economic growth.

Tangible Requirements

Without question, GNH requires low infant and child mortality, universal access to health care, a high level of literacy, and access to gainful employment (Werner, 2003, personal communication). Full membership of women in all aspects of community life is also central. Extreme disparity in wealth is a source of abuses of economic power and of resentment of the "haves" by the "have nots" and must also be avoided. Environmental health based on harmony of humans in nature depends crucially on the maintenance of a sustainable population. On a somewhat more intangible level, GNH requires a sense of community inclusive of diversity. The present era offers more than sufficient evidence of the tragic consequences of ethnic and religious conflict. It seems likely that a balanced life, not solely

concentrated on economic activity, is important for GNH. The U. S. has unprecedented material abundance but some have suggested that it has been purchased at the cost of free time and community participation (Johnson, 1978).

There is no society that completely meets even these, more or less, tangible requirements of GNH. Certainly, the U. S. fails with respect to universal health care, disparity of income, and, to some extent, community in diversity, harmony with nature, as well as balance in life between economic and other pursuits.

Materialistic theories of well-being assume that progress in the production of material wealth and technology will automatically serve to create subjective well-being (SWB). However, effects of material wealth on SWB appear to be mixed at best. In a meta-analysis of studies of the relationship between income and SWB, Cummins (2000) found that income was an important predictor, especially for poor people who presumably were undergoing objective privation. He also found that the effect of income on SWB was generally not present for those who had entered into a state of low income intentionally (eg. college students, former urban residents who have gone back to the land). However, a number of studies have indicated that, in fact, psychological distress, as well as diminishing SWB, can be found in the context of economic growth and wealth.

Happiness In The West

Increasing wealth has conferred great benefits on western industrialized societies, including high levels of health care, education, and employment. Western societies have also made great progress in advancing human rights. However, there is evidence that economic development, especially increasing per capita wealth, has been achieved in Western societies at some cost to individual well-being. The statistical abstract of the United States (1995) reports that between the years 1940 and 1990 income rose steadily in the U. S. and the index variable "very happy" decreased commensurately. In Europe, income increased fourfold (measured in constant 1990 U. S. dollars) between 1930 and 1990, but satisfaction, first assessed in the late 1950's, remained constant (Myers, 1992). Specific indices of psychological suffering have also showed some unfavorable trends. Twenge (2000) found that trait anxiety has increased in the United States over the past half century. Preliminary analyses from the University of California, Davis Longitudinal Study confirmed that succeeding age cohorts have progressively higher levels of trait anxiety.

At the same time, the rate of depression has increased even more dramatically (Buie, 1988). Kessler, McGonagle, Zhao, Nelson, et al. (1994) found that 20% of the American public would be eligible for a diagnosis of major depression. We simply do not know how this compares with depression prevalence in the rest of the world. Weissman, Bland, Joyce,

Newman, et al. (1993) found that successively younger cohorts of Americans have increasing prevalence of depression. In the US satisfaction with marriage, job, and place of residence have all declined between 1973 and 1994 (Lane, 2000). Increase in material wealth and the decrease in some important aspects of well-being have been paralleled by a change in values with a dramatic increase in valuing material wealth at the expense of valuing a meaningful life (Sax, Astin, Korn, & Mahoney, 1998).

We can conclude that a degree of material wealth is important for SWB but excessive attention to the acquisition of material wealth appears to be associated with decreases in SWB. At the very least, there is little indication that, beyond the provision of basic needs, increasing wealth increases SWB.

Utilitarian Approach To Happiness

Even though both Aristotle and His Holiness the Dalai Lama (1998) stated that happiness was the goal of all human endeavors, we still don't know what it is. Veenhoven (2001), in constructing a world database of concepts and measures of happiness, restricted the content of this database to constructs and measures consistent with a utilitarian philosophical perspective. For him, happiness is defined as the "degree to which an individual judges the overall quality of his/her life as a whole favorably" including pleasant affect and "contentment (perceived realization of wants)" (Veenhoven, 2001, p. 35). He explicitly excluded measures that have anything to do with a meaningful life. All considerations of meaning and consequences of acts or modes of being associated with happiness are ruled out. What remain are simply reports of happiness over the short or long term. Veenhoven only considers present happiness with life as a whole as an uncontaminated assessment of happiness. The problem is that it actually does not tell us anything about the nature of happiness and, in the best positivist tradition, it divorces happiness from value. From this perspective, the happiness of the Dalai Lama is the same as the happiness of a career criminal. This signals serious limitations to utilitarian/mechanistic approaches to happiness.

From a utilitarian viewpoint, the "pursuit of happiness" has no surplus meaning related to levels of maturity. Even though Veenhoven takes the perception of longer term well-being as a better measure than mere immediate pleasure, the immature good feelings resulting from the gratification of one's own wants are no different from the happiness resulting from providing food for starving people.

The conceptualization of happiness is much influenced by issues of measurement. Because happiness has been studied by psychologists, who have been steeped in the theory of traits, it is typically assessed as a trait. In general, psychological studies have found that SWB is very much influenced by hereditary temperament (Tellegen, Lykken, Bouchard, Wilcox, Segal, & Rich, 1988). Indeed, expressions of positive affect may well

be more strongly associated with temperament than with anything else. If happiness is merely positive affect, then there may be little that can be done to enhance it, aside from simply eliminating poverty. However, as noted above, the fact remains that even trait measures of unhappiness (e. g. anxiety and depression) have shown signs of variability not easily attributable solely to hereditary temperament. That is, it is unlikely that genetic risks for anxiety and depression have changed much in the course of the last half-century. Even happiness as measured by SWB (mainly positive affect) can be influenced by demographic variables such as income, age, and sex although these effects are rather small. Perception influences happiness much more than does demographics, including income (Diener, Lucas, & Oishi, 2002).

It appears that, from a utilitarian, individualist perspective, happiness is an endogenous (hereditary temperament) variable and/or an affect added to experiences of satisfaction of wants.

It is noteworthy that, from a Buddhist perspective, wants can never be satisfied. They simply increase with satiation. This “hedonic treadmill” (cf. , Lane, 2000), while fueling economic growth, is regarded by Buddhist psychology as a source of suffering. Increases in measures of subjective ill being in the context of unprecedented satisfaction of wants lends credence to this view.

A Buddhist Approach

Buddhist psychology emphasizes suffering and its causes as well as the cessation of suffering and the path to such cessation. While Buddhism does not offer an explicit theory of happiness per se, it does offer an explicit theory of the causes of suffering. For Buddhist psychology, the “three poisons”, greed, ill-will, and delusion, cause suffering by obscuring fundamental human nature. Greed and ill-will, grasping and rejecting, create the self, not merely as the locus of experience, but as William James, the founder of American Psychology, put it, a person's self is:

Not only his body and his psychic powers, but his clothes and his house, his wife [or her husband] and children, his ancestors and friends, his reputation and works, his lands and horses, his yacht and bank account (James, 1890/1983, p. 279).

In sum, the self, as it is continuously constructed in the way described by James, is identical with the illusory self, described in Buddhist psychology, produced through grasping and rejecting. It creates a false sense of extreme individuality that gives the impression of separation of persons from each other, from other living beings, and from the environment as a whole (cf. Levenson, Jennings, Le & Aldwin, 2003).

Recently, methods of empirically assessing individualism have been developed in the context of work on cultural syndromes (Triandis, 1990, 1998). Cultural syndromes can be assessed at the individual level and have

recently been shown to be differentially related to destructive emotions. Four syndromes have been identified, including two forms of individualism and collectivism, termed "vertical" and "horizontal," the former emphasizing competition and hierarchy and the latter, equality and cooperation. The form of individualism encouraged by utilitarian views of economic development is, naturally, vertical individualism, the purest form of which can be observed in the U. S. Horizontal (less competitive) individualism is found in such societies as Sweden and Denmark. Buddhist cultures, at least ideally, are more inclined to horizontal collectivism, a cultural syndrome that de-emphasizes individualism and competition. Le (2003) recently found the vertical individualist cultural syndrome to be associated with higher scores on measures of narcissism and neuroticism (trait anxiety) and lower scores on a measure of self-transcendence. To the extent that economic development is associated with increasing individualism, it would seem wiser to encourage the form of individualism that may be less conducive to greed and ill-will.

An emphasis on the individual self is central to utilitarian economic philosophy. Economic development is unavoidably associated with increasing individualism as described by Ahuvia (2002). Indeed, whatever positive relationship does exist between per capita GNP and SWB appears to be mediated by individualism such that when individualism is controlled for, the correlation between GNP and SWB disappears (Ahuvia, 2002; Diener, 1995). Ahuvia goes on to draw attention to the fact that cultures that actually score highest on SWB are those cultures that would be described as "horizontal individualist" cultures in the taxonomy of cultural syndromes (Diener & Oishi, 2000; Schyns, 2000). Ahuvia (2002) hypothesizes that cultures such as those of Denmark, Iceland, and Switzerland, that are individualistic in the sense of freedom from coercion, are characterized by substantially greater SWB than those, such as the United States, that are individualistic in the sense of self-interest and competition. This interpretation is consistent with the finding of decreasing SWB and increasing indices of psychological distress in the United States.

This whole line of inquiry has given support to Buddhist ideas of human development. It is very clear that Buddhism's emphasis on individual effort as well as social responsibility, expressed in terms of wisdom and compassion, makes it an ideal foundation for a non-destructive individualism. It also avoids the wholesale importation of Western utilitarian ideas of happiness into cultures that may have the capacity to pursue other avenues of human development.

For Buddhist psychology, compassion, wisdom, and happiness are considered basic to human nature. They are not states to be added, but are already fully present in the mind, yet obscured by the work of the process of self-construction. For Buddhist psychology, when the obscurations of fundamental human nature are lifted, this nature appears intact. For

Buddhism, the fundamental wisdom mind is nondualistic. In dualism are the seeds of greed, ill-will and delusion.

While this not the place for an examination of specific methods for effecting the realization of fundamental human nature, it is no mean feat. No set of social policies can bring it about. However, the authoritative presence of a spiritual tradition can serve as a protective factor against some of the potentially harmful effects of economic development. In the case of the United States, Hirsch (1976) argued that religious norms were crucial to the maintenance of the American social fabric in its period of unprecedented economic growth. It is important in the maintenance of communitarian values in the face of the utilitarian philosophy of the market. Contemporary Buddhist philosopher David Loy remarks that,

From a religious perspective, the problem with market capitalism and its values is twofold: greed and delusion. On the one hand, the unrestrained market emphasizes and even requires greed in at least two ways. Desire for profit is necessary to fuel the engine of the economic system, and an insatiable desire to consume ever more must be generated to create markets for what can be produced. Within an economic theory and the market it promotes, the moral dimension of greed is inevitably lost; today it seems left to religion to preserve what is problematic about a human trait that is unsavory at best.... The spiritual problem with greed [is that it] is based on delusion: the delusion that happiness is to be found by satisfying one's greed (Loy, 2002, p. 207).

Contemporary social science lends support to this view with the finding, cited above, that the increased wealth and consumption of recent decades have not brought about increasing happiness. In many respects, they appear to have had the opposite effect, as Buddhist psychology would have predicted. Loy's analysis can be supplemented by observing that an unrestrained market philosophy also cultivates ill-will, the third of the "three poisons," through the celebration of competition and the creation of a culture of "winners and losers."

In Buddhist psychology, the three poisons create suffering. In Western psychology, suffering is referred to as stress. The evidence of declining SWB in industrially developed societies with competitive individualist cultures, as incomplete a measure of well-being as it is, suggests that the psychological conditions that promote rapid economic growth, also promote stress. This is reflected not only in declining measures of global SWB, but also in specific measures of psychological distress.

From the perspective of Buddhist psychology, the "pursuit of happiness," enshrined in the U. S. Declaration of Independence, is best approached indirectly. If the natural state of human beings is happiness, protecting against the sources of unhappiness is the key to allowing

happiness to take care of itself. What is approached directly, from the perspective of Buddhist psychology, is the application of the antidote to greed, ill-will, and delusion which is the cultivation of wisdom and compassion. Buddhist developmental psychology offers both a means of cultivating these attributes and of assessing their effectiveness. The three trainings of Buddhist psychology are antidotes to the three poisons and, as such, are means of promoting human development. These trainings, ethics, meditation, and wisdom, are, from the Buddhist psychological perspective, the foundations of happiness.

In recent years, Western students of human development have realized that wisdom expresses an ultimate goal of human development through the lifespan. However, there has been considerable disagreement about what wisdom is. One prominent theory defines wisdom as "expertise in the fundamental pragmatics of life" (Baltes & Staudinger, 2000). We have argued that this conceptualization of wisdom fails to capture the full range of the construct. Drawing upon the Buddhist understanding of wisdom, we define wisdom as transcendence of the self or ego. We have found that we can assess the construct of wisdom as self-transcendence and it is our view that this way of experiencing the world can be cultivated very effectively in a Buddhist culture. We have also found that self-transcendence is negatively related to indices of psychological ill-health, such as narcissism and neuroticism, and positively related to wholesome traits and states of mind such as openness to experience and agreeableness. We have also found self-transcendence to be stronger in persons who have a meditation or other form of spiritual practice (Levenson, Jennings, Aldwin, & Shiraishi, 2003; Le, 2003).

Is it possible to cultivate self-transcendence in a whole society, a society also undergoing a change process that encourages individualism? We hypothesize that, to the extent the trainings of ethics and meditation are sustained, wisdom as self-transcendence will flourish offering a strong protective factor against psychological ill-health and socially destructive attitudes and behavior that derive from competitive individualism. The three trainings constitute a method of lifespan human development.

Buddhist ethics, unlike the dominant system of justice-based ethics in the West, is based fundamentally on compassion. Indeed, compassion is one of the two wheels of the Dharma. From this perspective, the happiness that is a facet of fundamental human nature, follows directly from the ethics of compassion. The Dalai Lama (1999) argues that without compassion there can be no true happiness.

Understanding compassion as ultimately impartial empathy for all sentient beings, the Dalai Lama writes of its role in daily life as follows:

Does the ideal of developing it to the point where it is unconditional mean that we must abandon our own interests entirely? Not at all. In fact, it is the best way of serving them - - indeed, it could even be said to constitute

the wisest course for fulfilling self-interest. For if it is correct that those qualities such as love, patience, tolerance, and forgiveness are what happiness consists in, and if it is also correct that *nying je*, or compassion... is both a source and the fruit of these qualities, then the more we are compassionate, the more we provide for our own happiness. Thus, any idea that concern for others, though a noble quality, is a matter for our private lives only, is simply short-sighted. Compassion belongs to every sphere of activity including, of course, the workplace (H. H. Dalai Lama, 1999, p. 127)

This is especially pertinent to the issue of increasing individualism in the context of economic development discussed above. From the Dalai Lama's viewpoint, there is no need to regard them as contradictory. Actually, individualism brings the need for compassion into the forefront because of the weakening of collectivist sanctions against "standing out." When we have the chance to express our unique individualities, we also have the chance to be consciously compassionate.

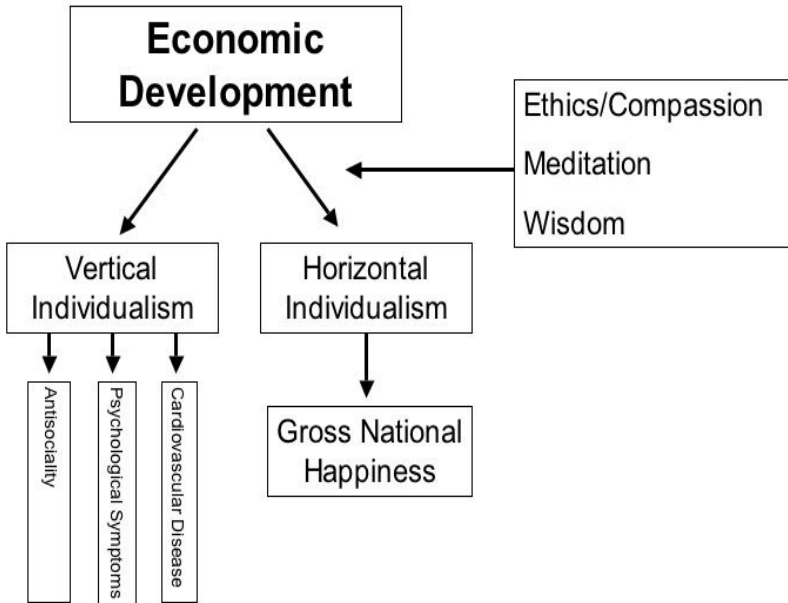
Recent studies have shown that even brief courses of meditation with very short periods of the simplest meditation practices are associated with better psychological and physical health (Andresen, 2000; Alexander, Chandler, Langer, Newman, & Davies, 1989; Kabat-Zinn, Massion, Kristeller, Peterson, Fletcher, et al. ; Patel, Marmot, Terry, Carruthers, Hunt, & Patel, 1985). In Buddhism, it is widely understood that ethics and meditation are mutually enhancing; only through the cultivation of an ethical life can one develop the equanimity of mind even to begin sincere meditation practice (Palmo, 2003).

The adherence to a compassion-based ethics combined with meditation is believed to result in wisdom experienced as non-duality or, in our work, self-transcendence. The three trainings understood in this way as not only a monastic practice, but as the basis of ordinary life, may constitute a viable path to Gross National Happiness.

Monitoring Risk And Protective Factors of GNH

Many well-established measures exist that can be employed to construct a multi-level model of the effects of cultural change on GNH. Economic development, cultural syndromes, socially destructive attitudes, and symptoms of psychological distress can be readily assessed. It is also important to assess the prevalence of the practice of the three trainings. We hypothesize that adherence to ethical precepts and meditation practice are maintained and the extent to which individuals are self-transcendent will mediate the relationship between economic development and psychosocial well-being (see Figure 1).

Figure 1. A psychosocial model of GNH



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Happiness as the Greatest Human Wealth

FRANK BRACHO

“From joy I came, for joy I live, in sacred joy I melt”
-Paramahansa Yogananda

Definition of Happiness

Happiness has been defined as “a state of well-being and contentment”. The “well-being” component would carry a more external dimension whereas the “contentment” component a more internal one. The defining characteristic of happiness being the latter though: a feeling of inner joy of satisfaction.

Another way to put it would be that “well-being” would address grosser and less profound aspects of our nature as living beings whereas “contentment” would address subtler and more profound aspects.

Yet both dimensions refer to basic aspects of our nature as human sentient beings since we are flesh and spirit, body and soul; in one single unit where the state of one dimension is dependent upon the other. In fact, if the body is “the temple of the Spirit”, the Spirit is “the high energy of the temple”.

Happiness has been ultimately the most cherished goal of any conscious human being in any endeavor to better his or her condition. In the founding of the republics of the Americas leaders such as Simon Bolívar and Thomas Jefferson spoke about the importance of happiness in the purpose of the new nations. Bolivar said “The best political system is the one that assures the greatest sum of social happiness” and Jefferson placed the pursuit of happiness next to life and liberty as one of the three fundamental pillars enshrined in the American Constitution. Of course, much earlier predecessors, philosophers and sages have referred to the notion of happiness as the defining yardstick of human realization. Terms such as “ananda”, “samadhi”, “nirvana”, “maripa”, “oriwaka”, in diverse spiritual and native traditions have been used to refer to the ultimate bliss brought about by Enlightenment as “the greatest state of happiness”.

Concerning Primarily The Well-Being Dimension

Well-being, Health and the GDP

But how can we further pin down the practical meaning of happiness ? Back to the “well-being” component, this may be related to the concept of health. The World Health Organization (WHO) defines “health” as “a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity”. The latter tem, “infirmity”, comes from the

Latin word “infirmus” which means “lacking firmity or being off balance”. As may be noted, the WHO definition actually highlights the importance of the affirmative or preventive aspects of health—something neglected in present day medical practice which focuses on disease and treatment.

Health, in fact, is neglected as well in the prevailing yardstick of human “well-being” and “progress” of modern times: The Gross Domestic Product or GDP. The GDP measures the monetary value of the goods and services produced every year in a national economy. Such a kind of measurement doesn’t say much about the quality of life, the sustainability of what is produced or the fairness with which its fruits are shared, let alone the vast non-monetary services and products such as day-to-day internal home labor without which the formal economy would not hold itself together. In such a narrow context, many of the activities of the GDP are often openly at odds with health because of the harm they cause on living beings and the environment or simply because they may thrive on disease and death. Some telling examples are the tobacco, alcohol and weapons industries; but there are so many more. In fact, an ailing population may be good for the GDP because the consumption of medicines, clinic and hospital services would increase it. The same would apply to a contentious marriage break-up, the lawyer’s fees and liquidation of household goods would also boost the GDP. No wonder a striking assessment about the GDP’s shortcomings, titled “If the GDP is up, why is America down?”, published in *The Atlantic Monthly* in October 1995, concluded that: “By the curious standard of the GDP, the nation’s economic hero is a terminal cancer patient who is going through a costly divorce..” (!) None of the former examples, of course, are very conducive to happiness.

Of course, this kind of health or life-careless approach of the whole GNP notion would be openly at odds with one of the most important tenets of all major spiritual traditions, namely the one of Not Causing Harm (in deed, word or thought): the “Primum non nocere” of Hipocrates, “Ama guaña” of the Incas, “Ahimsa” of Hinduism and Buddhism—and in particular the “Right livelihood” tenet of this (“to be careful to have an occupation that does not involve destroying life or hurting people”).

Health in its broadest conception is the indispensable doorstep to the deeper aspects of Happiness. Because only with a pure body and soul will we be able to see the light, be the light; in other words be wise, and, with it, attain peace and happiness.

Economic Growth, Development and Sustainability

The GDP notion has been a corollary of other broader economicist and materialistic concepts such as “national economic growth” or “development”. Both of these are intent on endless growth (an unnatural notion since the ideology of growth for growth’s sake is the ideology of the cancer cell) as well as imitation of supposedly advanced or already

developed countries –namely the industrial countries (a notion increasingly called into question as the unsustainability of the ruling industrial model becomes more apparent and glaring). Moreover, the term “development” was first coined after World War II by American President Harry Truman, under the influence of promoters-advisers such as Nelson Rockefeller, who in those days cherished the idea of a worldwide economic expansion in search of markets and resources; which may further explain the economic bias of the concept.

No amount of adjectivizing such as adding the term “sustainable” to “development” will change the picture unless a true paradigm change is undertaken to address the deep-seated flaws of the present dominant model of wealth and progress. As S. Cunnighan ironically has commented: “Sustainability is a great concept, but the world needs restoration first. After all, who really wants to sustain the mess we live in now?” (Cunnighan, 2003).

In the latter light, the official definition of “sustainable development”, put forward by the Brundtland Commission, in 1987 lends itself to some questioning. The Brundtland Commission defined sustainable development as “being able to meet the needs of today’s generation without compromising the ones of future generations”. Although a relative progress over previous notions, this definition in our view still falls quite short. Both the biological and spiritual deterioration of today’s generation itself are of such magnitude that its own survival may also be compromised. Thus if “sustainable development” is to be a realistic notion it must be focused also on the immediate threat to the present generation and the “Here and Now”. Those who may view with skepticism the prospect of a total human collapse during the present generation need to be reminded of the fate met by pre-Columbus America: in one single generation a formerly thriving population was erased from the map as a result of all the diseases, destitution and uprooting caused by its abrupt subjection to European conquest. There is no reason why present-day humanity, so much immersed worldwide in a growing quagmire of disease, destruction and environmental contamination and uprooting, may not meet the same fate; if the same unsustainable and suicidal course persists. Of course, the self-nullifying of the present generation, no matter how much material legacy it may leave behind, would automatically imply the nullifying of the succeeding generations. An early end of the game. A forewarning of this may be the alarming drop on men’s sperm count and increase of infertility we’ve been witnessing, as a result of the present biological and spiritual human deterioration, which have brought about the so called “empty cradles” phenomenon, a population drop in most of the industrial world. This “lock up” in the “demographic wheel”, with serious consequences on the sustainability of the economic, social and public policies in general.

If the concept of sustainability is to make it into the tools of a true paradigm change we would suggest rather the following broader and more relevant definition: "A human productive or creative endeavor is sustainable when it doesn't exceed the capacity of assimilation or regeneration of an ecological-social system." The assimilation dimension would be concerned with what such system can tolerate: for instance, a "development" that disrupts the social equilibrium, because it is unjust or oppressive, cannot be sustainable, just as it could not if it keeps on producing piles of toxic waste which are unmanageable or non-recyclable (which likewise would be akin to a constipation situation in the human body, a root-cause of a myriad of diseases). The regeneration dimension would concern itself with the replenishment capacity of what consumed: a "development" that disrupts the regeneration flow or balance of the natural order, when irrationally and irreparably destroying or contaminating a forest, water sources, the soil, or the complex interrelationships between these, could hardly be considered sustainable.

In fact, an interesting measurement of the GDP adjusted to account for factors such as income inequality and resource use, named Genuine Progress Indicator (GPI), found that when these kind of factors are brought to bear the GDP picture in a country like the USA shows a steady decline since the 1970s - not an increase as the official views claims (Haggart, 1999).

Returning to the notion of the balance of the Natural Order, how much more sustainable and happier would human societies be if they adhered fully to its fundamental laws of functioning! These have been particularly honored by native cultures of the world (the ones that have lived in close communion with the Earth). Chiefs Seattle's internationally renowned manifesto is an embodiment of these laws. Its passage: "The Earth doesn't belong to man but man belongs to the Earth...Man did not weave the web of life; he is merely a strand in it. Whatever he does to the web, he does to himself" is memorable in that regard. But the natural laws in fact have been honored too in all major religious traditions, because they are another way to refer to the divine laws.

Among the laws of the Natural Order stand out the following: The Law of the Unity of Life or "All is one and all is alive" (akin to the law of emptiness or interdependence of the Buddhist, which gives ground to compassion as ultimately "enlightened self-interest"), The Law of Cause and Effect (akin to the law of karma of Buddhist and Hindus), The Law of Impermanence (particularly highlighted in Buddhism), The Law of Analogy, The Law of Life Moving in Spiraled Cycles, and The Law of the Complementarity of Antagonisms. If all human endeavors could be framed within these laws they would indeed naturally lead to healthy and happy human communities.

A recent interesting contribution to the furthering of the concept of sustainability from an ecological viewpoint is the one of "the ecological

footprint" (EFP). This compares renewable natural resource consumption with nature's biologically productive capacity. A country's footprint is "the total area required to produce the food and fibres that country consumes, sustain its energy consumption, and give space for its infrastructure" (WWF, 2002). According to this index, humanity's ecological footprint is already exceeding significantly earth's biological carrying capacity, and a planetary imitation of the consumption patterns of a country like the US would require of three planets earth -which would make such model inherently unsustainable. The EFP, on the other hand, overlooks two important factors which, as said early, cannot be separated from the physical natural domain: the internal social sustainability of humanity itself (including its possible own collapse before the one of the planet's) and the intricate ecological services or inter-flows (like the water, wind and temperature "cycles") which go beyond any demarcated physical areas.

Ultimately any true well-being should be inherently "sustainable", "social", "fair", etc; or otherwise it wouldn't make much sense.

On the limits of measurement as well as the importance of qualitative aspects and people's empowerment.

On the other hand, the ruling GDP and macro-economic account system is overly-biased towards valuing everything in money terms, and disregarding what cannot be translated into these. Money has been made an overpowering end unto itself within the GDP mind-set, rather than a means to reflect real and sustainable value. The former ultimately stemming from the "original sin" of capitalism namely being born out of the charging of interest over loaned money, which made money acquire a value in itself that earlier lacked. The mighty power "to create money out of nowhere" with which society has endowed bankers has become self-propelled and entrenched in vested interests. In fact, as it has been noted, worldwide: "almost all the money we use (i. e. except the notes and coins which today are only 3% of the total) came into existence as a result of a bank agreeing to make a loan to a customer, at interest. This is why it is called "debt-money",...the true purpose of the Global Monetocracy is that of money growth in order to maintain the current debt-based money system" (Madron and Joplin, 2003).

In fact, the most important things in life such as health, love, peace and happiness, do not lend themselves to being bought or sold, nor depend fundamentally on money-priced material goods. In spite of this, the dominant "development" or "well-being" conception has clearly tended to emphasize the quantitative over the qualitative, the monetary over the non-monetary, income over a decent and fulfilling occupation, competition over cooperation, and the material over the spiritual.

The blatant disregard of the GDP for social and environmental costing, the contribution of the "underground economy" (the economy of love, reciprocity and solidarity), the qualitative aspects of human well-being,

makes it indeed a very limited and flawed expression of the well-being of a nation or community.

Concerning the bias of the ruling paradigm towards quantitative measurement, the shortcomings of this to assess something as complex and qualitative as human well-being cannot be over-emphasized; in order to avoid distortions or delusions in this endeavor. In fact, interestingly enough, the sanskrit word "Maya", referring to "that which causes delusion to understand reality" also means literally "the measurer" (!).

On the other hand, it may be said on behalf of the GDP that the handful of economists and statisticians that created it perhaps never had in mind that the GDP should become the paramount yardstick of human well-being which powerful economic and political interests later made, nor the universal projection that the UN blessing imparted to it. In fact its early technical creators designed it primarily to deal with the specific needs arising from World war II both for the facing of the war and post-war reconstruction efforts; in retrospect something achieved with remarkable success. In the light of this, the American economist Simon Kuznets who, under the ideas of his British colleague John Maynard Keynes, first brought about the application of the GDP system in the USA itself, noted later on with concern the pretense of converting it into a measurement of full human well-being and devoted the rest of his life to caution against the shortcomings of the GDP in this regard (Haggart, 1999).

In light of the former, the responsibility for GDP's outgrowth and hegemony would more a consequence of the misplaced priorities of governments, business and societies, unable to uphold more meaningful human well-being indexes. But in terms of the past or present responsibility of technicians, to leave it at this, would be too evasive or self-indulgent. In the face of an accounting system such as the GDP not only having ceased to be part of the solution but having as well become part of the problem because of its head-on collision with true well-being and sustainability, in a world threatened with collapse, statisticians cannot rest indifferent but should take an ethical stand for truth and life, denouncing the flaws of the GDP and actively joining the movement towards alternatives. In fact, the GDP hegemony has also held down technical material resources to foster alternative accounting systems of well-being (reflected for example on the utter under-staffing or under-equipping of the public agencies charged with the monitoring of social, environmental and health indicators).

Now all the above is not to suggest that the powerful economicist Central Banks or similar institutions that dutifully calculate every year national GDPs should now be mechanically replaced by some kind of new social central banks that should come up with some sort of "social GDP". The transformation called for requires not only a change in the tools and methods but on the very premises of the present system.

In this latter regard, two key aspects are the enhancement of quality and the advancement of people's empowerment—both addressing two major shortcomings of the dominant system.

Some International Efforts to Redefine Well-being and Progress

Many initiatives have been proposed internationally to address concerns such as the formerly stated. In retrospect, a particularly groundbreaking and pioneering one was the one of the International Meeting on More Effective Development Indicators, held in Caracas in 1989, with the attendance of a number of the leading experts on the issue from diverse corners of the world, a meeting which the author of this presentation was instrumental in convening in his capacity of Coordinator of the Office of the South Commission in Venezuela. The findings of the meeting highlighted some key concerns that would become central to the subsequent agenda for change. In view of this, we reproduce *in extenso* the following summary about the its conclusions:

“The Meeting noted the limitations to the advisability of the Gross Domestic Product (GDP) continuing to be the main reference for measuring development and pointed to formulas for correcting or improving it in order to obtain a more integral and effective means of measuring the socioeconomic condition of peoples. This in turn was complemented by the proposal for parameters to measure the quality of life in such aspects as poverty, the biological condition of infancy, health, education, nutrition, employment and income, pollution and the destruction of natural resources; and how this measurement could be harmonized at the international level, as was once the case with the GDP, so that countries might have a “common language” and make a better job of channeling the collective effort in favor of development. In turn this was related to the discussion of whether the new forms of measurement should be reflected by a composite (GDP type) index or a broken down index or set of separate indicators (to avoid the oversimplification of the GDP); opting in the end for a healthy middle-of -the-road formula which proposes a list of basic indicators at the international level, leaving open the option for countries to continue to try more ambitious formulas—including composites indexes-national circumstances and information gathering capacity permitting. Likewise, considerable importance was given to the need for the indicators proposed to be easily understood by the population and have significance at the local level and the level of social groups, so as to ensure authentically participatory and decentralized types of development” (Office of the South Commission in Venezuela/TOES Books, 2000).

Two years after the Caracas meeting, in 1990, The United Nations Development Program (UNDP) launched The Human Development Index (IDH). In fact, among the attendees of the Caracas meeting there had been a prominent participation from the in-the-offing HDI initiative. The HDI, unlike the GDP, concerns itself with the social performance on issues such as health, education and purchasing power, that is quality of life issues primarily. Its chief architect, late former Minister of Planning of Pakistan Mahbub Ul-Haq, used to highlight that "a healthy and long life" should be the ultimate yardstick of human well-being, a goal kept by the HDI up to the present time. Its simplifying composite or bundled nature (as the GDP it basically sums it all up in a single number), has been complemented with wider "external themes"-focused annual reports. With its annual ranking and reports as well the long-reach UN institutional clout, the HDI has challenged the short-sighted GDP ranking and made a significant international contribution to stimulate a change of vision on the issue of well-being indexes. On the other hand, just like the GDP, its primarily simplifying composite-quantitative character has made it prone to miss out important qualitative dimensions as well as to keep the Index only as territory of the qualified technicians who can make its complex calculation - to the detriment of people's empowerment in both the compilation and monitoring of their own well-being. One illustrative case is the emblematic issue of longevity on which we'll elaborate later.

The targets and indices of The Millennium Plan, adopted by the UN in 2000, have been another effort in the right direction, even though they are still too much influenced by the monetary income-related notion of poverty as well as they have not brought about a sufficient mobilizing echo (the Plan's chief laudable concern)-particularly at the level of national policies.

The World Bank itself, in spite of all its stakes in the dominant system, has put forward the need to widen the concept of capital with a view to include: "natural capital" (natural resources), "construction capital" (infrastructure), "human capital" (quality of life), and "social capital" (family, community, solidarity, etc), in order to achieve "a more holistic approach to development". Nevertheless the former proposal still keep certain bias to continue to consider human and other living beings, as well as the natural environment as "inputs" or means for the productive process, rather than end in themselves to which, on the contrary, the productive process should be subservient. Of course the seeming change of stand in the WB position is an acknowledgement of the increasing pressure of world public opinion to check the contemporary versions of the blind economist paradigm: "neoliberalism" and "globalization. These were given impetus by the so-called "Washington Consensus" and have been promoted by international organizations like the International Monetary Fund, the World Bank itself and the World Trade Organization. The popular challenge has been led from the grass-root of peoples and civil societies, but has also

counted on thinkers coming from the system itself like Joseph Stiglitz, a Nobel Prize in Economics and former Chief Economist of the World Bank. Stiglitz has denounced the insensitivity and blindness of the “economic adjustment programs” or “economist reforms” of recent times, and in particular its devastating effects on populations, the environment and the dismantling of national economies, citing in particular the telling example of the ill-fated experience of Latin America in that regard. Interestingly enough, in his analysis on the reach of the adverse effects of the reforms in the Latin American region Stiglitz has noted on the other hand that: “.. the subsistence farmers isolated from the market economy were among the less affected by these”, an evidence that would lend further weight to the merits of self-reliant communities, even if on austere standards, to guard against the perilously misguided policies of the international economy.

It is apparent that there could be and must be another type of free market: one with ethics, social and environmental responsibility, as well as on a more human scale to facilitate accountability. Just as there could be and must be another type of globalization: the globalization of responsibility and solidarity. Another world is possible-as the motto of the contesting World Social Forum has proclaimed !

More recently, in October 2003, the ICONS meeting in Curitiba, Brazil, was another encouraging initiative. ICONS was convened by an alliance of Brazilian civic society organizations and businesses, with the concurrence of sectors of the new Brazilian government and the support-inspiration of international partners such as noted alternative indices pioneer Hazel Henderson (Henderson, 2003). The meeting drew an attendance of about 700 hundred participants, in order to boost in particular the cause of alternative people’s-based well-being indicators in Brazil and, on a broader plane, to encourage further international efforts in this regard.

Of course Brazil is just one of a number of countries world-wide where leading initiatives have or are being tried or proposed, both from the government and non-governmental side. Among them, we could also mention by way of example the cases of Costa Rica, Canada, Iceland, The Netherlands, Denmark, Sri-Lanka, Mongolia and, of course, the case of the country that has motivated the Meeting for which this paper has been prepared: Bhutan, about which we’ll comment more later. Even in USA some interesting attempts have been made, mostly from the non-governmental side, such the Calvert-Henderson Quality of Life Index, an unbundled set of indicators aimed at encouraging communities’ mobilization and self-affirmation, and the earlier mentioned Genuine Progress Indicator (GPI), an attempt on the composite side to reform the GDP.

However, in spite of all the efforts undertaken so far, the GDP hegemony has not yet been substituted by the primacy of a new more convenient system, for factors we will as well focus on later.

Longevity As an Emblematic Yardstick.

As commented earlier, the Human Development Index has highlighted the key significance of longevity. However, in order to rate longevity the HDI has focused on the conventional statistic of “life expectancy”, the number of years individuals of a population are on the average expected to live, a figure convenient to the purpose of the final IDH composite number but one that also runs the risk of oversimplifying or disregarding the underlying basis of longevity.

In fact, in the contemporary scene it has been customary to say that the increase in life expectancy has been one of the major achievements of western civilization. The increase from an average of 50 years in Europe and the USA at mid-20th century to over 70 at the dawn of the 21st century in life expectancy has been an accomplishment of modern industrial societies, with its allopathic medical services and generally better quality of life, we have been told. This argument disregards that much prior to the mid-20th century longevity rates in many western and non-western societies were much higher than the 50 years average of both Europe and USA in 1950; and in fact even higher than the climb to 70 achieved later in the West. Moreover the gross life expectancy statistic doesn't tell us anything about the quality of longevity: while people may be leading a longer life today than 50 years ago, very often the old are dying riddled with all kinds of degenerative diseases and as a big burden to the national treasuries that keep them alive on huge medical costs. In the face of all the above, the correct conclusion would be that today, longevity-wise, we may be worse off, not better off, in terms of western-based evolution.

A milestone study published in *National Geographic* in its January 1972 issue, on the “most longevous peoples of the world”, found them in the valleys of Hunza (Pakistan), Vilcabamba (Ecuador) and the Caucasus (present day Azherbarjan). In all of those cases the harboring societies were rural (non-industrial), and lacked allopathic hospital or medical services; a far cry from the modern western recipe or stereotype. In Vilcabamba the study found 300 times more centenarians (people over 100 years) than in the USA; and, even more important, in all the three examined cases, and in fact in all known similar cases of other traditional societies, the high longevity traits were chiefly due to: i) the consumption of healthy natural foods ii) pure air and water iii) regular physical exercise iv) the elders feeling useful to the community and appreciated by it as well as leading lives in spiritual values. If all these features are compared to the present western civilization, it may be noted that it fares badly on all fronts, certainly a poor basis to expect any good quality and lasting longevity -particularly when the artificial and costly medical arsenal runs out of ammunition. Moreover, a post- National Geographic story monitoring of the Hunza, Vilcabamba and Caucasus cases showed that as these formerly relatively isolated societies integrated more into modern society their historically high longevity rates

experienced a significant drop -something observed as well in other cases (modern, western, society as some kind of “cultural Aids” on healthy traditional societies?).

Helena Norberg-Hodge’s classic first-hand account of the change undergone by a traditional society like Buddhist Ladakh in North India from a similar rapid modernization, brings to bear the formerly stated in a broader perspective:

“In Ladakh I have known a society in which there is neither waste nor pollution, a society in which crime is virtually nonexistent, communities are healthy and strong, and a teenage boy is never embarrassed to be gentle and affectionate with his mother or grandmother. As that society begins to break down under the pressures of modernization, the lessons are of relevance far beyond Ladakh itself...I have seen progress divide people from the earth, from one another, and ultimately from themselves. I have seen happy people lose their serenity when they started living according to our norms. As a result, I had to conclude that culture plays a far more fundamental role in shaping the individual than I had previously thought” (Norberg-Hodge, 1991)

Now, all the above is not to suggest either a romanticizing of traditional societies or a demonizing of modern ones. There are always grades and shades in any picture. Some traditional societies have been carrying on in some respects a degeneration of their own. On the other hand, on the side of the new influences it would be inaccurate or unfair to say that there is some kind of evil inherent in modern development or that traditional societies should be deprived of some of its certain benefits -who could deny, for instance, the convenience of modern communication technologies to bring people closer together and to enhance the possibilities of education? Something as forceful as modern western civilization has not happened out of nowhere, but has been the result of a particular set of historic circumstances, actions and omissions in human evolution and learning. But it is apparent that modern civilization has gone too far in its materialism and negative and self-destructive features and that it needs to be checked with a recouping of lost higher wisdom, as well as an enlightened alliance between the old and the new and between the like-minded sectors of both the besieged traditional world and the modern; in order to ensure the salvation of humanity and the planet. The Bhutan Meeting to which this contribution is presented may be a hopeful embodiment of all this.

The Importance of Environmental Factors

One key dimension of health, of course, is the environmental one. Human beings and the natural environment are one. In fact in many native

cultures the words "environment" or "nature" don't even exist, as the concepts they represent are imbued in human identity. Remember again Chief Seattle's words: "Man did not weave the web of life; he is merely a strand in it. ". Because of this all the pollution and environmental destruction man has been causing has turned against him in terms of all kinds of serious diseases, both physical and mental, to the point that man today may have to be added to the "list of endangered species", because of his self-inflicted habitat's damage or destruction: the story of the dragon eating up its own tail, or, as the Bible puts it: "God bringing ruin on those who have ruined the Earth". For example, the increasing cancer afflictions, and particularly some such as breast and prostate cancers, has been linked to the myriad of cancer-causing chemicals, endocrine-disrupting chemicals and ionizing radiation present all in the air, food and water we ingest today. The culprit of a number of these pollutants are some of the industries which contribute the most to the GDP, chiefly among them the petroleum and petrochemical industries, determinants in turn, because of their strategic character, of many key patterns of consumption, production and technology of the sickness and pollution-prone dominant civilization. On the other hand, it is most regrettable that in countries like my own, Venezuela, an emblematic oil producer that for over 100 years that has catered to an insatiable world economy, up to this very moment oil concessions are still being given in areas devastated by earlier oil exploitation, in an utter insensitivity and irresponsibility of the System to first acknowledge its great "ecological debt" and to clean up or repair former contamination or damage -to the extent this may be possible, indeed, on account of the irreversible or profound nature that much of it has.

Just as the physical and spiritual healing of human beings is a prerequisite for salvation, the healing of the planet from all the wanton environmental destruction and damage it has suffered by the reckless behavior of human beings is a priority issue for the coming years. In view of the magnitude of the task, environmental restoration could, with its myriad of activities, provide, on the other hand, a much needed boost and new frontiers for the economies, in the context of more sustainable values. And beyond, of course, the limitless promising new productive frontiers of the new "ecological economy", including, among other things, all the plethora of renewable environmentally-friendly energies, just waiting for humans to make up their mind to harness them in a new wisdom.

Mental Aspects of Disease

The mental aspects of disease have become a central feature of the modern world's pathologies. Violence is often an ultimate manifestation of those. Violence, a great scourge of the times we live in, has been defined by the World health Organization as: "The intentional use of physical force or power, threatened or actual, against oneself, another person, or against a

group or community, that either results in or has a high likelihood of resulting in injury, death, psychological harm, maldevelopment or deprivation". In fact, violence causes harm not just to others but ultimately and in any case to the perpetrator because in view of its anti-natura character and "boomerang resonance" damages both the victim and the victimizer. In fact, a surprising amount of present violence is outright self-inflicted as well. According to WHO data, of the 2.6 million people worldwide who lost their lives to violence in 2000, around half were suicides. Depression, on the other hand, that renunciation to keep going in life that may precede suicidal actions or the breakdown of the immune system if not checked in time, is also affecting an increasingly major proportion of the world population, to the point that WHO has predicted that in 20 years time may become the second leading health problem.

Concerning Primarily The Contentment Dimension

Contentment and Happiness

So much for health as a fundamental dimension of happiness. But let us go back to the broader outlook of happiness to further the analysis on its essence. Let us now deal with the contentment dimension. Buddha said: "If health is the highest gain, contentment is the greatest wealth".

Contentment lies in inner peace. As H. H. The Dalai Lama has said: "Since we are not solely material creatures it is a mistake to place all of our hopes for happiness on external development alone. The key is to develop inner peace" (HH.. 2003). Happiness indeed depends ultimately on inner contentment or peace.

Amassing material wealth doesn't make us necessarily happy, inner satisfaction does. Greed is insatiable and thus a cause of permanent discontent or unhappiness. As Gandhi said: "The world has enough to satisfy everyone's needs but not enough for one single man's greed". A man is truly rich in proportion to the number of things he can live without rather than the number of things he possesses, which ultimately makes the "Art of Living or Being" more important than possessions themselves. As Sander Tideman has put it: "... happiness is not merely determined by what we have, how much we consume, but also by what we know, how we manage our lives and express ourselves creatively, ultimately by who we are -being rather than having" (The Dalai Lama Visit Foundation, 2000).

Transient acquisitions or possessions cannot guarantee us happiness either. Even our physical bodies-destined inexorably to decay or even to an unexpected death, our friends, relatives, partners and loved ones in general, cannot be a foundation of happiness, since sooner or later they will all go away. Further, as Sogyal Rimpoché has said: "It is not the quantity of life but the quality. When you begin to realize that you don't have too much time to live you focus on what's most important. The word "body" in

Tibetan is *lū*, which means “something to be left behind”, like a luggage. Everytime we say *lū*, we remember that we are only travelers who have taken temporary refuge in this life and body.” (Rimpoche, 1992).

Thus ultimate happiness lies in holding on to the transcendental, to the immortal, to the most permanent. And this we could only attain on the spiritual plane, the most superior domain of our identity, because, as it has been said, ultimately “we are not human beings in pursuit of spiritual realization but spiritual beings in a human experience” -which changes the whole conventional picture.

Certain aspects of the way to view happiness may depend on different cultural outlooks. The way a Bhutanese may have to approach happiness may be quite different in fact in a number of respects from the way a native from tropical Amazon may do it. Even within nations, this kind of legitimate diverse outlooks may be there, and should be accommodated in the context of “Unity in diversity” and mutual enrichment for higher common aims. Observance of cultural diversity, both among and within nations, thus naturally has an important place in people’s cultivation of happiness, just as it does to explain the diversity in religions or traditional medicines. Interestingly enough, the forthcoming 2004 Human Development Index Report is to be devoted to the theme of the importance of cultural diversity.

But some common basic tenets will remain as members of the same human family; foremost among them is the pursuit of happiness. In fact, as HH the Dalai Lama has said: “ We tend to forget that despite the diversity of race, religion, ideology and so on, people are equal in their basic wish for peace and happiness” (HH.. 2003). In fact the latter has been attested by an international opinion poll committed by the UN prior to its Millennium Heads of State Summit, held in New York in 2000. People in some 60 countries were interviewed in the largest public opinion poll ever undertaken. Its chief finding: “people value good health and a happy family more than anything else”

Concerning the latter is interesting to note that the family-community dimension of happiness is particularly stressed in the cultures of aboriginal peoples of the world. The word *oriwaka*, for example, earlier listed on the first page of this paper, corresponds to “happiness” in the language of the *warao* people, an ancient aboriginal nation who inhabit the delta of the Orinoco river in Venezuela. The word is made up of two roots: *ori*, which means “together” and *waka* which means “to wait, to expect”; for a combined meaning of “to wait or to expect together”. Other common usages are: “partying”, “joy from sharing with peers”, and “ paradise or the place where the dead live happy”. All previous meanings emphasizing the community-based, contentment and transcendental dimensions of happiness.

In any case, the more we go beyond “relative happiness” (in terms of insatiable material wants, transient possessions or relationships, and cultural outlooks) to embrace “absolute happiness” (which is self-referred and related to the more superior and permanent aspects of our common identity), the more we will secure ultimate happiness.

To this end the key command may be “to transcend”. Vivekananda said: “Time, space and causality are the lenses through which we view the Absolute, but in the Absolute there is no time, nor space or causality”. We have to be, indeed, mindful of our transcendental nature and purpose and be geared to them beyond physical time and space. That timeless and spaceless “Absolute”, “Mindfulness”, “Consciousness” is the ultimate nature of reality, devoid of all misconceptions. With it everything that matters will fall into place, including our wisdom to behave towards ourselves and towards others, as well as our relation with the inner and the outer.

But the dominant civilization seems to have a pathological concern with time, and, worse, the mechanical clock-time, as well as with the future. This comes at the expense of neglecting the leading of a full and mindful life in the Here and the Now, in tune with Nature’s rhythms and wisdom. To put it in the words of Lama Thubten Yeshe:

“Although the future depends on the present, it is the human ego’s nature to worry about the future instead of how to act *Now*..Unfortunate is a common pastime to worry about the future. “I must be sure to have enough of this or plenty of that for the next few days”. Perhaps you will die before the week is out. Worrying about the future is simply a waste of time and energy. It is easy to predict what the future will be. A positive, wholesome attitude today bodes well for tomorrow. If the cause and conditions –milk, heat and so on- come together in the evening, the result will be a bowlful of yoghurt next morning.. Therefore it is waste of energy to fret and worry about the future. What we should *worry* about is keeping ourselves as peaceful, positive and aware as possible.” (Wisdom Culture, 1999).

Criteria, Elements And New Alliances For A New System Of Indices

Experience has shown one key factor to explain why the efforts to replace the GDP have fallen on the deaf ears of elitist policy-makers and statisticians has been not having taken the issue of new indices “to the streets”. The task of the hour is to turn the apparent energy of discontent of public opinions into forceful and steady pressure on the Establishment as well as creative and proactive activism to bring the new indices to bear.

This implies that the indices have to cease being the narrow domain of technical or economic elites, so they may be comprehended –including a

role in their designing- and apprehended -including involvement in the monitoring-by ordinary folks, communities and peoples; the only way these could effectively utilize them to rate the performance of government officials and business as well as their own performance as self-rating communities, with a view to ensuring adequate accountability and any needed corrective policies.

As recommended in the earlier summarized Caracas Meeting, the latter in turn imply that next to the choices of bundled indexes such as any amended GDP (in order to address its major flaws-to the extent that this, indeed, may be possible) and even the relatively more qualitatively-sensitive IDH, we must have, as a first priority, indices which are simple, unbundled, dynamic and easily comprehensible and manageable by communities and individuals.

Such indices could and should have a universal relevance. After all, the six billion of us who inhabit the planet belong all to the same human specie, with a number of common basic needs.

As they could and should have a national dimension, particularly in the cases where this stems from a long and deep-settled consensual identity. On the other hand, In the transition towards a political order more decentralized and democratic, the political entity known as The Nation-State -a relatively new figure in human history which has not been exempted from misuse or oppressive abuse- should be responsibly acknowledged and managed in these times in which it is under siege in so many places by reckless forces such as overrunning globalization or fundamentalist cultural activism; with a view to safeguarding legitimate national spaces and not further compromising the already pressed international stability.

But such indices could and should too attend to regional and local specificities, as well as social, and age groups. In particular bearing in mind circumstances stemming from ancestral cultures or conditioning natural-geographic environs. Something which if not recognized may also compromise the cause of world stability and sustainability.

As well as they should address ultimately the most decisive space of human self-determination: the one of the individual, realizing himself or herself in self-responsibility, justice and dignity. A common space In which all the natural tensions or dialectics from the various planes of diversity would naturally melt. This would resonate fully with the spirit of Bhutan's proposal on the "Gross National Happiness" (GNH) as reflected in the following statement of Bhutanese Minister Dasho Meghraj Gurung: "The ideology of GNH connects Bhutan's development goals with the pursuit of happiness. This means that the ideology reflects Bhutan's vision on the purpose of human life, a vision that puts the individual's self-cultivation at the center of the nation's developmental goals, a primary priority for Bhutanese society as a whole as well as for the individual concerned".

To all the above ends, in addition to a greater forthcomingness on the side of governments to realize all the stakes and act accordingly, for the sake of the higher public good to which they owe themselves, we need much more sensitive and responsible mass media (with a key role to play to educate and as a watchdog on the new indices, a long way from the largely ominous role they have been playing so far in the direction of decadence) and business or the productive sector (to reshift its values and production of goods services and technologies to serve the new well-being paradigm, a long way too from the socially and environmentally irresponsible behavior they have been mostly immersed so far). Indeed an enlightened alliance of like-minded people of these three sectors plus similar counterparts in civic society, on the basis of, again, a common identity of dissatisfied and threatened human beings, is not only possible but a must, as a basis for an enlightened broader mass movement. As Sogyal Rimpoche has stated: “.. today a great proportion of the human race must take up the path of wisdom if we want to save the world from the internal and external perils which threaten it. In these times of violence and desintegration, the spiritual vision is not an elitist luxury, but something indispensable for our salvation.” (Rimpoche, 1992).

A Proposal of a Set of Basic Indicators for Happiness

On the basis of all that has been formerly stated, and drawing on joint work with Dr. Keshava Bhat (see Bibliography – he’ll further elaborate in his own contribution to the Seminar), we would submit the following list of Happiness indicators, that could be useful to individuals, communities and nations:

Happiness Indicators

Primarily concerning well-being –health:

- Having food to eat –both in quality and quantity;
- Evacuating three times a day or as many times as one eats (the capacity of elimination of body waste as a simple indicator of bodily health);
- Participating in food production or preparation for oneself or others;
- Being able to produce as much as possible of what one consumes;
- Having access to information, instruction and training in ways to live better;
- Having work to do and with pleasure;
- Being able to obtain a comfortable, spacious and adequate place to live in near one’s place of work;
- Getting care, and the possibility of cure and compassion in case of illness or death;

- Being able to feel protected and secure in the society in which one lives;
- Being able to enjoy Nature without damaging it, as well as caring for it;
- Enjoying air (including proper breathing), water, light and space in sufficient natural quality and quantity; and
- Sleeping well and waking up rested.

Primarily concerning Contentment:

- Being able to express creativity;
- Being respected and respecting others;
- Being able to express one's feelings and thoughts freely;
- Having a personal ethical code; and
- Being able to cooperate and share with others.

If indicators of happiness as basic and simple as these, within easy comprehension and monitoring not just of leaders but of common people, could be the focus of all societal, international and inter-community, action and policies, indeed we are certain this would be a way conducive to happiness; happiness as the greatest wealth as Buddha said.

Some Concluding Remarks

It has to be saluted with praise and hope that a country like Bhutan has chosen to launch an initiative like the "Gross National Happiness" in substitution of the notion of the GDP still remaining the dominant central yardstick of wealth and progress-in spite of all its apparent major shortcomings, flaws and contradictions, as earlier stated.

If nothing else, if the Bhutanese though-provoking initiative contributes to further liberate the world from the universal delusion and straight-jacket of the GDP mind-set, to try out other more meaningful systems of well-being -whichever these may be, a lot would have been achieved already.

But the grave and pressing world problems compel us to try to do more. An operationally effective new system of human well-being centered on happiness, of universal relevance but respecting human diversity, is possible, as also shown in this exposé. A system designed to meet the needs of the times we live in while drawing on a timeless wisdom concerning our more superior identity and aims.

Bhutan is a small country that seems to be particularly well-positioned to lead in this endeavor. Its deep ingrained Buddhist tradition, a wisdom with so many enlightening insights into true human nature, its commitment to preserve its ancestral culture; its enlightened policies to preserve its natural environment and landscape; as well as its new awareness of

international and intercommunity interdependence and responsibility, make it, indeed, a promising launching ground for a new way to view human satisfaction. In this major endeavor, Bhutan certainly will not be alone, as this kind of initiative widely resonates with pressing needs of the cross road Humanity finds itself in at the moment.

Great things have often started in small places. Because of the greater nurturing energies usually present in small human scale, and because the small usually hold less stakes in dominant mega-systems and have greater creativity and mobility to conform to the new than the big hooked on those. Particularly when the mentioned nurturing and seminal energies are anchored in the high ground of spiritual values, the domain of the greatest force, transcendence, and infinity.

In the light of the above, The Dalai Lama's following admonition acquires a particularly significant meaning: "...the great movements of the last one hundred years or more -democracy, liberalism, socialism-have all failed to deliver the universal benefits they were supposed to provide, despite many wonderful ideas. A revolution is called for, certainly. But not a political, economic or even a technical revolution. We have had enough experience of these during the past century to know that a purely external approach will not suffice. What I propose is a spiritual revolution" (HH The Dalai Lama, 1999).

Ultimate happiness, nirvana, or whatever we wish to call it, is not just the most fundamental human aspiration but it is something within the reach of every human being, for the simple reason that it is the defining reason d'tre of the superior identity of all of us, because "From joy we come, for joy we live, and in sacred joy we melt

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Quality and Sustainability of Life Indicators at International, National and Regional Levels

PETER MEDERLY, PAVEL NOVÁČEK AND JÁN TOPERCER

Introduction

This presentation gives a brief overview of the methodology and results achieved in the field of creation and evaluation the QSL indicators at three basic spatial levels – global, national and sub-national (regional).

In years 2001-2002 we have developed the system of QSL indicators with use of s. c. methods of descriptive statistics, which are based on common methods of integration and averaging of statistical parameters. Results are expressed as aggregated indexes of QSL in all three above mentioned levels. Of course, these results are influenced by our view on problems of quality and sustainability of life.

This year we are developing a new approach for evaluating this problem area. We are exploring a use of non-parametrical multidimensional statistical methods. These methods could be characterized as an independent tool for evaluating relationships among a variety of indicators and problem areas. On the other hand they could evaluate also variability in a spatial meaning (countries and regions).

Especially results of the first mentioned approach are designed for today's presentation and discussion.

Basic Methodological Steps

We use comparable procedures in all three levels of research. Basic methodological steps are:

- Creation of QSL model
- Data compilation from information sources
- Data preparation for statistical analyses, data screening
- Statistical Analyses
- Interpretation of Results.

Creation of model was the first step for all levels of our interest – it means an expression of quality and sustainability of life indicators system. We have created a hierarchical model which consists of 3 basic levels: individual parameters – partial indexes – overall index. In accordance with sustainable development theory we have used several main aspects of sustainability (social, economic, environmental aspects and their problem areas). This model is modified for each level, but the basic scheme is valid for all levels.

For *data collection* we have used only broadly accessible information sources – databases and publications. At the global level was the main

source of information the WB database „World Development Indicators“, at the national and sub-national levels these were the statistical yearbooks of the Czech Republic and its regions.

Data preparation for statistical analyses consisted mainly from data screening and testing the preconditions for statistical analyses (data normality, variance, linearity, correlation of data used etc.).

Statistical analysis was the main step of the work. It was based mainly on the methods of the descriptive statistics (data trimming, weighted arithmetic means...). Results were converted into the common relative scale (e. g. 0-1, percentage scale...). For data preparation and analysis we have used mainly the NCSS software package.

Interpretation of results was the final step of our work done at all levels. We have evaluated the progress (rank) of world countries (regions) in the way towards sustainability and its aspects, and in the case of CR and its regions we have tried to express the recent trends in the area of QSL.

Results

The Sustainable Development Index - The World, 2000-2001

Sustainable Development Index (SD Index) was developed as part of research work in the Central European Node of the Millennium Project and in the framework of the Global Partnership for Development study in 2001.

The aim of SD Index is a complex expression of state and developmental progress of individual countries towards sustainable development. Structure of SD Index is constructed as pyramid: 58 *variables* are grouped into 14 indicators (*thematic areas*). Each two indicators are grouped into one *major problem area* (there are seven major areas altogether). From these seven equally important major problem areas *overall SD Index* is created.

SD Index was calculated for 146 countries, expressed in relative scale 0 - 1. The higher value of index means better progress towards sustainable development. The overall SD Index is calculated as arithmetical average of partial indexes for 58 variables explored.

The best results of SD Index value reached developed countries of the North and Western Europe (Norway, Finland, Sweden, Switzerland, Austria...), USA, Canada and New Zealand. The worst situation is in countries of Africa (Eritrea, Angola, Burundi, Ethiopia, Chad, Mozambique...), Haiti and Cambodia. For some countries with very low SD Index expected there are not enough data available (Afghanistan, Somalia, Liberia...).

Basic structure of "Sustainable Development Index" (SD Index)

Sustainable Development Index (SD Index)	1 - Human rights, freedom and equality	A - Politics and human rights (6 parameters)
		B Equality (3 parameters)
	2 - Demographic development and life expectancy	C - Demographic development (3 parameters)
		D - Life expectancy, mortality (4 parameters)
	3 - Health state and health care	E - Health care (5 parameters)
		F - Diseases and nutrition (6 parameters)
	4 - Education, technologies and information	G - Education (3 parameters)
		H - Technologies and information sharing (5 parameters)
	5 - Economic development and foreign indebtedness	I - Economy (4 parameters)
		K - Indebtedness (3 parameters)
	6 - Resource consumption, ecoefficiency	L - Economy - genuine savings (4 parameters)
		M - Economy - resource consumption (4 parameters)
	7 - Environmental quality, environmental problems	N - Environment - natural resources, land use (4 parameters)
		O - Environment - urban and rural problems (4 parameters)

We can see very similar picture in the most of the problem areas evaluated. Outstanding are developed countries from the North and West, left behind are the developing countries, mostly the least developed countries from sub-Saharan Africa. As an exception there are problem areas connected with energy consumption, and quality of environment, in which the picture offers quite other view into the world development.

Currently we are developing the actualization of SD Index based on the latest data from the WDI Database, which are valid mostly for year 2000 (we are able to cover 178 countries). We are also focusing at the creation of time series based on the most important development indicators (parameters).

Index of Quality and Sustainability of Life - Czech Republic, 2001-2002

Index of Quality and Sustainability of Life (QSL Index) for the Czech Republic was developed at the Center for Social and Economic Strategies (Charles University, Prague). We tried to express state and future trends of development and life in the Czech Republic.

The Czech Republic, as the only country in Central and Eastern Europe, has joined the three-years *process of sustainable development indicators testing* by the UN Commission for Sustainable Development. But the overall process was realized more due to international commitments than real attempt of politicians or public of the Czech Republic to express and measure sustainability.

We presented in our study the assessment of the Czech Republic quality and sustainability of life indicators (for the period 1990 - 2000) and the outline of probable trends for the nearest period (to 2006) on the grounds of available statistical data.

Quality and sustainability of life index was evaluated as a hierarchic index comprising of twelve partial indexes (sub-indexes) of the *thematic areas* selected, of four *main development areas* indexes and one integrated (aggregated) index.

Basic structure of "Life quality and sustainability index for the Czech Republic" (main development and thematic areas)

Life quality and sustainability index	Socio-political area	International position (6 parameters)
		Internal security and socio-political situation (10 parameters)
	Social area	Demographic development (4 parameters)
		Standard of living of inhabitants (9 parameters)
		Inhabitants' health condition and health care (10 parameters)
		Education, science and research (7 parameters)
		Access to information, process of informing (8 parameters)
	Economic area	Economy effectiveness and economic development (5 parameters)
		Indebtedness and balance of economy (4 parameters)
		Selected economic indicators (9 parameters)
	Environmental area	Natural resources consumption, eco - efficiency (5 parameters)
		The environment quality (24 parameters)

The issue areas were selected to express all elemental factors of the Czech society development in the period of the last decade and to reflect priority problems of the next development. Life quality and sustainability assessment in the Czech Republic was calculated from 101 indicators from various development areas.

The indexes were calculated at all levels as an arithmetic average of the indicators transformed entering the calculation, for each year separately. The indicators were transformed to unified scale $\langle 0,1 \rangle$, where 0 = the most unfavourable indicator value in the assessed period of 1990-2006 and 1 = the most favourable value with regard to life quality and sustainability. The higher index value means better life quality of life.

The period 1990 - 92 was characteristic in the Czech Republic for a stagnant quality and sustainability of life index. The stagnation was mainly caused by the unfavourable economic development. On the contrary, in the environmental area was reported steeply positive development. The period of first four years of independent Czech Republic (1993-96) was characteristic by the positive development in the economic and socio-political area. On the contrary, the environmental area after the initial rise reported stagnation. The year 1999 seemed to be crucial - all development areas of society reported improvement of the index value. The next estimation of development for the period 2003 - 2006 seems to be positive, the index value should further improve. The main factors of the improvement should be the environmental and after certain period social as well. On the contrary, we can expect stagnant and fluctuating development in the socio-political area, mainly due to negative trends in the area of the internal as well as international security.

Regional Human Development Index - Regions of the Czech Republic, 2002

Regional Human Development Index (HD Index) for the Czech Republic was developed in the framework of the "National Human Development Report for the Czech Republic", which was issued by above mentioned CESES research team in Prague.

Although the Czech Republic is classified as a developed country with high quality of life, one overall index at national level cannot express the differences in individual areas sufficiently (especially in the social and economic areas) as well as it cannot express sufficiently differences in individual regions within the Czech Republic.

Quality of life in the Czech regions is understood as a total of social, economic, community and environmental factors, which enable to live a long, healthy and creative life in adequate social and economic conditions. This definition corresponds to the human development concept of the UNDP.

The Regional Human Development Index in the Czech Republic was structured as a hierarchic system based on one *aggregated comprehensive index*, three *main development areas* (which are identical with three basic preconditions for human development according to UNDP) and eight *thematic areas* of human development.

Space units for the study at regional level have been set by the administrative sorting in the Czech Republic – 14 regions corresponding to the third level of the Classification of Statistic Space Units NUTS in the European Union. 39 indicators (independent variables) were used for calculation of the index.

Basic structure of “Regional Human Development Index for the Czech Republic” (main development and thematic areas)

Regional Human Development Index	Long and healthy life expectancies	Demographic expectancies (3 parameters)
		Health and people' safety (7 parameters)
		Quality of the environment (7 parameters)
	Creative life with sufficient education expectancies	System of education and learning level (5 parameters)
		Family and social cohesion (4 parameters)
		Work, opportunities of social application (4 parameters)
	Adequate standards of living expectancies	Economic effectiveness of region (4 parameters)
		Social status of people (5 parameters)

The average of the given indicator of the Czech Republic (representing 100%) was used as a comparative level for all the regions. Individual regions attained the level higher than 100% in the case the value of the given indicator in relation to the quality of life was more favorable than the national average, and, on the contrary, lower than 100% in the opposite case.

Contemporary quality of life was significantly different in Prague (significantly higher than in all the other regions). In two boundary regions – northeast part and northwest part of the Czech Republic – there was significantly lower quality of life than in other regions. The differences between more prosperous and less prosperous regions constantly increased. This fact was obvious particularly in relation of Prague to other regions.

Conclusions

As a conclusion we would like to express our belief, that the *evaluation and interpretation of quality and sustainability of life is possible and could be useful* not only for research purposes, but also as a important instrument for strategic planning and decision making.

SD Index represents one possible methodological approach how to quantify and measure progress of individual countries on their way towards sustainable development. The biggest *advantage* of SD Index is that variables are taken from accessible world data sources, which are regularly evaluated and renewed. Just two principle data sources were used – World

Development Indicators of the World Bank, and UNDP Yearbook Human Development Report. Therefore it is possible to make time series for last ten years and extrapolate trends for the near future.

Disadvantage of SD Index is that it does not work with the best possible set of variables but just with the best available set of variables, which can be found without additional research. Its expression is strongly connected with our subjective perception of quality and sustainability of life.

We presented here only *one of a variety of possible methodological approaches*. In our opinion it is rather clear and methodologically sound, but its biggest disadvantage is based on subjectivity of aggregation process. Value- and knowledge-based system of the research team is the main factor of creating the model and aggregating the independent variables into dependent resulting index.

This shortage is main challenge for our work, which is under progress now – we are looking for *possibilities of creating a new approach for evaluating a state and progress towards sustainability and quality of life*. This approach should be based on independent multivariate statistical operations, which are working without direct driving of researchers and which we hope will lead to interesting alternative results.

Development as Freedom, Freedom as Happiness: Human Development and Happiness in Bhutan

JOSEPH JOHNSON

Abstract

In this paper, I will demonstrate that Bhutan's philosophy of Gross National Happiness is related to emerging ideas in the field of human development. I will first provide some real-life examples of how economic measurements such as income and GDP do not provide policy makers with sufficient information to guarantee desirable outcomes. I will then introduce some ideas such as the capability approach, capacity to aspire, and human security that may complement the Royal Government of Bhutan's attempts to operationalize GNH. The overall purpose of this paper is to recommend to the Royal Government of Bhutan that there are many theoretical tools that have been developed by experts from various disciplines and institutions that might be useful in the effort to operationalize GNH.

Where is Happiness?

An old joke tells of a drunken man down on his hands and knees underneath a streetlight in front of his house. His neighbor, seeing him in the middle of the street, asks him what he is doing. The drunkard replies, "I was unlocking the front door of my house and dropped my keys. I can't seem to find them." The neighbor, thoroughly confused, then inquires, "If you dropped your keys while unlocking your door, why are you looking for them way over here in the street?" The drunken man, irritated by his neighbor's question, looks up and slurs, "Because the light is better over here."

Unfortunately, we too often make this same mistake in our search for happiness. Afraid to fumble through the darkness where many unseen things lie, we search only in convenient and well-lit corners. Obscure concepts such as well-being, contentment and happiness are difficult to define, yet our tendency is to look in vain for them in the supposed flawless light of economic indicators.

Fortunately, the small Himalayan Kingdom of Bhutan has broken this pattern. While others wander towards a well-lit glitz promising immediate pleasure, the Kingdom of Bhutan fumbles alone in the dark to find lasting human happiness. The Bhutanese leadership remains resolute in their commitment to maximize happiness despite the difficulties and dangers involved in such a project.

GNP: Where The Light is Better...

Mainstream economists have long suggested that economic growth is the surest way to increase choice and freedom and create happiness. They have for centuries believed, as did Schopenhauer, that "money alone is absolutely good because it is the abstract satisfaction of every wish... everything else can only satisfy one wish." This idea that national happiness is directly linked to material wealth has been the assumption of economic planners since Adam Smith wrote his popular book *Wealth of Nations*. We are now quite accustomed to measuring growth, progress and welfare using proxy indicators such as personal income, capital gains, and Gross National Product. It is a practice endorsed by the most influential of modern economists. One example is Alfred Marshall, considered by many to be the originator of modern economic methods, who said in his influential book *Principles of Economics*:

The steadiest motive to ordinary business work is the desire for the pay which is the material reward of work. The pay may be on its way to be spent selfishly or unselfishly, for noble or base ends; and here the variety of human nature comes into play. But the motive is supplied by a definite amount of money; and it is this definite and exact money measurement of the steadiest motives in business life, which has enabled economics far to outrun every other branch of the study of man.

Here, Marshall reveals the secret enabling economists to outrun all those limping social scientists. The formula is simple: (1) ignore everything that cannot be weighed in a balance against some objective standard; and (2) assume that all individuals are motivated only to amass more and more money. Using these hardly reliable techniques mainstream economists have supposedly developed the ability to produce "definite and exact" measurements of humanity's "steadiest motives." Although some of these economists, like Marshall, claim to make easy work of humanity's efforts to quantify human motivations, we have seen no proof that their instruments work. Can one variable cast light on all possible human desires, wishes, needs, dreams, wants, and aspirations? Bhutan is the first nation to officially say "No" and the first to challenge the idea that "Money Alone is Absolutely Good."

The Light is Better...But Nothing to See

In Vajrayana Buddhism, there is a belief that after death one's consciousness enters into a transitional space between death and rebirth. As one nears death, monks are called upon to guide the dying person's consciousness through various realms (*bardo*) and into a favorable rebirth. Some of these realms emit a warm light that attracts the consciousness. I

find it interesting that the monks encourage the dying to stay away from certain realms of light, despite their soothing and attractive glow. For the Vajrayana Buddhist, those who succumb to the soft light of these realms will regrettably return to the redundant suffering of an illusory material world. Like a moth drawn to the flickering flame of a candle, the illusion can all too quickly lead to a painful end. In a similar way, those who find the revealing light of economic instruments attractive, believing them to be fully illuminating, will never see the reality beyond their abstractions. The light provided by such a weak instrumentation cannot possibly liberate humanity from suffering and insecurity.

Numerous studies demonstrate that happiness eludes those who commit themselves wholly to the path of economic growth. For example, despite over a century of profound material growth in America, surveys show that Americans are not noticeably happier. Similarly, Japan - a country that in the short space of a few decades went from near financial ruin to tremendous affluence - has, according to studies, enjoyed no equivalent increase in levels of happiness. Economist Richard Easterlin has classified such economic conquests as "hollow victories" for they have not led to a comparable rise in human well-being.

Easterlin would undoubtedly agree with the United Nations Development Program's suggestion that "income is not the sum total of human life." In fact, anyone who has tried to buy friends, security, peace, love, truth, compassion, trust, morals, happiness or freedom, knows that there is more to life than purchasing power. This is due in part to the fact that dominant economic models based solely on material growth ignore the full range of motivating factors in human behavior. There are many things that have been shown to contribute to happiness such as social capital, health, literacy, family, and peace, but most of these slip through the accounting books. If we continue to neglect the less-perceptible motivators in favor of those that are easily measured, we might never realize our fullest human potentials. We need an economic system that opens up space for the individual to move beyond financial and material concerns to expand choice in dimensions of a non-material nature. Only an idea like GNH can create that space, and can provide the freedom for people to move beyond the misconception that money is the abstract satisfaction of every wish.

A Critique of Economic Measurements

Due in part to its efficiency, the monetary system is ubiquitous. However, what has been the effect of our trust in the system and its accompanying economic indicators? To begin, ever since free markets, physical infrastructures, and financial capital have become the measures of human progress, we have narrowed our horizons. We have been conditioned to see only the height, width, and breadth of an outdated three-dimensional world. As a result, our development paradigms ignore the

depth and diversity of the human soul. Neglect to develop this crucial fourth dimension limits modern development schemes.

JM Keynes, one of history's most respected economists, looked forward to "the day...not far off when the Economic Problem will take the back seat, and the arena of the heart and head will be ... reoccupied by our real problems - the problems of life and of human relations, of creation and behavior and religion." Keynes further clarified in the preface to his *Essays in Persuasion* that if only we could more effectively manage available resources and techniques we might be able to reduce the Economic Problem to a position of secondary importance. Believing that humans would eventually move beyond their pecuniary obsessions, he predicted some great changes in economic planning were on the way, changes that would firmly place the human in the driver's seat. Well, perhaps today is that day.

However, let us not be so quick to toss our bankcards out the window as we speed towards Gross National Happiness. We cannot deny that many nations have prospered materially underneath economic systems exclusively utilizing income as an indicator of growth. Money does not always defeat our attempts at happiness. In fact, income can contribute a great deal towards personal conceptions of well-being. Just as Abraham Maslow said, "man does not live by bread alone, unless that man has no bread." Certainly, money alone cannot make us completely happy, but it can feed us, clothe our children, put a roof over our heads, and pay the medical bills. Recent surveys such as the World Values Survey suggest that money does contribute to happiness. Up to a certain point, income very definitely influences whether or not people consider themselves happy.

Nevertheless, limits must be acknowledged. In the studies mentioned above, we can see that money is subject to the economic law of diminishing returns. As one's income increases past a certain point, there is less marginal benefit in terms of wellness. Most of these surveys show that there is no guaranteed connection between economic growth and the expansion of human development. Income alone, therefore, does not suffice as a general indicator of human well-being.

According to the UNDP, there are two reasons for this:

Income figures do not reveal the composition of income or the real beneficiaries.

People often value achievements that do not show up in measured income or growth figures.

Who Benefits?

Let me provide one example. I am a graduate student at a Buddhist monastic university in Thailand. Half of the students in my program are monks and the other half are lay people. Recently, the administration accepted scholarship applications from those students who felt were having trouble meeting their expenses. Based on a very unreliable evaluation of

financial need a number of students were awarded full-tuition scholarships, and a more fortunate few received full scholarships paying for living expenses as well as a stipend for books and other essentials. Given the administration's use of crude income assessments to the exclusion of other factors, the outcome was interesting. Of course, the majority of students receiving the scholarships were monks. If we analyze this outcome, we can see the crux of the UNDP's critique that economic indicators cannot give us the full story.

According to the Vinaya rules established by the Buddha, monks do not receive payment for their services. So, a monk has zero annual income. Therefore, when we look solely at income levels, it would seem that our monks are destitute and are in need of financial scholarships to help offset the costs of a university education. However, our income survey does not take into account other important factors. For example, in Thailand, monks do not have to pay for housing, food, transportation, and medical costs. Many monks also have private sponsors within the lay community who give "alms gifts" to help monks pay for modern conveniences such as mobile phones and laptop computers. Sometimes lay devotees even agree to cover book costs, tuition fees, as well as most daily expenses for the monks. Of course, these gifts do not show up in our survey. So, although monks in Thailand might not fare well in a survey assessing income levels, they have very few necessary expenses. In no way is it accurate to say that they are in dire financial need. They will always be fed, they will always be clothed, they will always have shelter, health care, education, and pocket money. Nevertheless, the monk will show up in most financial assessments as living in abject poverty.

What the UNDP is getting at with their critique is that the system that only looks at income is inaccurate at best and unjust at worst. The scholarship system for example was unfair to the many lay students in the program who, despite working a part-time job, may not make enough of a salary to pay the exorbitant costs of living in Bangkok. Many of them may not be able to afford healthy food, let alone insurance, transportation, books, and tuition. Even those who earn a substantial income may have financial need due to loss of employment, large family size, care costs for elderly parents, or hospital bills for sick children. When we look solely at income, we cannot determine all the expenses that one individual might have over another individual, nor can we see the perquisites that one may have that are not available to another. As we can see, income tells us nothing about how to distribute resources, because it tells us nothing about those preexisting conditions lying behind income such as social status, health, environment, physical or biological endowments, etc.

Differing Aspirations

Another problem with pecuniary indicators is manifest when we consider that individuals value different achievements. Erich Fromm explained it nicely when he said that, “the all-absorbing wish for material wealth is a need peculiar only to certain cultures... different economic conditions can create personality traits which abhor material wealth or are indifferent to it.” Humans possess varying levels of perception and wisdom, and when calculating cause and effect, the result will vary from person to person according to cultivated insight and/or perspective. Utilitarian analyses encounter problems as they often assume that all individuals derive pleasure and pain from the same sources. This is false. What brings pleasure to a hedonist may bring suffering to an ascetic, and what brings pleasure to an ascetic may bring only boredom to the modern teenager. For example, we may assume that one dollar to a poor man who only eats one meal per day will have more utility than that same dollar will have for a millionaire. However, such interpersonal comparisons cannot be trusted due to the wide variety of motivations for human action. The poor man may be a Buddhist lama meditating in a cave; as he has taken a vow of poverty as a means to enhance his welfare, he has no need for money. The millionaire, on the other hand, may be a philanthropist who lives in a simple studio apartment, eats one meal a day, weaves his own clothing and donates every dollar beyond his basic needs to an underfunded medical clinic in Cambodia. Where will our dollar be of most benefit, with the poor mendicant or the millionaire? Income indicators alone cannot tell us.

We should try to make this discussion more relevant to Bhutan. Imagine a poverty assessment team entering into the largest Buddhist monastery in Bhutan. Their instruments would undoubtedly detect severe deficiencies in this community. The evaluation might lament the abject poverty of the monks, and the lack of employment and financial services. Concerned about the welfare of this community, the team might prescribe loan distribution services or savings programs. No consideration would be given to the simple fact that the monks have rejected economic concerns so that they might have more time to realize higher intellectual or spiritual goals. Obviously, their aspirations and motivations are different from the lay merchant who must provide food and education for his family. How could a poverty assessment team concerned only with income levels expect to capture the motivations of a monk, or even a layperson that chooses a life of simple self-reliance? I think we can put to rest here Marshall’s claim that economic instruments can produce “definite and exact money measurements of the steadiest motives.” If income indicators fail to quantify the motivations of monks and hermits, might the same be true in other situations? It is time to put new strategies to work.

Gross National Happiness: Reestablishing Happiness as the Goal

In his essay *Economic Possibilities for our Grandchildren*, published in 1930, Keynes made a number of predictions concerning our future *vis á vis* economic development. He predicted that after significant material gains were made in progressive countries, economic growth would become of marginal concern to policy makers. He anticipated that individuals within these affluent countries would start to look beyond their bank accounts for fulfillment. However, he cautioned that this transition from a growth-pursuing culture would be difficult as the "habits and instincts of the ordinary man, [have been] bred into him for countless generations." In his essay, he predicts that this transformation will be nothing short of a "general nervous breakdown." Nevertheless, "those peoples who can keep alive and cultivate the art of life will be able to enjoy the abundance when it comes."

We can see in Keynes that the idea that humanity is not a slave to economic indicators is not a recent innovation. In fact, for centuries, renegade economists have labored to extract the human soul from the unrelenting trample of the marketplace and return it to its position at the center of economic concern.

Historical Antecedents to GNH

The idea of placing nonmaterial outcomes at the center of all private and public action has been around at least since the time of the Buddha. The Buddha suggested on numerous occasions that wealth should not be measured in pecuniary terms, but rather using non-material indicators such as contentedness, mindfulness, and purity. One example is found in the Majjhima Nikaya where the Buddha instructed his followers that "actions, knowledge, qualities, morality and an ideal life are the gauges of a being's purity, not wealth or name."

In more recent times, when capitalism was but a few decades old, Simonde de Sismondi questioned the notion that economic growth was an end in itself. He wrote, "When one takes the increase of economic goods as the end of society, one necessarily sacrifices the end for the means. One obtains more of production, but such production is paid for dearly by the misery of the masses." Sismondi recognized that we risk unhappiness when economic growth becomes our end.

John Ruskin, a 19th century British art critic, whose writings on economics were a powerful influence on Mahatma Gandhi, felt that the science of political economy was valid only insofar as it "teaches nations to desire and labor for the things that lead to life, and which teaches them to scorn and destroy the things that lead to destruction." Ruskin wrote in one of his treatises one of the earliest hints of Gross National Happiness: "that country is richest which nourishes the greatest number of noble and happy human beings."

John Hobson was another economist who felt that our economic practices all too often “identify the desired with the desirable.” He argued, “The total process of consumption-production may contain large elements of human waste or error, in that the tastes, desires, and satisfactions which actively stimulate wealth creation may not conform to the desirable.” He summed up his frustration in one short couplet: “Getting and spending, we lay waste our powers.”

Another modern advocate of a more human approach to economic policy was economic historian RH Tawney. Like His Majesty the King of Bhutan, Tawney was of the mind that it is necessary to seek culture, learning, and spirituality before seeking material wealth. He advocated that in devising our economic policies what is needed is a purpose, a “principle of limitation” to distinguish between “what is worth doing from what is not, and settles the scale upon which what is worth doing ought to be done.”

Yes, ideas similar to GNH have been around for a long time, but they have never made it into the mainstream. Perhaps this is confirmation that although it may be easy to say we want happiness, it is not always easy to know how to go about doing it.

“Operationalize,” Easier Said Than Done

The discussion surrounding the operation of GNH reminds me of an article I read recently about a hospital in China. After receiving a number of complaints from patrons about the doctors and nurses being too irritable, the hospital administration instructed their staff to regularly flash smiles showing no fewer than 8-teeth. Essentially, happiness became the company policy, and a quantifiable indicator, an 8-tooth smile, was selected. After some time, a significant decrease in complaints seemed to indicate that the policy worked. By all quantitative accounts, it seemed that the hospital was experiencing an overall increase in gross happiness.

However, what really happened? What about the staff? Were they happier knowing that if they did not smile widely enough they might lose their job? What about the working conditions that made them irritable in the first place? Would a forced 8-tooth smile contribute to the happiness of an overworked, underpaid, and distressed employee? Sometimes measurable proxy indicators of happiness, such as a smile or a positive response to the question “are you happy?” masks an urgent discontent.

Obviously, those who support the GNH project have many questions to answer. We have our work cut out for us. The difficult task of operationalizing Gross National Happiness will present new challenges all along the way. Before we proceed, I would like to offer the advice of RH Tawney, who almost seems to be speaking direct words of encouragement to those involved in the GNH effort:

These are times which are not ordinary, and in such times it is not enough to follow the road. It is necessary to know where it leads and, if it

leads nowhere, to follow another. The search for another involves reflection, which is uncongenial to the bustling people who describe themselves as practical...But the practical thing for a traveler who is uncertain of his path is not to proceed with the utmost rapidity in the wrong direction: it is to consider how to find the right one.

As Tawney points out the search for another path involves serious reflection; it also requires the courage to turn around once it is realized that the wrong decision has been made. It is an exhausting process. Fortunately, extraordinary individuals unafraid of challenging the status quo have already completed much of this work. Like the *tertons*¹ of Bhutan, it is our responsibility to dig up preexisting wisdom wherever we may find it and put it to work. Let me suggest a few possible points of embarkation.

GNH and Human Development

The United Nation's Development Program (UNDP) has recently suggested that human well-being is complex and should not be reduced to one single dimension. In their 1990 Human Development Report the UNDP convincingly argues that there are numerous factors affecting one's capacity for happiness: long life, knowledge, political freedom, religion, personal security, community participation, culture, and guaranteed human rights. Indeed, to fixate on material needs at the expense of numerous others is, as the Tibetans say, a bit like "killing the yak for a kidney." Neglecting the whole to gratify immediate material desire is not wise practice.

Since our dominant economic models cannot effectively measure the multiple dimensions of human prosperity, they cannot guarantee an adequate distribution of technology, information, and wealth. As a result, significant economic growth co-exists with deplorable human depravity. Well-being depends not only upon how much money there is, but also upon how it is used. This is evident in the fact that there are wealthy nations (just as there are wealthy individuals) which do not enjoy much comfort, security, and freedom. In turn, many less affluent nations enjoy relatively high levels of human security. For this reason, human development advocates do not measure prosperity by wealth alone but rather attempt to enhance the freedom individuals have to pursue the types of lives that they have reason to value.

Development not as Wealth, but as Freedom

According to human development advocates, the purpose of any development endeavor should not be simply to generate material wealth, but to (a) offer people more options, and (b) increase their capacity to choose from those options. Nobel Laureate Amartya Sen has said that we

¹ A "treasure-finder" in certain tantric Buddhist schools. It was the terton's responsibility to discover ancient spiritual texts (*terma*) hidden by earlier tantric adepts.

must pay attention "to the expansion of the 'capabilities' of persons to lead the kind of lives they have reason to value." Freedom to choose what one values and become fully "capacitated" in that choice is therefore the primary objective of all human development policies. In short, the basic objective of human development is to consider the multiple dimensions of human well-being and "create an enabling environment for people to enjoy long, healthy, and creative lives." I would like to suggest that these "enabling environments" should be the focus of the Royal Government of Bhutan as they move to operationalize Gross National Happiness. The larger the space, the more freedom to move; the more freedom one has, the more likely happiness will be the result.

Capabilities and Functionings

The most significant contribution of human development has been its critique of income indicators. Proponents of human development argue that instead of income, policy makers should look to "capabilities" as the relevant evaluative space. Capabilities are simply the choices and options that are available to an individual, such as the ability to learn to read and write, the ability to be employed, the ability to go to college, the ability to travel etc. It is important to remember that capability sets are simply options available to us; we can choose some and reject others. For example, a plate of food set on the table is simply a capability. It does not need to be eaten. There is a choice. However, once someone decides to eat the food, the option ceases to be a capability and becomes a realized capability, or what some call a "functioning." These functionings are the "beings and doings" that individuals have reason to value and activate, or the choices that we make from the set of capabilities that are available to us.

The difference between this approach (appropriately named the capability approach) and standard analyses is that it is not concerned with personal decisions. It does not matter whether someone decides to eat the meal or not, it is solely concerned with whether an unrestricted choice was available. In other words, we do not have to eat the meal in order to be seen by the statistician. It is the choice that matters, and it is the choice that is measured.

The importance of such distinctions may not be immediately evident. The value that the capability approach adds is in the freedom that it grants to those affected by development policies. It gives choice to people who, up until recently, never had a choice in the development process. For example, welfare programs that seek to meet basic needs usually focus on evaluations such as "caloric intake." However, what does this really tell us about the individual we are evaluating? What are they eating? What are they not eating? Why are they eating? Why are they not eating? Amartya Sen reminds us that a person with a deficiency may have made a conscious decision to be "deficient." For example, it is certain that Gandhi's caloric

intake was frighteningly low during his fast to protest the abuses of the British colonial government. His choice to fast was important to him and enhanced his well-being, despite what the evaluations show. His happiness was enhanced not by his caloric intake, but by the freedom he had to consume or not.

Amending Development Clichés

To see the problem from a different angle, let us analyze that omnipresent development cliché, “teach a man to fish, you feed him for a lifetime.” As the legend goes, several centuries ago a wise old Chinese master saw somebody handing out free fish to the hungry and poor, his response established one of the world’s first cogent development theories: “give a hungry man a fish, you feed him for a day; teach a hungry man to fish, you feed him for a lifetime.” The policy appears sound; perhaps that is why it has today become the slogan of hundreds of NGOs around the world. But, if we look at the sage’s advice from the perspective of the capability approach we sense an error. What if the man is a vegetarian? What if he is allergic to seafood? What if he is sick and cannot eat solids? What if he believes the souls of his ancestors dwell in the fishes? In short, what if he chooses not to eat fish? There are many reasons why the hungry man will benefit neither from free fish nor from instruction in how to catch fish. So imagine if our assessment of nourishment only considered how many fish one individual eats in one day. Whenever one indicator becomes the sole measurement of an individual’s welfare, we miss the larger picture, freedom and the happiness that results from self-determination. It is this problem that the capability approach attempts to resolve.

Capacity to Aspire

One of the most interesting developments to come out of the discussion on capabilities comes from Arjun Apadurai, a sociologist who has done significant work on the relationship between culture and development. In a paper to be published by the World Bank this year, Apadurai encourages us to reexamine our definitions of culture and development. Apadurai argues that we are mistaken in our perception that culture is a thing that describes only the past and present. He says that as we speak of cultures we often use words such as habit, custom, heritage, tradition or other things that denote “pastness.” Rarely do we think of culture as being something that is oriented towards the future. When we do speak of the future we often use economic or development terminology such as plans, goals, targets, and hopes. When we speak of the future of human beings we often talk of their needs or wants, expectations and calculations. The point of Apadurai’s argument is that by relegating culture to the past and economics to the future we have pitted the two against each other. According to Apadurai, this perspective supports the wrong view that culture is opposed to

development, tradition is opposed to newness, and habit is opposed to calculation. Anthropologists often blame economists for their unwillingness to consider cultural concerns, and economists blame anthropologists for their elaborate abstract models that do not respond to real-world needs. Apadurai believes that we have been crippled by these stubborn definitions. He suggests that we expand our conception of culture to include a concern for futurity. By encouraging the expansion of an individual's capacity to aspire he attempts to link culture with Sen's capability approach by establishing the future as a cultural capacity.

Understanding Aspirational Capacity

To help understand the explanatory value of Apadurai's "capacity to aspire" we can envision two artists of comparable talent and training, commissioned to paint a work of art. Artist A is given a large studio with plenty of light and fresh air. Artist B is given a cramped room in a basement with no ventilation and no natural light. Artist A is given a large canvas and a wide assortment of brushes, as well as pencils, pens, and oils in a range of colors, while artist B is given one tube of black paint and one thick matted brush. His canvas is about the size of a piece of paper. What will happen to the artists' creative vision as they are presented their workspaces? It is safe to assume that artist A, who can paint practically anything she might choose, would envision a number of possibilities. Artist B on the other hand, with only one color to work with and no room to move, is severely limited. Using Apadurai's terminology, we can say that artist A has substantial capacity to aspire, while artist B has very little aspirational capacity.

If we describe this situation using the terminology of capability analysis we can say that artist A has a broad set of capabilities to choose from. Her painting can be as minimal or as flamboyant as might be desired. It may consist of one color or 100 colors. Artist B on the other hand has limited choice. His talent will be neglected and perhaps lost as he cannot aspire to anything beyond those choices that are available to him.

Aspirational Capacity, the Capability Approach and GNH

Apadurai's work is of extreme importance to Bhutan, not only because the concept of aspirational capacity permits culture to determine the future direction of economic development, but also because it enhances the happiness of individuals. It is commonly accepted that people should have a say not only in what happens to them in the present, but also what they become. As Trungpa Rinpoche has noted, we are not only what we have done, our past karma, but we are also to a degree what we know we must do, what might be called our future karma. We are our aspirations. The more control people have to anticipate their future actions, the more secure they feel. With security comes happiness.

I would like to propose that we look at Gross National Happiness from the perspective of aspirational capacities and frontiers. Working from this perspective the RGoB would give up responsible for determining what sort of lives the Bhutanese people should live, and shift its concern to creating space for people to choose the type of lives they may have reason to value. In the case of the artist, the best environment is the one that provides the most space, and the most options. It should then be left to the individual to paint the picture. Similarly, the objective of a good government should be to create options for its constituents, and to provide space for them to move and choose. The government is no more responsible for making happy lives for its constituents than it is responsible for painting pictures for artists. Provide the space, and let the individual do the rest.

Now I must explain carefully here that I am not suggesting that Bhutan throw open her doors to let the world, with all its complexities, come flooding in. This would be irresponsible. Good governance must assume the responsibility of educating the people, and then giving them agency to choose for themselves. This is something like the bardo guide who leads the dying through the life after death, but who cannot force anyone to act against his or her will. Instead, the guide provides valuable instruction at each point in the journey past the bardo realms that will allow the individual to choose effectively. In other words, and this is endorsed by the Buddha himself, the human consciousness cannot be forced into a state of being that is not chosen or for which it is not prepared. Like this, the government must also guide its constituents through the confusion of a modern world. It must encourage the people to live in a way that will promote gross national happiness, but it must never legislate choice or action. This is a complicated process that takes time; the Bhutanese government is wise in not opening too many doors all at once.

GNH and Human Security

Human security is also a relatively new concept, but in my opinion can nevertheless contribute substantially to the effort to put GNH to work. Human security is a valuable concept that encourages policy makers to put the human individual at the center of policy matters. This is in response to the habit many nations have developed of placing state security or homeland security before the interests of human individuals. United Nations Secretary General Kofi Annan has specified two areas of concern that fall within the reach of human security. The first concern is to provide *freedom from want* for all people. This means that our policies must work to liberate individuals from halting poverty and other phenomenon that deny people their basic human needs and securities. Of course, given our discussion above, it might be difficult to establish a list of "basic human needs" as these items might vary from culture to culture and from individual to individual. But some suggestions might actually come from

within a culture. For example, in a Buddhist community these needs might be defined as the four material requisites as defined by the Buddha: food, clothing, shelter and medicine. Nevertheless, all humans should have the capability to meet their basic needs. The second concern of human security is *freedom from fear*. This means that all individuals have the right to live in an environment that is free from violent conflict, social upheaval, or political disruption. It should therefore be the responsibility of all policy makers to assure that all their constituents are free from the fear of war and violence. As far as possible, humanity should be liberated from social, political and economic fears. It might help to remember here that the Buddha was very interested in devising liberation strategies to assist his followers in freeing themselves from fear, a state referred to in Buddhist texts as *abhaya*.

Linking GNH to Existing Development Concepts

The Kingdom of Bhutan stands in a unique position. As the country has not been fully absorbed into the international economic system, there is a substantial amount of space for movement. There is an incredible amount of aspirational capacity. This leaves the RGoB open to form self-determined policies that respond to the socio-economic aspirations of the Bhutanese people. It also leaves the government open to learn from, and possibly incorporate, the latest ideas from organizations such as the UNDP and the latest work from development experts.

For example, Bhutan might be the first nation to adopt human security as one of its primary policy concerns. Not only is the concept of freedom from fear and freedom from want compatible with the guiding philosophy of Gross National Happiness, but it might also provide some theoretical substance to the GNH idea. To link the two concepts would help establish some common ground between the United Nations and the government of Bhutan. This would lend a certain amount of international legitimacy to Bhutan's important, but at present lonely, pursuit of national happiness.

In addition, we can find many parallels between human development objectives and the GNH idea. Both concepts seek to remove the human individual from the confined spaces of one-dimensional indicators. Both ideas are open to a multi-dimensional evaluation of human well-being. In the capability analysis, the RGoB can find the evaluative instruments it is looking for. By enhancing the capabilities of the Bhutanese people they will become enabled to choose those functions of life that they have reason to value. This freedom of choice and movement is without question an essential component in human happiness.

Conclusion

In this paper I have attempted to show how the path illuminated by economic indicators will not lead us very far down the path to happiness. However, the Kingdom of Bhutan's philosophy of Gross National

Happiness provides us an alternative. GNH, although unable to provide a clear picture of what happiness is, can nevertheless act as a constant reminder to policy makers that happiness, and nothing else, is the goal. I have also suggested that policy makers should not be so concerned with measuring such outcomes as income, calories, positive answers to “are you happy” questions, or any other “functioning,” because such obsessions strip the individual person of his or her freedom to *not* function. Although happiness cannot be measured, and perhaps should not be measured, the space wherein people can aspire towards those things that make them happy can be determined. So, I recommend that instead of measuring outcomes, policy makers should measure what Amartya Sen calls capabilities, the choices that are available to people to live lives that they have reason to value. I also recommend that instead of attempting to maximize happiness, the RGoB should work to expand the aspirational capacities of the Bhutanese people. This will ensure that freedom remains present throughout the development process.

The Centrality of Buddhism and Education in Developing Gross National Happiness

DHARMACHARI LOKAMITRA

Over the last 25 years or so I have been working in India largely amongst people who converted to Buddhism in 1956 with the encouragement of Dr. B. R. Ambedkar. These were formerly known and treated as untouchables in the Hindu caste system. Our work consisted firstly of Dharma activities, meditation classes, Dharma study, lectures and retreats. As a result of Dharma practice many people have radically transformed their minds and lives. Besides Dharma activities under the name of Trailokya Bauddha Mahasangha, a number of social activities were also started under the name of Bahujan Hitaya, recalling the words of the Buddha to his first disciples. Social activities include hostels and community projects in slums as well as relief and rehabilitation work in recent earthquakes. These activities are all run by young men and women most of whom have grown up with their families in one small room in appalling conditions in slum localities, with no sanitation, no running water, and numerous other disadvantages. Through Buddhist practice they have transformed their own lives, and now they are running projects to help others do likewise.

Dr. Ambedkar converted to Buddhism in 1956 along with 500,000 followers (this has continued and estimates put the present population of new converts at over 20,000,000). He saw in Buddhism the possibility both of eradicating the deep psychological scars left by untouchability and developing highly positive individual and social attitudes. Dr. Ambedkar's own life is well worth looking at. Born an untouchable, through the help of socially progressive Indian princes, he was able to complete his education abroad, becoming one of the most highly educated men in India in the early years of the 20th century. A highly qualified economist and lawyer, and an accomplished politician, he brought about considerable social changes for the benefit of his untouchable brethren and other socially disadvantaged groups. However he felt the ethical and psychological changes that Buddhism promised were even more important and would guarantee the social changes he had initiated. It was only through the most radical changes in individual and social attitudes that real social change would take place. In Kathmandu in November 1956 at a conference on Buddhism and Communism he said, "The greatest thing that the Buddha has done is to tell the world that the world cannot be reformed except by the reformation of the mind of man, and the mind of the world."¹

¹Bhagawan Das ed., *Thus Spoke Ambedkar*, Volume four, p. 27, Ambedkar Sahitya Prakashan, 1980, Bangalore

This goes right to the heart of the subject matter of Gross National Happiness. If one follows Dr. Ambedkar's line of thinking, unless a society is morally and psychologically strong, the other more objective aspects of Gross National Happiness will be threatened. This is as pertinent as ever today in view of the power of the negative aspects of globalisation, consumerism, the internet, advertising and the international media, none of which are likely to subside in the foreseeable future. A recognition that this moral and psychological strength can come from Buddhism seems to be implicit in the approach the Royal Government of Bhutan has taken to the policy of Gross National Happiness.

While Buddhism as a path of self transformation has to be taken on consciously by each individual concerned, history shows us that it has had a very positive impact on the local culture and society wherever it has had a sustained presence. Today the great increase in population and globalisation makes this more difficult than in the past. New ways to communicate the values of the Buddha Dharma widely have to be found. Any discussion on values these days will centre on education including the public school system. We need to examine whether Buddhism can influence and permeate education in such a way that they help to prepare the individual more effectively for the conditions of the modern world, without in anyway restricting their freedom through one form of indoctrination or other biases. Besides looking at the relationship between Buddhism and education this involves questioning the way that Buddhism is presented in the modern world, especially to the young; it needs to be presented in a way that is does not insist on tradition, but is able to relate to their experience. Many young people go through a reaction to their local religious traditions when they come into contact with the modern world. Without discarding the great wealth of tradition, a more accessible approach to Buddhism needs to be developed for the young.

Happiness and Buddhism

Before proceeding with these questions I want to take a brief look at the word happiness itself, and its meaning in Buddhism. Most people see happiness in terms of sense and ego gratification; happiness has to come from favourable conditions outside oneself, or one's mind. The mind that operates on this level is reactive, it does not respond out of its own inner fullness or creativity but reacts blindly, mechanically and repetitively to conditions outside of its control. The cat has to chase the mouse – it cannot stop and reflect whether chasing the mouse will in any way help it or the mouse. Being dependant for its satisfaction from outside stimuli the reactive mind is weak, easily influenced and swayed. It is prone to the grossest of sense stimuli especially sex and violence, which is why films that portray these vividly are usually very popular. Always being pulled in different directions by sense objects, it is fickle, and unable to settle for long. And due

to the ever changing nature of mind and objects, any happiness gained is short lived.

This form of happiness is illustrated by the third circle of the *Bhava Chakra* or Tibetan Wheel of Life, as it is commonly known in English. The shape itself communicates the ever changing but never progressing aspect of *samsara* or worldly life. The third circle from the centre illustrates the six realms of conditioned existence, which although traditionally representing different life possibilities, are equally relevant to our changing mental states in this life itself. Animals are shown enjoying the grossest of pleasures, food, sex and sleep. If these are satisfied the animals are happy, if not they can be aggressive and violent. Others, tied to the plough, spend their lives goaded on by the farmer, up and down their fields, and see no other possibility of existence. They represent the mental state of ignorance, ignorance of any higher significance or satisfaction to life. The *pretas* or hungry ghosts are depicted as having large bellies but long thin necks and very small mouths. They have enormous appetites, which can never be satisfied. To make matters worse, whenever they do get food or drink it turns into excrement or ashes. They represent the mental state of extreme dependency, neurotic craving; however much one gets, one is never satisfied and always craves more. This is the state of the addict, and indeed the consumer, a little pleasure only leading to more dependence. In the *asura* realm the king and the warlords are fighting the gods for the fruit of the tree of life, not realising that although the fruits fall in the realm of the gods, the roots of the tree are in the asura realm itself! The asuras think they can grab happiness by force and manipulation but they never succeed. The beings in the *deva loka* or realm of gods are depicted as having everything they want just by thinking of it. They are intoxicated by the most refined of pleasures, but the conditions for this pleasure are impermanent, and one day will change! The second circle from the centre consists of two halves, one white and one black. In the white half beings are moving up with happy countenances as a result of meritorious action. In the black half, beings are falling down upside down, with anguished painful looks on their faces, and each being chained to the one behind, thus pulling them down. This illustrates on the one hand the temporary nature of happiness gained from positive karma, and on the other the terrible effect on ourselves and others of negative karma. The centre of the wheel consists of three animals, the pig, the cock and the snake, each biting the tail of the one in front, showing how one leads inevitably to the other. The pig, being led by its nose and not eyes, represents ignorance or delusion. Ignorance consists in thinking that one cannot change. Happiness therefore has to come from outside, and hence the birth of greed represented by the cock. Happiness thwarted is pain, and again if we do not see that we can change, we try and eradicate the pain we experience with reference to the world outside of us, hence the birth of aversion and hatred. Hatred narrows our vision and so reinforces ignorance.

In terms of our subject Gross National Happiness, this level of mind and happiness is clearly unsatisfactory. Indeed this level of mind is the delight of the multinationals and the international media. Both depend on advertising, said to be the biggest industry in the world, firstly to sell their products and secondly to finance their programmes. Advertisers promise an immediate and attractive happiness through what they are trying to sell, appealing directly to the senses and the ego, and trying to by pass the rational mind. Because of the money they have they can use the most effective means available to do so in a way that “undeveloped” or “developing” societies find it hard to resist. Advertisers do not want to encourage objective thought (although as part of their ploy they may pretend to), but rather the opposite. And of course they want to create dependence which they do through encouraging greed, ignorance, jealousy, insecurity, and all their other ugly siblings. They thrive on weak, reactive and dependant mental states, trying to inculcate and perpetuate them. If negative mental states are encouraged and perpetuated, while positive ones are weakened, the social and cultural strengths that are required to maintain the other, more external aspects of Gross National Happiness will be eroded. This will inevitably contribute to the degradation of the environment, an increasing gap between rich and poor, a separation from cultural roots, and less responsive social attitudes on the part of the citizens, all of which will have an inevitable affect on governance. However positive the environment, economic well-being, culture and good governance may be, it will be extremely difficult for them to withstand this onslaught.

The happiness that is dependant on sense and ego gratification is not, according to Buddhist understanding happiness at all. While there may be some occasional enjoyment, there is much more suffering involved. A truer happiness arises from living an increasingly skilful and pure life, having a clear conscience, from generosity and helping others, from friendship, and from creative endeavour. There is the spiritual joy that comes from meditation and finally Enlightenment, the highest happiness man can achieve. The Buddhist life progresses from the realisation that conditioned existence is by its very nature unsatisfactory (*dukkha*) to the realisation of Nirvana, the state of being permanently free of *dukkha*. That state of realisation, Enlightenment, is spoken of as the supreme bliss, the state of peace, a state of unrestricted freedom from all bonds. This state remains unshaken no matter how unfavourable external conditions may be. The further one goes in this direction the less dependant one’s mind and happiness becomes on external conditions (Enlightenment itself is said to be unconditioned) and the stronger and more positive one’s attitudes become. The less likely one is to be drawn into that vortex that the forces of greed in the modern world would like to stimulate and the more one is enabled to take what is useful from developments in the modern world and to leave aside what is not.

It is the individual who understands and practises the Buddha Dharma. However this understanding and practise has significant implications and reverberations for the wider society. The way individual practice affects society is to be understood if we appreciate the centrality of Buddhism to Gross National Happiness, and examine ways in which to make this connection more effective.

Buddhist practice is based on the understanding that our lives are inextricably bound up with others. *Sila*, or morality, the first of the three trainings or major stages of the Path, involves transforming behaviour and speech – both of which are directly concerned with others. *Samadhi*, or meditation, involves cultivating awareness and highly skilful attitudes towards others, such as loving kindness, compassion, sympathetic joy and equanimity. *Prajna*, or wisdom, involves seeing that ultimately there is no difference between oneself and others; this realisation gives rise to the higher or enlightened compassion.

Those people committed to this practice make up, at least in principle, the Sangha. Dr. Ambedkar saw the role of the Sangha (he did not exclude the possibility of Sangha including lay people) as central to the question of social transformation. Because of their systematic practice and cultivation of higher and more skilful mental states they would constitute a model society, setting an example to others how to live in the best way, and indeed showing that such a higher life was possible. Concerned as they were for others, they would also be able to work effectively for their uplift, both socially and through the Buddha Dharma. History has borne this out. Wherever Buddhism has travelled the Sangha has, through its own example, practice and work, given the wider population a higher dimension to life, drawing it upwards towards higher forms of happiness away from that based on the gross senses.

The social concern and implications were inherent in Buddhism from the very beginning. At the end of his first post Enlightenment rainy season retreat, the Buddha exhorted his first disciples to travel the roads and pathways of for the welfare and happiness of the many people (*bahujana hitaya, bahujana sukhaya*). And he exhorted them to travel alone so that they would reach the largest number of people. His own example was not wanting in this respect; throughout the 35 years as the Buddha he was continually going out to those in different states of suffering. He frequently illustrated his teachings with examples from his past lives as a Bodhisattva, which eventually blossomed into the glorious Mahayana tradition.

While the Buddha did not say a great deal about social questions, perhaps because there was not a lot to say at the time, what he did say was full of significance. He was extremely critical of caste and a society where birth was given more importance than merit, and he set an example by making sure that the *bhikshu sangha* was free of caste and social divisions. One of the limbs of his most famous teaching, the Noble Eightfold Path, is

Right Livelihood in which those livelihoods involving harming other beings in any way are actively discouraged. The list he gave then was small, but today with the great proliferation of occupations, it would be very long indeed. Most pertinent in this context, he talked of the duties of the Dharmaraja, the king (or government) who practiced the Dharma. His duty was to uphold the moral precepts and encourage his subjects to practice them. If the moral precepts, which involve the cultivation of skilful behaviour and speech, are practiced on a wide scale, that society will be positive and responsible.

Although there are many blemishes in the name of Buddhism, on the whole where ever it has spread it has encouraged civilised values, peace and harmony, at least as far as religion is concerned, an appreciation of art and beauty, education, and action to help those suffering. In any given society, even where Buddhism is the predominant religion, only a relatively very small proportion of the population is likely to take the practice of the Buddha Dharma very seriously. However the activity and example of the Sangha and Dharmaraja (if such exists) can result in positive social attitudes and conditions as well as a general openness to higher and more skilful values. The Sangha will receive the support and appreciation of the wider society thus extending their influence.

In Bhutan, where the concept of Gross National Happiness originated, the principle of the Dharmaraja is very much alive, more than anywhere else in the world, through the support of the King and Government. Buddhism is a living tradition with enormous appreciation and respect from the society at large. His Excellency, the Prime Minister of Bhutan, emphasises the role that Buddhism plays in the approach of the Royal Government of Bhutan in the concept of Gross National Happiness and refers to enlightened education, education permeated by Buddhist values.² Although he does not go into details it will be very interesting and instructive for Buddhists in other parts of the world, and indeed for non-Buddhists interested in Gross National Happiness to see how Buddhism can influence the public education system. If positive values are not consciously introduced into the education system it is likely that the negative values of the modern world will seep in, especially as education throughout most of the world tends to be based on Western models aiming at fitting into a Westernised world, a world in which ethics and spirituality are not generally held in high regard.

Although mixing religion and education has a generally bad press in the liberal West, modern educational values and Buddhist values coincide in a number of ways. They agree on not trying to bias the students in any way, restrict them through indoctrination, or encourage superstitious attitudes. Buddhism stands for the cultivation of awareness at all levels,

² *Lyonpo Jigme Y. Thinley, Values and Development: Gross National Happiness in Gross National Happiness, p. 17-18, Centre For Bhutan Studies, 1999, Thimpu*

leading to freedom from all wrong views and has no room for dogmatism whatsoever. It has no place for psychological or other forms of conditioning that close our minds rather than open them. This awareness has considerable ethical and social implications which extend to the overall environment. This openness of Buddhism is illustrated by the Buddha's exhortation to the Kalamas:

"Now, Kalamas, do not ye go by hearsay, nor by what is handed down by others, nor by what people say, nor by what is stated on the authority of your traditional teachings. Do not go by reasoning, nor by inferring, nor by argument as to method, nor from reflection on or approval of an opinion, nor out of respect thinking a recluse must be deferred to. But, Kalamas, when you know, of yourselves: 'These teachings are not good; they are blameworthy; they are condemned by the wise; these teachings, when followed out and put into practice, conduce to loss and suffering' – the reject them."³

Positive moral attitudes, especially non-violence, the significance of right livelihood, positive human communication skills, the essential equality of all human beings, respect for others, honouring their right to make up their own mind and live in the way they want to, appreciation of the environment, are all of the essence of Buddhist practice and can all be effectively communicated through education. The ideal teacher is the Kalyana mitra (which the Buddha spoke of as of the essence of the Buddhist spiritual life), the experienced and loving friend who is concerned above all else with the overall well-being of the other. Although they are Buddhist values, they can be communicated very effectively without reference to Buddhism as humanistic values and a number of prominent Buddhist teachers have made this connection over the last fifty years or so. At the same time Buddhist teachings have no conflict with science and rationality – Buddhism has encouraged logical thinking and generally encourages a critical approach to life. Buddhist education would also involve a critical appreciation of the best that civilisation has produced. It has no problem with positive developments in other religions. There should therefore be no fear of Buddhism having an adverse or limiting affect on education as there sometimes is of other religions

With all the research available there should be no doubt about the efficacy of education in helping to cultivate positive attitudes - or otherwise as history has shown. For it to be most effective it requires the best possible resources being put at its disposal. The best people need to be attracted to teach and manage the education system. The most appropriate teaching methods need to be fully researched, and then applied. The most suitable

³ Quoted in *Transl. F. L. Woodward, Some Sayings of the Buddha, p 188, The Buddhist Society, 1974. London*

learning environments need to be developed. Classes need to be small. The curriculum needs to be suitably balanced. Children need to receive individual attention, not only in the learning process, but also in terms of the development of their personalities. Most of all Buddhist values need to permeate the whole syllabus and not be just a lesson themselves, for an hour or two a week. Obviously for such a programme to be successful there has to be both the will and the finance to make it a priority. But the individual and social rewards would be very great.

One question that will have to consciously taken on in communicating Buddhism through the education system, is that of finding ways of presentation that are accessible to those brought up with a scientific education and exposed to the forces of globalisation and the international media. In countries where Buddhism has a long history the modern world and Buddhist tradition do not seem to co-exist very easily. I have attended a number of Buddhist conferences in the East over the last 20 years in which the common refrain was “how can the youth be kept interested in Buddhism?”. This concern is often felt to be regrettable, representing some sort of failure in the Buddha’s teachings, with the result that the answers people come up with are very often superficial. But this process of finding new ways to communicate the Buddha Dharma in changing social, cultural and geographical conditions has been going on from the beginning of Buddhist history and the fact that it can and does take place is part of the inherent creativity of Buddhism. Here I am not going to suggest ways to communicate the Buddha Dharma in the modern world; that has to be done by those in each particular situation. Rather I shall look at areas of exploration and investigation that could be helpful in this process.

Buddhism in the last 50 years has spread to many Western countries, where all the major traditions are now represented. Besides the Eastern teachers who brought Buddhism to Western shores, there have been some great Western teachers like Sangharakshita and Lama Govinda, who were not only well acquainted with Western philosophical traditions and culture but also deeply steeped in the teachings of the different Buddhist teachings of Asia. Their approaches to the understanding and practice of the Buddha Dharma are well worth exploring and could be of relevance to the questions facing Asian Buddhists in the fast changing world. Besides such teachers there is now a vast field of experience build up from the practice of Western Buddhists in Western conditions. Indeed at present Buddhism is going through an interesting period of transition; Western Buddhists are grappling with how to approach the Dharma without depending on the charismatic Eastern teachers who established many of the initial Buddhist activities there. There is much that could be gained (both ways) from interaction with those from Western cultures, and yet who have found in Buddhism the answers to their spiritual quest – this is one of the benefits of the global village. How is it that such people, coming from cultures where

multinational corporations and the sort of media we now see invading Asia dominate, commit themselves so wholeheartedly to Buddhist practice?

In countries where there is a long Buddhist tradition, it is often hard to distinguish between Buddhism and the local culture, so much have they grown together. But in a fast changing world anything identified with the past culture, however noble, as Buddhism is very often, may be seen as not relevant to the modern world. Not only Buddhism's contribution to local culture but Buddhism as a spiritual path will be obscured if not rejected. It may therefore be necessary to simplify the way the Buddha Dharma is taught and practiced and try and raise it out of its traditional cultural context. Many Eastern Buddhist teachers have gone to the West and have had to do just that – communicate the Buddha Dharma out of the traditional cultural context in which they themselves learnt it. They have had to distinguish themselves between what is the Dharma and what are cultural accretions, however positive they may be. Interaction with such teachers who have taught for a long time in the West could be of immense value to those traditional Buddhist cultures finding difficulties with modern developments.

A number of interesting developments have come out of interaction between Western and Eastern Buddhists in recent years, three of which I shall mention. Firstly there is the loosely termed “socially engaged Buddhist movement”. Socially engaged Buddhists try to apply Buddhist principles proactively to social questions such as the environment, human rights, poverty, inequality, exploitation, communal violence. Eastern Buddhist teachers have had a very positive influence on some Western social activists many of whom can no longer accept the guidance of the Christian churches. At the same time this has helped to re-stimulate such activism in the Buddhist East. Secondly there is the whole area of academic study and translation, much of it these days conducted by Buddhist practitioners, as was only rarely the case until very recently. Texts of all major Buddhist traditions are now widely available in translation throughout the world, so that many more can benefit from the teaching in them. The critical assessment of these texts has also been helpful to Buddhist practitioners and students. An example of Buddhism in the East being stimulated by Buddhist developments in the West is increasing interest in meditation. Although most “Buddhist countries” meditation have a long unbroken tradition of meditation practice, part of the resurgence of interest in these countries is no doubt because of its popularity in the West. While initial interest in the West may be due to seeking psychological peace of mind and freedom from stress, it often leads to a serious interest in the other aspects of the Buddha Dharma, and this seems to be happening also in the Buddhist East.

Another area that I and some other Western Buddhists have found useful is the approach of Dr. Ambedkar, the architect of the Indian

Constitution, but more important, the one by whose efforts Buddhism was effectively returned to India, the land of its birth. One of the major factors that helped him decide to convert to Buddhism was that he felt it spoke more to the modern man and woman than any other religion. This was important not just for himself, educated as he was in the Western liberal tradition, but also for his untouchable brethren whom he wanted above all else to join the modern world. He had to have a religion that did not in any way compromise his most cherished values of liberty, equality and fraternity. Indeed so convinced was he that these were implicit in Buddhism that he declared that he learnt them not from the French Revolution but from the Buddha. He wanted his people to be able to communicate with the rest of humanity, a chance they had never had as untouchables. For this to be possible the religion he chose for them also had to be the most relevant to men and women throughout the modern world. He wrote:

“(The Buddha) taught as part of his religion, social freedom, intellectual freedom, economic freedom and political freedom. He taught equality, equality not between man and man only but between man and woman. It would be difficult to find a religious teacher to compare with the Buddha whose teaching embraced so many aspects of the social life of a people and whose doctrines are so modern and whose main concern was to give salvation to man in his life and not to promise it to him in heaven after he is dead.”⁴

Although Dr. Ambedkar was not able to write a great deal on Buddhism and although he was of necessity preoccupied with the eradication of caste and untouchability in the Indian situation, these should not discourage us from examining his work. He obviously thought extremely deeply about Buddhism in the modern world, and his ideas, if fully examined, may stimulate us in our quest to practice and communicate the Dharma effectively in the global village.

Buddhism has always had a profound influence on the societies it has had a sustained presence in. More recently Dr. Ambedkar's conversion to Buddhism, the policy of Gross National Happiness of the Royal Government of Bhutan, and the interest and development of Buddhism in the West all illustrate how socially alive and creative the Buddha Dharma is still today, 2,500 years after it was first taught. Investigating ways in which Buddhist principles can be applied to the education system will help it to be even more efficacious in generating positive social attitudes that enable more to make use of the best that the modern world has to offer while leaving aside what is not helpful, but also enable one to make best use of other resources such as the environment and good governance. It is not that education was not influenced by the Dharma in Buddhist countries in the

⁴ Quoted in D.C. Ahir, *Dr. Ambedkar on Buddhism*, p 27-8, Peoples' Education Society, 1982, Bombay

past, it was. However until recent times education was restricted to certain sections of the population. Today because the principle of universal education is accepted almost everywhere the potential benefits of the influence of Buddhism on education are so much greater. Added to this considerable progress has been made in understanding the learning process.

Basic Buddhist principles are not only relevant to the Buddhist world; in as much they can be communicated in secular and humanitarian terms they can be of use to the wider world where there is so much moral uncertainty in education. As in so much else, example is the best means to encourage others. It is to be hoped that those countries with a long tradition of Buddhism will appreciate their great wealth, examine ways to enrich the education system with Buddhist principles, and prioritise education in terms of the resources at their disposal.

The Role of Buddhism in Achieving Gross National Happiness

KHENPO PHUNTSOK TASHI

Introduction

The effect of Gross National Happiness is both a shared desire and common ground for the people of the country. Every citizen of Bhutan should strive to be intellectual, civilized, and well-educated with regard to the inner causes, outer conditions and the effects on happiness in systematic and practical ways.

The practice of Buddhism employs innumerable skilful means for attaining complete enlightenment and ultimate happiness. This presents itself as the most challenging goal and also illustrates why Gross National Happiness cannot be achieved unless Buddhist philosophy is fully incorporated and practiced by each and every citizen of Bhutan. The cultivation of happiness is central to Buddhist philosophy and practices and there are limitless avenues and methods prescribed in the teachings through which happiness can be achieved at the individual or collective levels. Happiness is a quality of the mind that arises from positive mental attitudes which, among others, include the intention never to harm others, the desire to provide help and support to those around us, and to remain contented with one's life.

In order to achieve happiness one must work to develop a mind, which is enlightened, intellectual and civilized, and one must be diligent in following right philosophy associated with the teachings of Buddha. To achieve happiness, we should analyse our thoughts and actions in everyday life as well as those causes and conditions that are deeply inter-related. Every person who desires happiness should firmly draw a line between happiness and unhappiness in the mind and then this distinction must be translated or put into constant practice.

Universally, most philosophers, intellectuals or enlightened beings agree that the whole purpose and the greatest goal in life is to achieve happiness. There are two types of happiness: "Ultimate Happiness" and "Relative Happiness". Ultimate Happiness is the wisdom of complete enlightenment in which emptiness and compassion are found to coexist in an inseparable, permanent and eternal manner. Relative Happiness, on the other hand, is defined as an attitude of not harming, of helping others and in being content. Relative happiness, however, is impermanent and can change depending on the situation.

There are two categories of Relative Happiness: physical and mental happiness. Physical happiness is achieved through provision and meeting of the basic human needs such as food, clothing, and shelter. Once these basic

needs are met, the next step is depending on one's own mental state as the prime source for generating and achieving happiness.

There are thousands of different thoughts and states of mind that people can take on. Among these, some may be very positive and helpful and, hence, these positive attributes of the mind need to be further developed and nourished. Other thoughts or mind-states may be negative and thus harmful, and as such, such mental dispositions must be reduced. Therefore, the first step to be taken in seeking true happiness is to realize that happiness will not occur spontaneously. One must understand and strive to monitor negative emotions, and realize that they are evil and harmful not only to an individual but also to the society and the greater environment of the whole world as well. In order to achieve genuine happiness, one is required to transform one's own outlook and examine the usual ways of thinking and the various states of mind.

Considering this, one of the most important motivations for the cultivation of Gross National Happiness is related to the development of attitudes, which strive not to harm others. Buddhist philosophy also explains that if one desires happiness, one should seek the right causes and conditions that give rise to happiness.

Every Bhutanese citizen should educate himself or herself and work to develop the attitude of wanting to help others. The cultivation of altruistic mind reflects the main activity of a bodhisattva and such mental attitudes are indispensable for generating happiness for the entire society. If every citizen cultivates the feeling of compassion, it will automatically open the inner doors toward a more awakened mind, and through this process one can work meaningfully for the benefit of others.

The philosophy of Gross National Happiness, as enunciated by our enlightened Druk Gyalpo Jigme Singye Wanchuck, relates to the concept of happiness as taught by the Buddha. His Majesty the King made it clear that the traditional way of measuring human progress by using the instrument of Gross National Product is inadequate in addressing the concept of happiness. The GNP measurement falls short because it addresses only superficial or conditional phenomena in our world. The Buddha explained that looking outward or relying on external support for the achievement of happiness is incorrect and an error. Buddhist philosophy states that relying on such external factors as the source of happiness will only lead to unhappiness. The Buddha advised his followers that if they desired true happiness, they should concentrate on cultivating inner contentment.

Types of Feelings

According to Buddhist doctrine, there are three types of feelings: joyous, painful and neutral feelings (*tshor-ba bde-sdug btang-snyoms gsum*).

Joyous feeling symbolizes happiness and something that all beings desire from birth to death. However, there is often a contradiction

associated with this feeling. In our search for joyous feeling, we often engage in worldly practices, which bring to play the negative forces of desire, anger and ignorance. These three negative emotions – or the three poisons as they are also called – are the primary emotions, which are associated with human existence and serve to block one's ability to achieve true happiness.

The Buddhist practice can play a vital role in removing these three negative emotions and introduce the ways and skilful means of achieving true happiness. However, it is also pointed out that, ordinarily, it is very difficult for human beings to achieve complete happiness because of our over-riding attachment to favourable things. That is why Buddhist philosophy describes the human beings as “desire beings” (*'Dod-khamspa*) living in the “desire realm” (*'Dod-khams*).

The second type of feeling in the mind is the painful feeling or suffering, which embodies the opposite of happiness.

The feeling that is characterized as a “neutral feeling” is one that is neither happiness nor pain but could be transformed to either of the two depending on circumstances, situations or activities associated with it at that point of time.

The Creation of a GNH State through the Process of Transforming the Mind

If Bhutan wants to give birth to a GNH state, both the economic and spiritual spheres need to be developed together, but the spiritual aspect is the base from which to start. The whole nation has to go through the process of the transformation of the mind but particularly the policy makers and the country's planners. Where necessary, they have to both develop individually and to accept responsibility for the promotion of the concept of transforming the mind of all through the modern system of education and transmission through the media - newspapers, television and radio - as well as through the more traditional paths in order to reach the whole population. If all citizens received proper training in the development of the mind, they would become good in mind, body and deed and so would develop a sense of responsibility towards the creation of an ideal society.

The development of a curriculum, a training program with multi-media materials for use in education, formal and non-formal, could pave the way to ensuring the goals of GNH.

The Basic Argument

It is my contention that the more conventional approaches to the creation of a GNH state such people participation in decision-making and a well-developed administration, development of industry such as hydro power and maintenance of bio-diversity, the integrity of culture and environment will not bring everlasting happiness, since such happiness

depends on whether people's desires are satisfied. For example, if a man newly electrifies his house, he is happy at the beginning but later he may not be so happy if he is unable to pay the bill. Consumer-based societies contain such contradictions - are the people in these societies ever content?

Teaching People to be Happy: Is this possible?

Since Buddha said:

Complete enlightenment is supreme bliss.

The answer can only be yes, but people do however have to be taught to take spirituality seriously. To ensure the success of an enlightenment program, a plan will need to be very carefully developed and implemented. This program should be designed to reach everyone from ministers to sweepers. Think of the case of the sweepers; their contribution to society will be so much greater if they clean the ground with a greater sense of responsibility and an interest in the place where they live, since they will take pride in their work. At the Minister level, the effect will be so much greater, as Ministers have responsibility for so many others.

Present Situation in Bhutan

One of the major issues of today is the gap between the younger generation's levels of spiritual understanding and factual knowledge. This gap seems to be becoming wider and wider. For example, most young Bhutanese attend the ceremony of empowerment given by Lamas and Rinpoches, but they do not fully understand and appreciate the significance of the ceremony. Now is the right time to start delivering training on spirituality, otherwise within a few years, the inner happiness developed through spiritualism will dissipate. In Bhutan, fortunately, Buddhism and the culture are intricately inter-linked. Nevertheless, everyone has to appreciate spiritual exercise its value and its usage in daily life. If not, desire and dharma will remain irreconcilable and contradictory as in so-called developed, modern societies that seek happiness but fail to find it.

The Government cannot deliver happiness to the whole nation by increasing economic development. In the same way, a citizen cannot achieve everlasting happiness for himself or herself without having enlightened and dynamic direction. The effort should be made jointly and collectively.

However, this collective effort should be directed primarily by the mind and not by body and speech. According to Mahayana Buddhism, it is accepted that happiness springs from an altruistic or compassionate mind. This type of mind is not only the origin of happiness but also allows happiness to be perceived and experienced by others. The mind is the king, speech is the minister, and the body is a member of the retinue or attendant. The mind is the creator or the source of all actions. As Buddha said:

"Mind is the forerunner of all phenomena, mind is their chief and they are mind made. If with a pure mind, one speaks or acts, then happiness will follow like a shadow that never departs".

It is only possible to have full-fledged GNH state if all citizens go through this process of transformation of the mind. As the mind is guided, so will the actions of the body and speech follow. This is the basis of happiness.

Influence of Karma

Not all Bhutanese citizens may be able to understand what is the right cause and follow the right path because they are born with the different karmic backgrounds. In one sense, it is good that there is a wide range of karmic backgrounds, since it means that happiness can be achieved through very different efforts. For example, farmers can be happy when they have a good harvest as their karma is to be farmer. So their contribution toward GNH can be increased level of self-reliance they enjoy through having abundant crops. Similarly, business people can contribute towards GNH by making profits and investing wisely and civil servants by showing loyalty and full dedication to their service. Spiritual practitioners can contribute by achieving realisation.

In Buddhism, karma plays a crucial role in shaping one's own destiny. For example, in Buddha's time a famine struck Magadha and many people were dying of starvation. One of the Buddha's disciples, who possessed the miraculous power to change a whole rocky mountain into gold, wanted to do so out of compassion and use the gold to buy food. He sought the advice of the Buddha on changing that rock into gold. But, the Buddha suspended this miraculous power, explaining that if the rock was changed into gold, more people would die in the future because they would fight over the gold.

Similarly, an 8th century Tibetan king named Muni Tsenpo felt sympathy for his poor subjects and he wanted to make them happy by giving them an equal amount of wealth. Three times in his reign he redistributed property, but poor subjects remained as poor as before and wealthy subjects as wealthy as before. Finally the king accepted that karma was very powerful and that people had to accept their Karma and apply their efforts accordingly.

The crucial message is that it is people's collective effort over both place and time which determines whether good or bad follows an action.

Strategy to Achieve GNH

The training program should not be founded on force or compulsion, particularly in the case of younger citizens. A child-centered approach to training is needed to bridge the gap between mentors and children. This

group is however easy to reach through the modern educational system. To reach other groups requires a non-formal educational approach, using radio, television and newspapers and the Monk Body. Curriculum is already fully developed in the teachings of Buddha. It needs only to be simplified.

Delivery of the Curriculum

All different community members - civil servants, farmers, business people, students, teachers, monks, gomchens and others - should have the opportunity to read and learn about achieving happiness. A series of simple and effective training materials should be developed which teach how to achieve and sustain happiness, appropriate to the needs of different audiences. These materials should be clear and inspirational. They should address all the relevant subjects, which can help enhance happiness. Research should be carried out to ascertain what needs to be included to make the training materials effective.

Training should be offered in all institutes, offices, private organizations, towns, village communities, and monasteries where Bhutanese citizens work and live.

Once people are awakened and sensitive to the causes and conditions of happiness, sustaining and enhancing happiness lies in the hands of the people. They will become the final lord of their own destiny to create a GNH state (human paradise). As Buddha said:

One is the refuge of oneself; what other refuge could there be?
With oneself fully controlled, one obtains a refuge, which is easy
to defend.

Analogy of Economic Growth and Mindfulness

These days, there are many who believe the modern view of speeding up economic growth will contribute to the generation and growth of happiness. This is like starting a small engine and accelerating its speed in order to gain what is desired. A more Buddhist approach would be to slow down the speed with great care and mindfulness, using the brake, which is also part of the engine so that it doesn't fly out of control. Both aspects are necessary and indispensable in terms of contributing to the achievement of happiness. Having a happy life is the destination or goal of all living beings. But both quickening and slowing methods must be applied in equal strength in order to achieve what is desired in a successful way. If one fully trusts the strategy of fast or quick development as a means to achieving happiness, then one is also at risk of failure and disaster in the long run. Applying the philosophy of slowly building contentment is a better approach, a more workable antidote to the quick development of outer conditions like material advancement.

The Three Obstacles

There are three obstacles, which limit the achievement of happiness and these include the outer, inner and secret obstacles:

The outer obstacle has two types: famine and war. When famine is present in a certain location, it is known as the aeon of famine (*mu-ge' skalpa*). During this period, people will be unable to experience happiness because they live in fear of starvation and theft of food from others. The only happiness, which could be experienced at this time, would be related to obtaining enough food and drink.

The second outer obstacle is due to war or conflict taking place and it is known as the aeon of war (*mtshon-gyi skalpa*). This situation too, will prevent people from experiencing happiness, as in this situation people are more concerned with being killed or killing others for various reasons. Buddhist teachings on non-violence can play an important role in avoiding such kinds of violence and help to develop greater understanding amongst the people by making them realize the great many advantages of peace and happiness.

The inner obstacle of happiness relates to suffering caused by illness or disease and the fear of death. These sufferings can result before a person has had the chance to complete his full lifespan. According to Buddhism there are 424 different kinds of diseases, which can attack either the physical or mental aspects of the body. When one experiences these kinds of obstacles on the way to achieving happiness, it is known as the aeon of disease (*nad-kyi skalpa*). In Buddhism, one may find many antidotes, including the use of bodhi-mind or the power of meditation, to recover from diseases or illnesses. Atisha Dipamkara, a saint from the 10th century, is said to have once had pain in his hand but when he asked one of his closest disciples who possessed bodhi-mind to provide blessing, the pain disappeared.

The bodhisattva sutra says:

"May the aeon of disease, famine and war be pacified,
May the aeon of peace, prosperity and happiness be enhanced".

The secret obstacles, also impairing happiness are desire, anger and ignorance. These are also known as the three poisons in Buddhist philosophy and as long as the three poisons reside within the mind, chances are very slim for one to be able to develop happiness. These emotions are called the three poisons because they have the power to make everyone suffer - both in this world and the next. Many of the Buddha's main messages in 84,000 groups (or heaps) of teachings given during his 45 years of life focused primarily on helping humans to eradicate these three poisons from the mind. The teachings continue to serve as an antidote to the secret obstacles.

Four Noble Truths for Ultimate Happiness

If one truly wants to be happy, the first thing one has to do is to strive to avoid or abandon suffering as quickly as possible. Just as the Buddha assured his first five disciples, it is only when one alleviates or abandons suffering that only happiness arises. Happiness and suffering are contradictory in nature and do not abide simultaneously. By remaining ignorant, suffering cannot be removed. The Buddha gave various discourses on the cause of suffering and explained that the moment one realizes the cause of suffering; one can feel happiness and relief. Moreover, one then becomes very active and can hardly wait to practice the path leading to happiness and liberation.

The main cause of suffering is attachment or craving which is the binding force that holds all humans within the cycle of samsara (*'khor-ba*). As long as craving or thirst for attachment exists within the mind, it will continue to be the cause for renewal of existence or rebirth. This craving or attachment is often associated with the need for sensual delight, seeking satisfaction now and here and the fulfillment or gratification of various passions through the physical senses.

It is, therefore, important for us to see through to the truth of suffering and to recognize its cause, path and cessation through learning, contemplating and meditation. The moment one discovers the truth of suffering, one will understand its cause, path and cessation. These are the four noble truths, key teachings of the Buddha that help us to attain or reach ultimate happiness.

Causes and Conditions of Gross National Happiness

Buddhist philosophy explains that nothing comes into being without cause, and when conditions are created, there is nothing that can prevent the resulting consequences. Buddhism stresses this to ensure that people understand and then put it into practice in their daily lives. Buddhism also teaches that the path to happiness is liberation from suffering, and this involves a deeper understanding of the nature of existence.

Buddhist view contends that there are conditions for existence within a perpetual cycle of dissatisfaction, but that humans have the ability to end such a cyclic existence through gaining insight into the true nature of suffering and thereby eliminating or reducing it. For the Bhutanese, an understanding of the dynamics between cause, condition, and effects are critical to each individual's quest for happiness.

Since inner causes and outer conditions are interdependent, every citizen of Bhutan should be aware of or educated about them in order to be able to contribute to the profound effect of Gross National Happiness. This would include things they can do for themselves as well as things they can do to help or support others. Every person should be taught and refreshed

from time to time on the advantages of cultivating and working with the required causes and conditions. Although there are countless inner causes, we can condense these into three principal causes for a clearer understanding:

- (a) Attitude of not harming (source of self-liberation or source of individual happiness)
- (b) Attitude of helping others (source of bodhi-mind or source of happiness for all sentient beings)
- (c) Contentment (source of satisfaction or rejoicing)

The outer conditions, in general, can be any development or policy established by the government which brings about a better situation for the good of the people. The outer conditions can be summarized into five distinct categories as listed below:

- (a) Education (source of knowledge or wisdom)
- (b) Good governance (source of justice)
- (c) Cultural promotion (source of spiritualism or identity)
- (d) Economic development (source of prosperity or source of physical happiness)
- (e) Environmental preservation (source of harmony)

Developing an attitude of not harming means being mindful and awakening to oneself. If one is ignorant of oneself, there is then a danger to both the self and the larger society and many mistakes can be made which ultimately bring dissatisfaction and/or unhappiness to oneself and others around them. The principle of not harming embodies the complete tenet or doctrine of the Theravada School of Buddhism, whereas cultivation of the attitude of helping others includes the Mahayana perspective as well. However, the practice of developing contentment is found in both the schools.

In today's western or modern world, development has reached to a point where thousands of options or facilities are easily available at people's fingertips. But due to ignorance related to not fully understanding the nature of the cause and conditions of happiness, people continue only to confuse themselves. These well-developed societies are convinced – through their own learning - that economic development and wealth alone can never bring total happiness, but only bring about dissatisfaction and continued craving. Economic gain is regarded as an outer condition of happiness and it is considered secondary or supplementary by both philosophers and enlightened intellectuals. Real happiness itself resides in the mind and is generated only from the use of right attitudes and actions. Happiness is not an outside phenomenon.

As Acharya Aryadeva states:

"All outer phenomena are accidental and conditional. Happiness and hope lies in the right attitude and aspiration".

Happiness can be measured by people's contentment with what they have and their inner disciplines, but not through material gains they make. From a Buddhist perspective happiness cannot be measured based on owning material goods because these things only bring about more frustration, since great care must be taken to protect them. The mind further becomes preoccupied with the desire to procure more material goods. This happens because one is not aware of the inner causes of happiness.

Following the principle of contentment doesn't mean that he or she cannot become rich or meet life's required basic necessities. If one has a contented mind, one will then become wiser in terms of using properties in a meaningful way and will be able to appreciate what one has, giving rise to happiness. For those who rely on outer conditions in order to obtain happiness, they will achieve the kind of happiness, which is unstable and tenuous. A Buddhist approach to happiness ensures that it is stable and sound.

Attitude of Not Harming

As mentioned earlier, one of the three inner causes includes the attitude of not harming others. It serves as the source of individual happiness or liberation. This attitude needs to be studied and then developed within the mind as it forms the basis of happiness. The three doors - body, speech and mind - should also be trained because harmful things can easily emerge from these "doors". When we talk of "others" we must also consider both animate and inanimate beings other than our-self. One may wonder why this attitude of not harming is so necessary for those who desire happiness. It is because Buddhists believe that every sentient being experiences the same feeling of pain and joy which is also experienced by ones-self.

It is extremely important to establish a society, which is free from harm and fear of harm similar to that of a utopian community of monks or nuns. In Bhutan, it is possible to have a violence-free society, as we are Buddhists and peace loving. Moreover, Bhutan has an enlightened, Bodhisattva monarch as manifested by our beloved Druk Gyalpo Jigme Singye Wangchuck.

Buddhists believe that the destruction of the environment will bring about disaster in society. Based on these views, Buddhism teaches the principle of not harming others.

According to Buddhism, the principle of not harming others also includes the various environmental aspects such as the five elements of soil, water, fire, wind and space, as well as mountains, forests, rivers and lakes

all of which directly or indirectly support sentient beings through nourishment and provision of natural resources. These also provide economic gain for the country in many ways. Buddhism believes that many unwanted disasters would occur in the world if the environment is neglected and disturbed. This is why Buddhists are very conscious in terms of respecting the environment and trying to minimize any harm on it.

If happiness is to be born in the minds of all Bhutanese people, the most important thing to consider is the need for training the mind to develop an attitude of not-harming all those who desire happiness. Authorities should set goals and frame development policies in line with the attitude of not harming others as spelt out in Buddhist philosophy.

Without working to make these ideas and practices concrete or substantial, happiness will not materialize or be achieved by just speaking of happiness or by wishing happiness. As the Buddha said:

"Taking one's own body as an example of pain and suffering, one should strive not to harm others."

Attitude of Helping Others

The second cause, which can contribute to the achievement of happiness, is developing the attitude of helping others. This is like a supreme intelligence, which is the source of global happiness. The essential nature of this practice or attitude is having a great, loving heart and recognizing that all sentient beings are included as the object of love and help. This is one of the main doctrines of Mahayana Buddhism and this view has existed for centuries in Bhutan. A person who possesses such an attitude is recognized as a bodhisattva and grows rapidly into a charming, gentle and compassionate person full of tender and affectionate thoughts. Loving and caring in an unbiased manner, he or she always works continuously for the duties of this high calling and disregards any thought which is not pure and wise.

Gross National Happiness can be born out of this attitude and wisdom. If such perspectives are developed then the Bhutanese people will understand how happiness can be achieved as it is a logical concept. Life is one, says the Buddha's devotees, and we can live for all in an inter-dependent manner. It is therefore nobler to work for the betterment of all rather than just for oneself.

In order to develop this remarkable attitude one should first be thoughtful of practice and words of the Mahayana Buddhist doctrine and then through seeing the benefits of helping others, follow the ideal path as illustrated through the four means and six perfections on the way to achieving Gross National Happiness.

Mahayana Buddhist philosophy also goes on to say that happiness is born from giving help to others. However, it is indispensable to have proper

guidelines for practicing the ways and strategies for generating the attitude of helping others. Only a handful of people are able to receive proper training on developing the attitude of helping others and even among those, very few are able to realize the benefit. And fewer yet will be able to practice this moral support, which provides and gives encouragement to all to help others.

The attitude should be possessed and practiced especially by policy and decision-makers, as this will empower them to provide guidance to the greater body of people at large. There should also be programs organized that provide each and every member with an opportunity to learn either in a group or to further their own individual learning through a competent and trustworthy mentor. Then, according to their knowledge and experience, they should share and impart this knowledge to the people who are closely associated with them.

Contentment

The third cause of happiness is contentment - a source of appreciation and the ability to rejoice. Happiness can be measured by contentment and contentment functions as an antidote to feeling need, jealousy and miserliness. A content person will appreciate and be able to rejoice in the other person's wealth or good fortune knowing that wealth is the fruit of previous good karma. So demonstrating contentment also includes the aspect of wisdom that acknowledges or celebrates the good in other's wealth and belongings without craving for them. One who lacks contentment will only see their own needs increase and experience further and often endless suffering due to the desire of obtaining the desired things one after another without end.

Again, this is the opposite of happiness as one's innermost thoughts are always preoccupied with the intention to deceive, feeling deprived or scheming to obtain things that are felt to be needed. One also speeds up the effort for economic gain. There is no happiness in a person who lacks contentment because they will always suffer from feeling that they never have enough. They will not be able to develop good strategies of generating wealth in the beginning, they will suffer in the middle for fear of meeting obstacles that will impair their ability to obtain what is desired, and they will also suffer in the end because of needless worry related to losing their wealth. All this suffering arises from lack of contentment. In a way contentment is like a straight line that balances need and satisfaction.

Many people misunderstand the notion of contentment. It does not mean that one who is content must give up everything and be denied the basic needs for survival. Being content means that one can be satisfied with whatever one has and can reduce the need and desire for having too many things.

Many find it difficult to measure the degree of richness and wealth. However, from a Buddhist perspective those who are rich can be measured in terms of whether they also possess contentment or not. In the 12th century, one of the Chinese emperors wanted to learn who was the richest man in Tibet at that time. An answer was given that the yogi Milarepa was the richest. The meaning implied was that although he was materially very poor but spiritually he was extremely rich and was contented with whatever he found along the way on his spiritual journey. He was the happiest yogi in his time.

As the Buddha also explains:

"The best indicator of wealth is the measure of contentment found. And enlightenment is the supreme indicator for measuring happiness as well".

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Framework For Operationalizing The Buddhist Concept Of Gross National Happiness

BUDDHADASA HEWAVITHARANA

Introduction

Gross National Happiness (GNH), which is deeply rooted in Buddhist philosophy and culture, has been adopted by the Bhutanese Government as its development philosophy. It was enunciated by the King of Bhutan, His Majesty Jigme Singye Wangchuck, and was placed before the nations of the world on several occasions by Bhutan's Prime Minister and other statesmen. An amalgam of these presentations tells us the following. This concept envisions a people-centred holistic development which is an effective way to arrest the growth of material poverty and spiritual decline, both of which have undermined human dignity and the value of human life. Hence, in promoting development care necessarily should be taken to ensure freedom from the uncertainty of survival and the want of basic needs. The four elements which are considered to be crucially important for creating an enabling environment for the achievement of GNH are equitable and sustainable socio-economic development, conservation of ecological environment, promotion of basic values and culture and the strengthening of good governance.

This paper attempts to evolve a framework for the operationalization of GNH from the perspective of Buddhist ethics and values. Operationalization in this context is basically an exercise in activating and applying the relevant Buddhist values in their true forms and with no compromises or dilutions. Hence, the structuring of this framework adheres to the logic embodied in the key Buddhist concepts relating to social and economic development through Buddhist ethics. In designing means and methods of operationalizing GNH, the paper does not fail to focus on issues emerging from current developments which affect in one way or another the application of Buddhist values for maximizing GNH. In the sectional structure of this paper, it begins with the parameters; followed by discussions on four types of happiness visualized in Buddhist thought; it then discusses society's happiness; happiness as it relates to Buddhist thinking on political-economic and environmental issues, respectively. It concludes with some recommendations.

The Parameters of Operationalization

GNH vs. GNP: GNH comprises of psychological phenomena valued by moral criteria. GNP consists of goods and services estimated at their market values. Thus, for example, the Happiness derived by performing a charitable action does not get included in GNP estimation as it is not

quantifiable nor has a market value. In the perspective of GNH, GNP cannot be a measurement of national wellbeing as it includes goods and services, such as liquor and seductive commercial advertising, which it rejects on moral grounds as being inimical to people's wellbeing and Happiness.

Buddhist concept of GNH is holistic and results from a holistic process constituted by a balancing of two inter-related processes each leading to its own type of Happiness. First, the moral and spiritual advancement process that leads to achieving Happiness in the world to come, and also in this world taking the forms of Moral and Spiritual Happiness. It progresses from the initial *Saddha*=gaining an understanding of the Dhamma, to a development of moral excellence through the practice of *Pancha Sila*=Five Precepts, a sub-set of moral practices that include, abstaining from the evils of - killing, stealing, unchastity, lying and intoxicants. These five in mutually reinforcing interaction can be expected to produce synergistic effects. These are not to be mistaken as just reflections of prudential values of society for they are moral practices which functionally relate to the Four Positive Virtues of *Metta*=Loving Kindness, *Karuna*=Universal Compassion, *Muditha*=Sympathetic Joy and *Upekkha*=Equanimity, the cultivation of which would lead to Mental Development and Spiritual Happiness. There is further development of virtue by means of the moral practice of *Chaga*=Charitable Action/Sharing, to finally attain *Panna*=Wisdom/Penetrative Insight, and through this process reach the goal of *Vimutti*=Emancipation.

Secondly, the economic advancement process leads to happiness on this earth when conducted under the guidance of moral and ethical values. Material Happiness generated in this manner is a *sine quo non* for the achievement of Spiritual Happiness under the first process.

It is a question of balancing the two processes- The two processes cannot be integrated because no compromise is possible with the moral practices and positive virtues in the Spiritual Process. As it is with the laws of electricity, no cheating, make-believe or "fooling around" are possible with the processes pertaining to successful development on the Mental and Spiritual plane, although it can occur in a graduated manner. It is also not parallel development of the two. They can only be balanced and that is by conditioning the Economic Process under the guidance of the Moral and Ethical Development Process so that it can play its supportive role for the Spiritual Process.

Simile on the vision of balancing- One who does not have vision either to improve oneself materially or to improve morally is a totally blind person. One who has vision to improve only materially disregarding the moral basis of economic life is a single-eyed person. One who is capable of improving oneself both materially and morally is a person with unimpaired vision (A 1).

The Centrality of Restraining Craving for Eradicating Unhappiness/Promoting Happiness

It is a cardinal truth in Buddhist thought that Craving is the root cause of Unhappiness. By its nature Craving is insatiable because it grows in geometric proportions and can therefore lead only to Unhappiness. Craving drives one to the Five Evils and to a non-cultivation of the Four Positive Virtues which inevitably lead to Unhappiness. Hence, restraining Craving, for Craving is *restrainable*, holds the key to eradicating Unhappiness at its roots and enabling the promotion of Happiness.

Four Types of Sukha=Happiness

Happiness, as can be derived from the different activities in the Economic Process, have been conceptualized in Buddhist thought.

A core pro-happiness moral values system governs the achievement of these four types of Happiness. How this values system relate to economic activities logically becomes the centre-piece of the analysis of GNH from a Buddhist perspective.

Building Blocks of GNH

The mentally experienced happiness/satisfaction/pleasure at micro level by each individual/family under each type of Happiness, serve as the building blocks or notional “Units of Happiness” (standing for sustained experiences of Happiness by different individuals), that aggregate up to GNH.

Happiness Multipliers

When an individual while in the process of gaining Happiness under the four types, shares his Happiness with others or brings about Happiness to them too either directly or indirectly, there gets operationalized Happiness Multipliers that spawn notional “Units of Happiness” to expand GNH.

The Objective Function

The objective function is to maximize GNH by generating notional “Units of Happiness” and activating Happiness Multipliers.

Promoters vs. Depressants of Happiness

Actions based on good moral values are Promoters of Happiness while immoral actions are Depressants of Happiness. Operationalization of GNH involves the activation and application of good moral values and rejection of Unrighteous practices.

Three Levels of Operationalization

Operationalization of GNH is to be at three levels, micro, macro and international, by strengthening Happiness Promoters and Happiness Multipliers and weakening Happiness Depressants.

Micro-Individual/Family Level: At the micro level of the individual/family, it is self-operationalization as the initiatives in cultivating and applying the values are entirely within the autonomy and discretion of the individual.

Macro-National/Society/State Level: Operationalization at the macro level – should be to facilitate or reinforce the self-operationalizing individuals to generate notional “Units of Happiness” and Happiness Multipliers through proactive policy and programmatic support to create favourable conditions and by implementing measures to counter or eradicate Happiness Depressants.

International Level: The third is the International level where a cross-fertilization of ideas on Happiness promotion can result in inter-governmental collaborative action, conventions, formulation of international laws and bilateral/multilateral exchanges among like-minded Buddhist countries/communities. At intellectual level there can be conferences, seminars and workshops to clarify issues and formulate guidelines for operationalization, review, and monitoring and evaluation. The guidance and assistance on relevant issues of international organizations such as UNO, UNICEF, UNDP, WHO, ESCAP and its HRD programmes, FAO, UNCRD, ILO, World Bank, ADB, Human Rights Commission, SAARC and its South Asian Poverty Alleviation Programme, and CIRDEP; can be organized or arranged at this level.

A coordinated thrust at all three levels in fields such as Human Development, Human Resources Development, Social Development, Poverty Alleviation, Employment Creation, Rural Development, Agricultural Development, Rural Non-farm Activities and Informal Sector Development, and Small/Cottage/Craft Industries Development; would amount to a powerful operationalizing strategy for maximizing GNH.

Operationalizing the Core Values System That Governs the Four Types of *Sukha*=Happiness

The Four Types of *Sukha*=Happiness conceptualized in Buddhist thought encompass the different categories of activities in the Economic Process – saving, investment, employment, production, income earning, consumption, distribution, lending and borrowing. These will lead to Happiness only when they are conducted under the guidance of moral and ethical values. If not, the result will be Unhappiness. This is in accordance with the Buddhist concept *Sukha*=Happiness which is interwoven with morality. Hence, if economic and social policy is to promote Happiness it must be guided from start to finish by ethical principles.

The Type of Happiness Derived by Earning Wealth=*Aththi Sukha*

This encompasses saving, investment, employment, production and income earning. Happiness based on the concept of *Aththi Sukha* is derived from economic security/independence gained through Righteous Means of Earning Income and by practicing Right Livelihood=*Samma Ajiva*.

Individual-Action on Righteous Means of Earning- Guidelines for Self-Operationalization

One should abstain from morally reprehensible (Unrighteous) means of earning income

One should abstain from trickery (cheating), cajolery (as in modern seductive commercial advertising, often using sex symbols, in an exploitation of “man’s sensual desires are only attachments to concepts”=*purisassa kamo sankappa rago*), hypocrisy, insinuation, dissembling, deception, e.g., modern dumping tactics, sub-standard products; and rapacity for gain upon gain (*M III*), e.g., usurious money lending, and monopolistic exploitation. Although these practices may be materially rewarding in the short run, one who practices these may not enjoy economic security nor Material Happiness in the long run, but will be blamed by others and suffer moral shame, and will therefore not gain Moral/Spiritual Happiness. These practices being exploitative of and predatory on others, produce harmful effects on others’ wellbeing and Happiness through their Unhappiness Multiplier effects. It should be noted with grave concern that with the spread of Globalized Capitalism and TNC expansion, it is these practices that have shown manifold increases.

One should practice the five precepts. The practice of this sub-set with its synergistic effects would prevent Unrighteous means of earning income from gaining currency.

One should practice the pro-happiness Buddhist code of ethics. For progressive traders and businessmen who aim to be Righteous and Blameless. The code comprises the following- should be intelligent, industrious and worthy of credibility; should not cheat when weighing and measuring; should not pronounce people who are not entitled to a thing as being entitled by accepting bribes; should not deceive by exaggerating on some quality that is absent in the product (*AN IV*); should get educated (trained) on business; should achieve skills in some trade; should do business without manual or mental conflicts (*Diga III*); should produce non-defective articles and maintain quality of product; and should not earn by exploiting others to one’s advantage and by causing pain and suffering to others. When individual’s action is based on these values it will weaken happiness depressants, increase material happiness of both the doer and the beneficiaries, and since the code of conduct is imbued with moral values, it

will trigger off multipliers not only of material happiness but also of moral and spiritual happiness to expand GNH.

The ethic that emerges from the foregoing is to refrain from earning by exploiting others using Unrighteous means which cause pain and suffering to them and thereby generate and multiply Unhappiness. Self-centred accumulation of wealth through exploitative, predatory and deceitful means is not conducive to productivity, sustainable development and social harmony as it would cause impoverishment of the many and enrichment of the few. The ensuing poverty is regarded as an evil in Buddhist Socio-Political-Economic Ethic as it would cause non-satisfaction of basic-needs, violation of the Five Precepts and a propagation of the Five Basic Evils. Causation between poverty and the Five Basic Evils being mutually reinforcing due to symbiosis between the two, poverty and moral degradation will both grow hand in hand in cumulative fashion. Such a process can end up in political unrest and social instability which would generate and multiply Unhappiness on a large scale leading to a great depression of GNH. From the point of view of Mental Development, a requisite for gaining Spiritual Happiness, poverty has a most pernicious effect. Poverty leads to a miserable and debilitated state of mind. The mind becomes clouded with worry and insecurity rendering it a malfunctioning instrument. (*Diga I, Diga III*).

National/State action to promote/facilitate righteous means- guidelines for operationalization: It is these unrighteous means that globalized capitalism and TNC expansion have caused to multiply. These include strategic marketing planning and dumping tactics for promotion of sales; aggressive sales promotion via persuasive commercial advertising and unreal product differentiation; taking advantage of the inelasticity of demand for basic-needs such as food, beverages and pharmaceuticals to make unconscionable profits by arbitrarily raising their prices.

Counter Measures- Promote competition as the basic counter measure to arrest the growth of such anti-happiness monopolistic practices (Wickramasingha 2002); put in place a good competition policy that is promotive of fair-trading, consumer protection and equity of opportunities; evolve an appropriate media policy that can address the problem of conditioning the minds of consumers through seductive/persuasive advertising; and evolve an alert trade regulation policy that can deal with aggressive and exploitative marketing tactics.

Evolve a strategy of increasing GNH by promoting smallness of enterprises and strengthening competition: Smallness of enterprises and these continuing to remain small are two factors that conduce to the market being competitive, and competition among small units creates a favourable environment for the flourishing of Buddhist values. This is because as the scale increases the insatiable craving and greed that get invigorated through such process would propel the operators towards resorting to unrighteous

means for maximizing their profits. In the chain of causation opposed to this, smallness of firms is correlated with competitiveness in the market, and that can be expected to favour Buddhist values which conduce to the expansion of GNH. Thus, as it has so happened, it is the small enterprise and informal sectors that have traditionally been able to provide the favourable environment necessary for Buddhist values to flourish. (Schumacher 1973). However, it is these very same sectors that have suffered severe setbacks under the impact of globalized capitalism and TNC expansion.

Adopt innovative measures to keep firms small to ensure competition and to sustain happiness: What is required in this context is a micro and small enterprise development programme with a strong focus on the informal sector. While vertical expansion in the scale of these enterprises should take place, it should not go beyond the mini→micro→small→medium continuum in a craving-driven manner. The entrepreneurs should restrain their craving to stop short of expansion up to the large scale level in order to preserve the relative smallness of their enterprises. Reaping of economies of scale can become an issue here, but it can be resolved by innovative measures. Among the innovative institutional arrangements that could help in preventing enterprises from becoming excessively large and yet reap economies of scale are federation of small units into cooperative organizations; the “putting out” or the farming out system where components can be produced in home-based or cottage scale units; and out-grower arrangements in crop production with a clustering of a number of small farms around a central processing unit.

Implement programmes to socially mobilize small entrepreneurs to empower them - In the rural areas profiteering by middlemen by manipulating buying and selling prices in the produce and input markets and the usurious rates of interests charged by money lenders impede micro/small enterprise development. Hence, these entrepreneurs need to be economically empowered and their bargaining strength increased by getting them organized into groups through processes of social/community mobilization. Once they are formed into community-based organizations (CBOs) their economic empowerment can proceed on the following lines - ** direct linkages with advanced markets can be forged through contractual marketing arrangements; ** group production or small company-based production can be organized to improve their bargaining power; ** group saving and lending schemes can be instituted to rescue them from the clutches of money lenders. (Hewavitharana, 2002; 1994).

Adopt measures to prevent sub-standard products - Deceitful production and marketing of sub-standard products which are widely prevalent can be brought under control by instituting competent Formulary Committees for pharmaceuticals for which quality is of the essence but

cheating can be rampant, and, Standards Institutes or other quality control arrangements for manufactured products.

One Should Practice Happiness Promoting Strategy of Right Livelihood=Samma Ajiva

Right livelihood has ethical and social implications in that one earns one's living in a way beneficial to oneself and in no way harmful to other beings. Employment, meaning earning of livelihood, is the best medium for ethical development. Since a major part of one's day-to-day life is taken up by one's employment it has a significant bearing on one's ethical development. This is precisely why the Noble Eightfold Path assigns to right livelihood an important place, the fifth place, in its graduated scheme towards the goal of *Nibbana* (Perera, 1995). This brings out the centrality of right livelihood as a pivotal strategy for achieving both Material Happiness and Spiritual Happiness within the framework of a morally good life.

Individual-action on right livelihood- Guidelines for self-operationalization: One Should pursue the employment activities that qualify to be the right ones, namely – trade, dairy farming, agriculture, public service and craft industries (AN III). Be it noted that these are activities that usually fall within the small scale and informal sectors where, as pointed out above, Buddhist values have better chances for flourishing.

National/State action to facilitate/promote right livelihood- implications and guidelines for operationalization: It should be noted with much concern that it is precisely the above categories of Right Livelihood that have been severely affected by the new economic and trade policies introduced over the last two or three decades in many countries. Structural adjustment and stabilization policies leading to public expenditure cuts have affected technology development and extension and input subsidies in agriculture; privatization measures have affected guaranteed price schemes and marketing arrangements for agriculture; currency depreciation has affected prices of imported inputs for agricultural and craft/small industry production, and, all these coupled with trade liberalization policies have severely affected small scale farming and, in particular, poor cultivators of food grain crops under dry farming/rain-fed conditions. (Hewavitharana, Ed. 2001). Exposed to the harsh winds of foreign competition from advanced technology-based, mass produced, low-cost and attractive manufactured products, many small/cottage/craft industries operated by the poorer classes withered away. (Hewavitharana 1986, 1992 a). Imaginative programmes to strengthen or revive these Right Livelihood categories are needed so as to enable their operators, who normally come from the poorer classes and who have suffered severely, to gain Material Happiness.

Revive Small Scale Agriculture: For farming, the measures that may be needed include revival of research and development together with

extension for increasing yields and lowering unit costs and introducing high value crops; some judicious subsidization on a temporary basis without permitting a dependency on them; enabling access to wider markets through contractual marketing arrangements; and “dedicated marketing centres” for produce so as to bypass the middlemen.

Revive small/cottage/craft industries: For industries, the measures needed may include a judicious application of the infant industry argument; modernization of the techniques of production; development of new designs for the products; better packaging and presentation; marketing arrangements on the basis of contractual advanced marketing; and linkages with tourism.

Economically empower micro/small entrepreneurs through social mobilization & by forging of linkages: For both small-scale agricultural and industrial producers it will be of strategic importance to economically empower them by organizing them through social/community mobilization. Linkages should then be forged between their community-based organizations (CBOs) and public sector agencies to obtain the necessary development services and technical assistance on a demand-driven basis. The requisite physically productive infrastructure facilities should be identified, planned and implemented on a participatory basis. Intermediation in credit should be instituted to make finance flow from formal sector credit institutions to micro/small enterprises and the informal sector. (Hewavitharana 1992 b; 2002 a; 2002 b).

There are two sets of value-based, production, productivity and management oriented practices advocated in Buddhism that are directly contributory to the development of Right Livelihood. These are essential bases for operationalization of GNH.

Individual-Action on Work Ethic - Guidelines for Self-Operationalization

One should practice diligently the pro-happiness Buddhist work ethic such as: cultivate industriousness; make honest effort to earn living through occupations by being energetic, tireless, not lazy; develop an enquiring turn of mind (in modern terms, be innovative, carry out R and D); develop capacity for organizing and carrying out one’s work efficiently and systematically (modern equivalents-- project planning, programming and time management). (*Gr Sayings, Sn III*). These are eminently productivity increasing work ethics and management methods that would naturally lead to material happiness to expand GNH.

National/State Action to Facilitate/Promote Buddhist Work Ethic - Implications for Operationalization

Promote Micro/Small Entrepreneurs: Design and implement projects to develop the human resources and the supportive institutional arrangements

needed to facilitate a widespread practice of Buddhist Work Ethic, viz., micro/small entrepreneurship training, vocational training, technical training, training in basic accounts and financial management, promotion of self-banking, micro/small enterprise development and self-employment promotion.

Implement the Jakarta Plan of Action for HRD: A policy package that could prove to be of critical importance for maximizing GNH *via* Buddhist Work Ethic is the Jakarta Plan of Action for Human Resources Development (JP of A for HRD) evolved by the ESCAP and agreed upon for implementation by eighteen countries of the region. The JP of A for HRD proposes an integrated three-thematic approach with specially focussed programmes for the development of the greatest or the only asset of the poor and the disadvantaged sections of society, their human resources. The three themes to be integrated are - income generation and employment creation, infusion of science and technology and improving the physical quality of life. While this integrated approach prepares the poorer classes to achieve material happiness through the development of their human resources potential and simultaneously set in motion the practice of the above Buddhist work ethic, its philosophical and ideological implications hold out promise for moral development that can lead to spiritual happiness for the reason that it attempts to integrate humanism with development. Thus the JP of A for HRD is a highly potent generator and multiplier of material happiness and a path preparer for spiritual happiness at the individual level and on a National scale. It is hard to think of an alternative policy/programme package that could amount so well to a holistic approach to GNH. (Hewavitharana, October 1992; March 1992).

Shift away from anti-work ethic income transfer approach to poverty alleviation: A special problem has arisen from the so called poverty alleviation methods of income transfers, doles, handouts and food subsidies widely practiced in the region and which have proved to be counter-productive. These have led to a “dependency syndrome” and a “culture of indolence” which are highly inimical to the practice of Buddhist Work Ethic. Politicization of such transfers has aggravated these unwholesome developments by reducing the self-reliance of people while increasing their dependence on politicians’ handouts. Poverty alleviation efforts must shift away from these unsatisfactory methods and be integrated with a strategy of depoliticized pro-poor growth, with social protection provided for the destitute, in order to provide an environment for the application of Buddhist Work Ethic. (Hewavitharana, 2004).

Arrest the spread of indolence among men living off their wives’ earnings: Another special problem has arisen in several countries from the use of females as cheap labour for export to the Middle East for domestic work or for local employment as semi-skilled workers in garment factories. The menfolk of their families, especially some of their husbands, have

tended to adopt a lifestyle of living off their wives' remittances or earnings and lolling around in the villages consuming illicit liquor and wallowing in indolence in an outright negation of Buddhist Work Ethic. This is a widely observed pattern in rur-ban areas in some of the countries. A proactive measure that is in order is to see that the savings of the wives are channeled to start and operate micro enterprises with the participation of their menfolk.

International action to facilitate/promote the code of work ethic - implications for operationalization

Several of the countries signatory to JP of A for HRD in 1988 have so far failed to formulate national HRD policies, and Action plans on the lines agreed upon. Nor have they been able to set up effective national apex authorities for the formulation of such policies and plans and the coordination of the implementation of plans/programmes. ESCAP which sponsored the JP of A should revive it by encouraging the countries to do what is needed, and put it back on its rails.

Individual-Action on Labour Relations Ethic - Guidelines for Self-Operationalization

One Should Adhere Sincerely to the pro-Happiness Code of Buddhist Ethics of Humane Labour Management: In what amounts to a Workers' Charter, the duties of employers towards their employees have been spelt out in Buddhism as shown below. As can be seen, they are embedded in Buddhist Ethics and blessed by the positive virtues of compassion and universal kindness- be sensitive to physical and emotional needs of employees; pay reasonable and adequate remuneration; assign work in accordance with the physical capabilities of the workers (implying - according to sex, age, health status); fix non-oppressive hours of work; grant leave for them; provide the necessary medical care; and give due recognition to the services rendered (in modern terms - rewards, incentives and bonuses). In general, see that the workers get job satisfaction. (*Diga III*). Harmonious employer-employee relations of the above type conduce to Material Happiness of both employers and employees through their productivity increasing effects, and to their spiritual happiness through the mutually reinforcing moral development of the two parties in the environment of compassion and kindness that gets created. Hence, this code of ethics is veritable generator and multiplier of happiness of both types to expand GNH. The cultivation of these virtues imply the avoidance of exploiting workers to amass wealth which as seen above will lead to their impoverishment, maldistribution of wealth and socio-political unrest. If such a chain of causation were allowed to occur, Generators and Multipliers of Unhappiness will get invigorated to depress GNH, but it is the diametrical opposite that will occur now.

National/state action to facilitate/promote Buddhist ethic of labour relations– guidelines for operationalization: Link wage rates to COL index in view of the inflationary pressures which depress the Material Happiness that can be derived from one's money wages; introduce welfare schemes for housing, primary healthcare, medicare and recreational facilities for the workers; design incentives and inducement schemes; and adopt institutional procedures for quick and peaceful resolution of industrial disputes to prevent increase in acrimony, hatred, distrust and friction between employers and employees.

International action on labour management ethic – implications for operationalization: Many of the practices advocated in Buddhist Ethic above comply precisely with Article 23 of the Declaration of Human Rights (Perera, 1995). These are practices that can get better acceptance through moral suasion and the moral development of the employers rather than through enforcement by law.

One should eschew anti-happiness wrong livelihood=Michcha Ajiva

The livelihoods that are considered to be morally wrong are, trading in – Weapons, Animal Flesh, Intoxicants, Poison, Human Beings (M II, Diga III).

These corrupt the morals of the doer, and also bring him blame and disrepute, the total effect of which is to cause him Unhappiness. Simultaneously, these trades bring Unhappiness to the others interacting with the doer by affecting their social-economic life and their health. These trades therefore are Generators and Multipliers of Unhappiness that depress GNH, although they may be seen to be contributing to GNP growth when valued at their market prices without accounting for their social costs, as it is usually done. It is, however, these very trades that have increased manifold under the impact of Globalized Capitalism, TNC expansion and free trade policies. This should be a matter of grave concern.

Individual-action in eschewing wrong livelihood– guidelines for self-operationalization : One should practice the five Precepts, i.e., avoid the five Basic Evils which relate directly or indirectly to the wrong livelihoods.

National/state interventions to prevent/discourage wrong livelihood – guidelines for operationalization: Promote Five Precepts=Pancha Sila culture through measures to encourage/facilitate dhamma education; the inculcation of the values of Five Precepts in the children from pre-school stage onwards; development of a pre-school teaching system with a Buddhist perspective; and practice of meditation in schools, homes and work places.

Trading in weapons: Trading in weapons can lead to a proliferation of crime involving loss or danger to life and property, and to underworld activities, terrorism and, anti-state/society violence.

National/state interventions on weapons– guidelines for operationalization: Adopt measures to stop clandestine production of weapons; private and personal use of weapons except under license; illicit trade and smuggling of weapons into or out of the country; leakage of weapons from security forces via corrupt officials or army deserters; and regulate the issue of weapons for the personal security of politicians to prevent their abuse.

International action on weapons – implications for operationalization: Governments should give every support to international treaties and conventions on disarmament; prevention of proliferation of nuclear arms; eradication of genocidal chemical weapons; eradication of terrorism; and stopping international illicit trade and smuggling of weapons.

Trading in Animal Flesh: Although eating of flesh as such is not prohibited in Buddhism, the rearing of animals for slaughter is pronounced to be a wrong livelihood (Hettiarachchi 1994). However, it is also believed that consumption of animal flesh makes people insensitive to the suffering of other living beings. Over-consumption of meat and meat products is reported to be taking place due to persuasive commercial advertising. A health-related argument here is that meat consumption exposes people to diseases related to intake of foods high in saturated fats. The high rate of heart diseases among Asian immigrants in U.K, for example, is attributed to the new dietary habits adopted by them.

Individual action in eschewing animal flesh– guidelines for self-operationalization: One should abstain from flesh eating; liberate animals from slaughter houses as acts of merit and help to maintain sanctuaries for the animals saved.

National/state action to facilitate eschewing of animal flesh – implications for operationalization: Create awareness of health hazards and illnesses related to meat consumption in contrast with the health and nutritional benefits of vegetarianism. Promote alternative protein sources, e.g., soya foods. Facilitate research into food habits and sources of nutrition appropriate to each country. Discourage persuasive commercial advertising of meat foods. Stop destruction of wild life for trading in meat as exotic foods, e.g., turtles, tortoises, frogs, birds' nests.

Trading in intoxicants– alcohol and drugs: Sale of intoxicants is now promoted by TNCs via aggressive marketing policies that use persuasive commercial advertising. WHO statistics reveal an upward trend in the use of alcohol in the Asian region whereas the opposite is true in Europe and the USA, thanks to their efforts to curtail its consumption. (Gunasekara 2001). Intoxicants affect mental faculties, retard Mental Development and Spiritual Advancement; pave way for crime, cause diseases and ruin household economies severely effecting Material Happiness, and, undermine the family institution which is the nursery of values and Moral Development.

National/state intervention on intoxicants– guidelines for operationalization: Totally stamp out by law enforcement the smuggling and sale of drugs, the production and sale of illicit liquor which is expanding rapidly as an informal sector industry. Stop issuing liquor sale permits as political favours or for bribes. Create awareness on related diseases and the effects of liquor consumption on the socio-economic lives of the users and all around them. Prevent TNC industries from promoting directly or indirectly the sale of their liquor products in LDCs through persuasive commercial advertising and aggressive market expansion policies. Increase taxes to reduce alcohol use.

International Action on Alcohol – Implications for Operationalization: Governments should act in concert with WHO to evolve a Global Alcohol Policy and to implement an Action Plan to control the spread of alcohol use.

Trading in poison– Tobacco: According to the World Bank, tobacco is the most prominent cause of non-communicable diseases. Health risks include lung cancer, heart diseases, chronic bronchitis, emphysema and mental illnesses. In Buddhist thought good health is a prime source of Happiness, - “the greatest gain”=*Arogya Parama Labha*.

National/state interventions on Tobacco– guidelines for operationalization : Promote education on smoking-related health risks; control seductive commercial advertising; increase taxes on tobacco products to reduce consumption; declare no smoking zones; make the tobacco industry bear the major share in the costs arising from treatment of tobacco-related illnesses through fiscal measures that take fully into account the cost-benefit implications in relation to the health of the people.

The tobacco industries on their part should stop marketing and promoting of tobacco products that appeal to children; influencing or interfering with public health policy; and misrepresenting or minimizing the dangers of tobacco.

International action on tobacco – implications for operationalization

Governments should lose no time in ratifying the Framework Convention on Tobacco Control adopted by the WHO in 2003 so that it can pass into international law. This convention will govern tobacco taxation, smoking prevention and treatment, illicit trade, advertising, sponsorship and promotion and product regulation. (Gunasekara 2001). Compliance with it by national governments can go a long way to eradicate the use of this poison.

Trading in human beings

Most degrading aspects of this trade are baby farms, trafficking in children, exploitation of children for labour work, using children in terrorist activities, prostitution and sexual abuse and smuggling people to supply

labour markets in the West. With information technology advancement, (web sites) and expansion in tourism, sex trade has become internationalized. An Unrighteous activity that has gained much ground is the export of female labour to the Middle East with little care for their welfare or for the welfare of their families left behind. They are often deceived by recruiting agents and have to suffer under poor working conditions and underpayment of wages with some of them driven to committing suicide. Back at home their families often suffer – children are uncared for, some husbands waste the remittances of earnings on drinking and gambling, seek other women or commit sex offences.

National/State Preventive/Corrective Action on Trading in Human Beings - Guidelines for Operationalization: Enforce law against all illegal activities mentioned above.

Check regularly on linkages between sex trade and tourism and promote quality tourism. Implement measures to protect Middle East workers against exploitation by the recruiting agencies and their employers. Introduce special measures to safeguard the welfare of their families by providing institutional arrangements to channel their savings into the education of their children, housing improvement or investment in micro-enterprises, all to prevent disintegration of the family institution.

International preventive action on trading in human beings-implications for operationalization

Governments should act in concert with each other to detect and prevent activities involving human beings that contravene international laws and conventions such as Convention on Human and Women's and Children's Rights, UNICEF's manifesto, ILO's manifesto and the manifesto of the Declaration of Human Rights.

Type of Happiness Derived by Enjoying and Meaningfully Using One's Righteously Earned Wealth=*Bhoga Sukha*

This type of Happiness is based on the concept of *Bhoga Sukha* meaning Happiness derived from personally enjoying and meaningfully using one's righteously earned wealth.

The art of deriving happiness from one's wealth which is expounded under this concept pivots around the activation of three core moral values:

- Restrain one's Craving and Greed, and thereby defeat the root cause of Unhappiness, and, pave the way for generating Happiness.
- Derive Happiness by using one's wealth to satisfy one's needs, but without developing lustful attachment to it, which by implication means curbing of Craving.
- At the same time one should derive personal Happiness for oneself through the very act of sharing one's wealth with others, which

again implies a curbing of Craving. The practice of the moral virtue of Sharing not only increases personal Happiness of the giver but also acts as a Happiness Multiplier spawning Happiness among wider circles of the receivers.

What emerges from these is the centrality of the role of the moral virtue of restraining craving for expanding GNH. It is a case of juxtaposing craving with happiness because craving by its nature being insatiable, one who craves will always remain unsatisfied and frustrated and therefore overcome by unhappiness.

Deriving happiness from enjoying and meaningfully using one's wealth in the above manner requires the operationalization of a set of interconnected Buddhist values and strategies by the individual which may need to be facilitated by national/society/state level action.

Individual Action on Income Management Formula - Guidelines for Self-Operationalization

One should endeavour to manage one's household income according to the happiness promoting Buddhist formula for wealth utilization: divide income into four parts- one portion to be spent on consumption; two portions to be invested to generate income over time to sustain economic security; and one portion to be saved and deposited to meet emergencies. (Diga II, AN IV). In an overall sense, manage one's earnings in such a way that one's expenditure does not exceed one's income (Gr. Sayings IV). It is a formula that helps to stabilize and maintain livelihoods in the long term. It has far reaching implications for generating happiness through the three mechanisms for curbing craving built into it, viz., limiting consumption expenditure to about one-fourth of the income, the high profile given to saving for the two purposes of investing and meeting emergencies, and balancing one's expenditure with one's earnings.

National/State Action to Facilitate/Promote the Income Management Formula - Guidelines for Operationalization

Promote Savings at grass-roots levels for the poorer classes by evolving savings products catering to felt-needs such as healthcare, children's education, old age security. Institute crop insurance schemes for small farmers vulnerable to the vagaries of weather. Promote group-based saving and lending to meet emergency credit needs and thereby rescue the poor from the stranglehold of money lenders. Community-based Organizations should develop portfolios of investment opportunities in micro-enterprises at village level and evolve micro-finance systems to channel household savings into such investments. Provide training in entrepreneurship. Institute social security schemes, social protection schemes for the destitute

and disabled and social Insurance schemes for the needy. (Hewavitharana, 1994; 1995; 2002 a; 2002 b).

Individual-action for wealth conservation– guidelines for self-operationalization

One should endeavour to protect/conservate one's righteously earned wealth by developing wariness and circumspection. Once the wealth has been earned by righteous means one can continue to derive happiness from it only by using it in compliance with the relevant moral values and taking care to see that it does not get dissipated or wasted away.

Should avoid practices which lead to erosion of wealth, viz., – looseness with women, addiction to liquor, gambling, loitering, company with evil-minded people. (*Gr. Sayings IV, Diga III*). These practices which are directly linked with the Five Basic Evils are veritable happiness depressants and multipliers of unhappiness leading to depression of GNH. These immoral practices are among the ones that people resort to when propelled by their insatiable Craving which is the root cause of Unhappiness. Thus avoidance of these practices helps to restrain Craving and to promote Happiness on a sustainable basis.

Should practice the Five Precepts, avoid the Five Basic Evils.

National/state action to facilitate wealth conservation– guidelines for operationalization: Promote a sustainable culture of Five Precepts.

Individual-action for balanced living– guidelines for self-operationalization: One should endeavour to derive happiness by adopting the lifestyle of Samajvikata=Balanced Way of Life. It is an art of enjoying material things by means of the following series of "Balancing Acts"– maintain balance between material and spiritual interests and be neither unduly extravagant nor unduly miserly.

In adherence to the Buddhist concept of consumption, refrain from the extremes of craving-driven over-indulgence in sensual pleasures on the one hand, and on the other, self-mortification, both of which are happiness depressants; manage one's earnings in such a way that one's expenditure does not exceed one's income (*Gr. Sayings IV*); enjoy the consumption of material things, but, without lustful attachments towards the objects of consumption; fulfil pro-happiness basic-needs – food, clothing, shelter and medicine, but, restrain anti-happiness wants which are driven by craving.

The Dichotomy Between Needs and Wants

Needs are objective, stable, not in a continuum. Wants are subjective, diversified, variable, grow geometrically, but restrainable.

Satisfaction of basic needs– food, clothing, shelter and medicine, is conducive to material happiness which in turn paves the way for achieving

spiritual happiness. Wants, on the other hand, are driven by craving, grow in geometric proportions and are by their nature insatiable, leading invariably to unhappiness. This can be averted by restraining wants, and that is achievable because Wants can be restrained if appropriate methods were to be adopted.

The Paradigm of “Lower Self” and “Higher Self” Needs of Man: According to this paradigm, once the instinctual natural needs of “lower self” of man – food, warmth, shelter, sexual release etc., are fulfilled, and, provided that subjective wants are restrained, there can be a progression to “higher self” deeper needs with respect to self-actualization, affiliation, creativity, kindness, altruism, increase of knowledge, investigation, insights, wisdom, philosophy etc. (Maslow, 1968). What is envisioned in this paradigm corresponds with the dichotomy of needs and wants implied in the Buddhist concept of consumption. Thus, having satisfied basic-Needs, which correspond to the “lower self” needs, and, having effectively restrained wants, a progress can be made on the mental and spiritual development path, which broadly corresponds to the pursuit of “higher self” deeper needs.

Individual-Action on Needs vs. Wants – Guidelines for Self-Operationalization

One should endeavour through adherence to Buddhist work ethic to fulfill one’s basic needs to secure material progress/happiness which is a pre-requisite for achieving mental development and spiritual happiness. Restrain wants for they are insatiable and are driven by craving which is the root cause of unhappiness, and therefore can lead only to that. Fulfill basic needs, restrain wants, and by these means liberate the mind from craving and become facilitated to make progress on a path of mental development to achieve spiritual happiness.

National/Society/State Facilitative/Promotive Action on Needs vs. Wants – Implications/Guidelines for Operationalization

Facilitate the Satisfaction of Basic-Needs– Carry out surveys of unmet basic needs with a focus on low-income groups. Implement targeted programmes to meet unmet basic-needs in food and nutrition, primary healthcare (child and maternal), education, housing and amenities. Develop low-cost technology for housing, alternative low-cost medicine, potable water supply, and technology for production of food and infant weaning foods. Create employment and income generating activities for the unemployed poor to enable them to meet their unmet basic-needs.

Facilitate/encourage the restraining of wants– Curb excessive growth in wants *via* fiscal measures on luxury goods and tariffs on luxury imports. Control excessive spending on showy social functions. Monitor the channels and conduits that transmit Duesenberry’s International Demonstration

Effect on consumption that percolates down easily in the highly socio-economically stratified societies in LDCs, fuelled by inter-class imitative consumption effects. Minimize such transmission by means of media policy on persuasive/seductive commercial advertising. Exercise surveillance over unreal product differentiation and the use of tactics for supply to create its own demand. Exercise surveillance over other conduits such as international tourism, TNC activities and import trade.

Beware of the stimulation of craving-driven consumerism by globalized capitalism and the spread of delusory “False Happiness”- Globalized capitalism and free trade have fanned craving causing a geometric growth in wants. The outcome of this is known as consumerism which has enslaved the minds of all classes of people. The result of such mesmerization of the masses has been a number of anti-happiness consumption categories bearing different labels- pathogenic consumption (causing diseases); maximum consumption; over consumption (driven by greed); insane consumption (effect of delusion); imitative consumption (fanned by the international and the inter-class demonstration effects); envious consumption (“keeping up with the Jones’s”, out of envy for others’ consumption); and conspicuous/ostentatious/showy consumption (fanned by the unwholesome sentiment of vanity- a demoralizing externality). These are all road blocks to the achievement of happiness *via* mental and spiritual development. Given that the psychological phenomena of craving and greed are by their nature insatiable, people can be mistaken as to what constitutes happiness. They can get deluded into thinking that indulgence in sense pleasures and greedy consumption of the above types are in fact Happiness, whereas, since they bring Unhappiness to the doer and also cause the same to others, they are nothing more than sources of “False Happiness” and Unhappiness Multipliers leading to a depression in GNH. Such a turn of events has prompted the advocacy of a return to Sane Consumption or Rational Consumption by modern philosophers (Fromm 1969).

Individual-Action to Restrain Craving and Overcome Consumerism to Achieve Happiness - Guidelines for Self-Operationalization

Based on the Buddhist Philosophy of Consumption, **one should** endeavour to cultivate the virtue of *Santhutti*=contentment. It denotes the ability to be satisfied with little, and by implication, to accept conditions and situations as they arise with equanimity. It restrains craving and keeps wants under control and is therefore a powerful Generator as well as a multiplier of happiness.

One should endeavour to practice the ethic and lifestyle of *Appichchata*=simple life or plain living. It has a restraining effect on Craving and on the Wants propelled by it, and thus evolves a lifestyle based on

curbed Craving. In a two-pronged process it proactively generates Happiness specific to Simple Lifestyle and functions as a Happiness Multiplier to expand GNH, while simultaneously restrains Craving which is the root cause of Unhappiness and depression of GNH. Given the cardinal fact that man's desires are insatiable, the only way of avoiding the Unhappiness resulting from the ensuing frustration is to set lower goals for consumption based on the satisfaction of basic-needs. This is the solution to the problem that is offered by the Buddhist Concept of Consumption. The rationale for it comprises of the futility of limitlessly chasing after material things and the ill-effects of desire (Wijebandara 1998). On these grounds one should cultivate the virtue of *Santhutti* and the ethic of *Appichchata* which are the strongest counter measures to craving-driven consumerism.

National/society/state facilitative/promotive action on happiness vs. consumerism -implications for operationalization

Adopt the Buddhist philosophy of consumption- consumption is not an end in itself but a means to wellbeing and happiness. Endeavour to maximize happiness with minimum consumption.

Individual-Action to Achieve Happiness via Sharing - Guidelines for Self-Operationalization

One should endeavour to derive happiness by sharing one's righteously earned wealth with others on the basis of the moral values of *Chaga*=Charity, *Dana*=Donations, *Dhanasamvibhajana*=Distribution. There are no less than three moral values as given above that work to orientate the individual to share his righteously earned wealth with as many others as possible. In addition there is the Buddhist ethic embodied in the sharing-oriented sentiment that "all good things must come to me as to others". The underlying Buddhist ethic in sharing is that wealth is not for the exclusive personal use of the earner or for hoarding. The dialectics here in sharing vs. its anti-thesis craving-hoarding, bring to the fore the different ways in which happiness relates to these practices. Breach of the ethic on Sharing brings disrepute, blame and unhappiness to the owner leading to his decline because such behaviour of not-sharing makes him suffer from the hatred, ill will, and jealousy that he will earn for himself from the society. As noted earlier, such behaviour of not-sharing contributes to the impoverishment of others *via* maldistribution of wealth which can cause unhappiness among them and possibly end up in civil unrest and commotion (AN IV). Exclusive use of wealth and hoarding with the accompanying behaviour of not-sharing are thus depressants of happiness and multipliers of unhappiness.

One should endeavour to trigger off happiness generators and multipliers through the dynamic effects of sharing- In contrast to not-sharing, sharing is conducive to happiness in three ways. It restrains

craving and reduces greed thus paving the way to gaining Happiness through moral development. When one practices sharing one is not likely to resort to morally reprehensible means of earning wealth but would rather develop the moral virtues of kindness and compassion. Moreover, the very act of sharing is conceptualized as a virtue that brings personal happiness of the spiritual type to the doer. The dynamic process by which sharing generates and multiplies happiness can be set out as follows. One gains in personal happiness by the very act of giving away parts of one's wealth and ridding oneself of unhappiness-creating greed, and also by observing with pleasure how one's generosity has created Happiness among the receivers. When wealth is shared out to others it spawns happiness among them. Thus the giver becomes happier in giving and the receivers become happy in using the received wealth and in appreciating the generosity of the giver. Such appreciation can prompt reciprocity which may trigger off a cumulative process of happiness increase leading to GNH expansion over time. This dynamic quality ascribed to the virtue of Sharing is unique to Buddhist thought. Thus sharing provides the rotary power of maximizing happiness both individually as well as socially diffusing it across society through its multiplier effects. Sharing in this sense can be compared to a universal coupling in motor mechanism which can transmit rotary power by a shaft at any selected angle. Sharing by the giver motivated to gain personal happiness sets the angle for rotary power to spread and diffuse happiness to maximize societal/national happiness.

One should practice the Buddhist ethic of spending to generate happiness through its sharing effects. It recommends the use of one's wealth primarily to secure one's own happiness and then use it to support one's parents, wife and children and workmen for their happiness and next to help relatives, friends, comrades, and guests for their happiness (*AN*). Such Sharing when inspired by the Buddhist positive virtues of *Meththa*=Loving Kindness and *Karuna*=Universal Compassion, is undoubtedly the most powerful happiness multiplier and expander of GNH.

National/Society/State Action to Facilitate/Promote Happiness by Tapping Dynamism of Sharing - Implications for Operationalization

Promote charity funds, trust funds, welfare funds, and institutions for free medicare, healthcare, poor relief, looking after the aged, orphans and the destitute, to which merit seeking people can make donations. Individual acts of philanthropy and charity should be given public recognition and the philanthropists concerned should be honoured publicly. Tax waivers or exemptions may be given for charitable donations. Promote donations of the non-monetary type such as donating eyes and body organs, blood and labour.

The Type of Happiness Derived by Not Being Chronically in Debt=*Anana Sukha*

This type of happiness is based on the concept of *Anana Sukha* which implies happiness by being free from any debt incurred due to anti-happiness wasteful and unproductive expenditure (*AN II*). It pivots around the practice of the three Buddhist ethics on debt and credit given below which contribute to the generation of this type of happiness.

Individual-Action on the Ethic on Debt and Credit - Guidelines for Self-Operationalization

One should endeavour to derive happiness by managing one's earnings according to the Buddhist ethic on balancing; in such a way that one's expenditure does not exceed one's income (*Gr. Sayings IV*). It is wasteful use and dissipation of wealth that can get one into chronic indebtedness and cause one unhappiness unlike in the case of expenditure on productive purposes.

One should endeavour to derive happiness by practicing the Buddhist ethic on efficiency of credit use. This is happiness derived from credit put into productive use capable of yielding a surplus for one's sustenance and for repaying the loan without delay. This way the borrower will be able to enjoy the happiness of being free from debt to others. Not only he, the lender too will gain happiness on receiving back his loan for that will enable him to continue with his profession by lending to others who are in need on the basis of a viable revolving credit fund. Thus happiness gets spawned among the receivers of these recycled loans too. Efficiency of credit use therefore is a generator as well as a multiplier of happiness. All this is contingent on a proper appraisal being made of the efficiency of the proposed investment. If the investment were to fail the borrower will experience unhappiness as his debt will remain outstanding and he left without sufficient means for his sustenance. Adding to his unhappiness in such a case would be, *Hiri*=Moral Shame, that could arise from the loss of his reputation and creditworthiness with the lender who will start harassing him, as well as with the community at large which will look down upon him as a defaulter on loans.

One should endeavour to derive happiness by practicing the Buddhist ethic on credit discipline. If the borrower were to not repay his loan although he has the ability to do so, it amounts to an act of cheating which as noted above is a morally reprehensible means of earning income. This can bring him only unhappiness as it will lead to a social stigma getting attached to him, resulting in moral shame, a loss of his reputation, and blame from the lender, and possibly to *Ottappa*=Moral Fear, with legal proceedings getting instituted against him. Thus, it is neither righteous nor blameless conduct. In contrast, by adhering to the Buddhist ethic on credit discipline, meaning repayment of loans on time, the rating of his

creditworthiness will be maintained, his reputation will remain untarnished and his mind will be free of stress arising from any moral shame and moral fear. All this brings happiness to the borrower. It would also bring happiness to the lender who will now be able to lend money out of a replenished revolving fund to others who are in need and generate happiness in them too. Thus the Buddhist ethic on credit discipline is a generator as well as a multiplier of Happiness.

Yet another potentiality of the above code of ethics on credit to generate happiness comes into view when examined from the perspective of market and price analysis. In a credit market where default on loans is at a minimum and repayment is regular and timely, the lending risks and the transactions costs to be borne by the lender will be reduced to a minimum. Under such perfect market conditions the rate of interest chargeable will settle down to a reasonable level spreading happiness among borrowers, leaving little scope for charging exorbitant rates which only generate and multiply unhappiness.

National/Society/State Action to Facilitate/Promote Credit Ethic - Implications/Guidelines for Operationalization

Promote schemes of rural credit, self banking, rotational saving and group saving and lending which impart credit discipline. The *inter se* guaranteeing of loans practiced in such group borrowing schemes cause peer pressure to bear on the members of the groups for repaying their loans. One would rather die than not repay and suffer the moral shame of getting blacklisted. The appraisal of loan applications by the group as a body ensures credit efficiency. Should not waive outstanding state-sponsored loans for political reasons. When for the political purpose of gaining a vote bank, a government cancels or waives loans outstanding in schemes sponsored by it, it undermines credit discipline and causes laxity in credit use. The non-repayment of loans which used to be chastised by a social stigma and earn blame from the lender, now gets elevated to the level of a right or a privilege. The net result of such politicized waivers of loans outstanding is to depress GNH. (Hewavitharana 1994, 2002 a).

The Type of Happiness Derived by Righteous and Blameless Conduct=*Anavajja Sukha*

This type of happiness is based on the concept of *Anavajja Sukha* that results from righteous and blameless conduct in deed, speech or thought and in not having done wrong. This is the highest happiness derived comprehensively from the enjoyment of all the other three Happiness. It is thus an exemplary happiness based on all the Buddhist moral values, potentially demonstrative and by virtue of its moralizing externalities it is a multiplier of happiness that expands GNH.

Individual-Action for Righteous and Blameless Conduct - Guidelines for Operationalization

One should cultivate the two Buddhist mental states of *Hiri*=Moral Shame and *Ottappa*=Moral Fear, which are the underlying two safeguards of morality (*AN 1*). *Hiri* is an innate sense of shame over moral transgression. It is a feeling of conscious scruple induced by a feeling of personal honour. *Ottappa* is moral dread of the results of wrong-doing. It is a sense of guilt induced by one's voice of conscience and influenced by warnings from society, and in particular, blame from the *Vinnu*. Hence, one needs to develop a healthy sense of personal moral responsibility and accountability for one's acts to give effect to these two "Bright Guardians" of individual and society, when aspiring to righteous and blameless conduct.

National/Society/State Action to Facilitate/Promote Righteous and Blameless Conduct - Implications for Operationalization

The society, through a consensus should award honours and accord recognition to persons of exemplary moral and blameless conduct identified from all strata of society. It is the *Vinnu*=the enlightened and the wise members of the society, who are best able to judge eligibility for such recognition. Should inculcate the application of Buddhist values in daily life from pre-school stage onwards to achieve the goal of building up Righteous and Blameless Conduct.

Arrest the ongoing degeneration of morality and its two safeguards under the impact of market forces. Under the impact of market-forces driven economic growth and the consequent commercialization of all economic activities, the rise of individualism and self-centredness in activities and the disintegration of the family institution, the old order of values has begun to crumble. Thus damage has been caused to all the values that work for expanding GNH, viz., Five Precepts, Contentment, Simple Life/Plain Living, Charitable Action, Balanced Living, Loving Kindness and Compassion. The two safeguards of morality, *Hiri*=Moral Shame and *Ottappa*=Moral Fear, have tended to loose their force. This is because along with the above changes, senses of personal moral responsibility/accountability for one's acts which are the springboards of the two safeguards of morality have tended to loose their ground altogether.

National/Society/State Action to Facilitate/Promote the Safeguards of Morality - Implications for Operationalization

Should sensitize and mobilize the body of *Vinnu*=wise/enlightened people of the society, to usher in a revolution of thoughts to restore moral values and their safeguards to their central place in the social order through education, dhamma education, meditation practices, preservation of the family institution and revival of the Five Precepts culture. (Bhikku Bodhi 1998). Should make determined efforts to foster the formation of social

capital at grassroots level, meaning development of community leaders possessing the qualities of dedication, altruism and integrity, and oriented to the practice of the four socially significant moral virtues, shown in section VI below. This could amount to a learning process for developing a sense of personal moral responsibility for one's acts.

Maximizing Happiness For the Entire Society

Happiness to be gained under the four types above has not only a personal but also a social dimension thanks to their externalities, i.e., multiplier effects. The Buddhist social ethic which is promotive of social happiness provides the following three methodologies for evaluating the moral excellence of one's acts in terms of their impacts on one's and other people's (society's) Happiness:

- Whether what one does leads to harmful consequences to oneself and to others.
- As a corollary to the above and suggestive of Pareto optimality – Whether the earning of one's livelihood is in a beneficial Happiness promoting way for oneself and not in a way harmful to the Happiness of the others concerned.
- Methodology for evaluation and ranking of moral excellence of four individuals.

Fourth Most Inferior– Individual who does not pursue his own wellbeing or wellbeing of others.

Third– Individual who pursues the wellbeing of others but not his own.

2nd – Individual who pursues his own wellbeing but not the wellbeing of others.

1st Most Superior – Individual who pursues his wellbeing as well as the wellbeing of others in the society (*AN II*).

Question may well arise as to why an individual placed 2nd is superior to the one placed 3rd? Answer is that it is not possible for one in moral depravity to help others' moral development. Only one who himself develops morally can act as a multiplier of Moral Development/Happiness. The individual placed 1st is the most superior because it is he who can generate the most potent multiplier effects in both material and moral/spiritual happiness.

Conducive to the maximization of society's happiness are the Buddhist Work Ethic, Buddhist Humane Labour Management, Righteous Means of Earning, Right Livelihood and the observance of Five Precepts. A systematic practice of these evaluated for their moral excellence by the above methodologies will have far reaching effects for maximizing both material and spiritual happiness for the entire society.

Individual-Action to Maximize Society's Happiness as Evaluated for its Moral Excellence - Guidelines for Self-Operationalization

One should endeavour to pursue both one's wellbeing/happiness as well as the wellbeing/happiness of others, in the course of which one should effectively put into practice the above mentioned Buddhist ethics. The total effect of such endeavours will be to enable one to achieve the highest moral excellence. An aggregation of such efforts will lead to a maximization of Happiness for the entire society.

Stemming from Buddhist Social Philosophy there are three processes shown below that should be instituted in society for the cultivation of Buddhist Social Ethic to maximize Society's Happiness and GNH within a framework of Buddhist moral life.

Individual-Action on Reciprocal Duties - Guidelines for Self-Operationalization

One should make into reality a series of interpersonal relationships based on the Buddhist ethic of reciprocal performance of duties to network the generation of happiness for the society. This is a web woven by six bilateral social relationships for the performance of reciprocal duties towards each other resulting in a plethora of generators and multipliers of happiness. Perform duties reciprocally as between parents and children, teachers and pupils, husbands and wives, employers and employees, laymen and the monks, virtuous persons and friends (*Diga II*). Since the network of reciprocal duties is shot through and through with the virtues of loving kindness, compassion, altruistic joy and equanimity, a stage gets set for the whole society to make progress towards moral and spiritual happiness.

National/Society/State Action to Facilitate/Promote Performance of Reciprocal Duties - Implications for Operationalization

The emphasis in the above pairing arrangement is on duties to each other that are conducive to egolessness in contrast with modern western concepts that emphasize claims and rights that are conducive to egoism. Hence, give greater emphasis at all three levels, individual/society/state, to the performance of reciprocal duties which is embedded in virtuous conduct and conduce to social wellbeing as compared to claims and rights which are divisive and conduce to friction and rivalry. Foster duty consciousness in the classroom, family, work place, temple and monastery, social organization, office etc.

Individual in Social Action Based on Socially Significant Moral Virtues – Guidelines for Self-Operationalization

One should cultivate the positive virtues & express them practically through the Buddhist ethic of social action to drive the society into happiness. The individual should endeavour to gain happiness on two planes.

On the mental improvement plane the individual should improve himself mentally through the cultivation of the Four Positive Virtues–*Meththa*=Loving Kindness, *Karuna*=Universal Compassion/Sympathy, *Muditha*=Sympathetic Joy about others’ wellbeing, *Upekkha*=Impartiality/Equanimity. It is through this process of mental improvement that the individual could gain spiritual happiness.

On the social action plane, the individual should give behavioral/practical expressions of the Four Positive Virtues that he had cultivated. This he should do by means of cultivating the four socially significant moral virtues given below.

- *Chaga* – Should engage in charitable action – it counters Greed.
- *Piyawachana* – Should avoid false, harsh and frivolous speech and cultivate good pleasant speech.
- *Aththachariya* – Should perform work that conduce to the economic and social wellbeing of others, e.g., planting of gardens, parks and forests; making bridges, roads, wells and resting places (In modern terminology, environmental conservation and physical infrastructure facilities development).
- *Samanaththatha* – Should show respect for all and their rights and cultivate non-discriminatory behaviour. (*Dahmmapada, Diga II*).

The individual who makes progress on these two planes gathers *Punna*=Positive Merit. Charitable action promotes happiness for the doer in future life and brings him benefit in this life too. Simultaneously it spawns happiness among the beneficiaries in the society and through its multiplier effects maximizes societal happiness. Charitable action, pleasant speech, working for wellbeing of others and non-discriminatory behaviour, all in combination make the doer a lovable and socially acceptable person and bring him happiness while spawning happiness among others with whom he interacts. Hence these four socially significant moral virtues have earned the well deserved epithet of “Lynch-pin of the Chariot which is Society” as they provide the drive-force for the society as a whole to progress towards the goal of maximizing its happiness.

National/Society/State Action to Facilitate/Promote the Socially Significant Moral Virtues - Implications for Operationalization

Promote community-based organizations (CBOs), small group formations, village/hamlet development councils and grassroots level people's organizations. In accordance with the Triangular Relation of social mobilization, grassroots level organizations should be formed to promote self-reliance, pooling of own resources, mutual aid including traditional mutual aid systems of labour exchanges and sharing of resources for the development of physical infrastructure facilities. Such activities should be carried out on the basis of Participatory Planning (PP) using Participatory Rural Appraisal (PRA) method for identifying and prioritizing village development projects, participatory implementation and participatory monitoring and evaluation. These efforts will preserve village cohesiveness, promote a spirit of cooperation and help to develop altruism and social capital in the form of dedicated local leaders who will work for increasing community wellbeing and happiness. Such activities, institutions and procedures provide an ideal setting for nurturing the four significant moral values. It is happiness of material, moral and spiritual types generated and multiplied within small communities in this manner that will get aggregated up to societal happiness and GNH. (Hewavitharana, 1997; 1995).

Individual Action to Universalize Happiness - Guidelines for Self-Operationalization

One should cultivate and consolidate the Buddhist welfare of mankind outlook of mind to universalize happiness. One should endeavour to evolve this outlook of mind by blending the interests arising from one's own needs with one's sense of duty and obligations towards all sentient beings to produce the outlooks of *Bahujana Hitha*=Wellbeing of Mankind, *Bahujana Sukha*=Happiness of Mankind, which are unique to Buddhist thought. (Perera, 1995).

Buddhist Political Economy for Maximizing GNH

Stemming from Buddhist socio-political philosophy, there are two political-economic approaches and one political-institutional approach to maximizing GNH.

Adopt the Buddhist political-economic approach to break the vicious circle of poverty and unhappiness to maximize GNH. Following is the chain of circular causation of poverty/unhappiness. Exclusive wealth accumulation/not-sharing of wealth behaviour, leads to → uneven distribution of wealth, leads to → a few becoming richer and impoverishment of the many, leads to → resort to the Five Basic Evils/Breach of Five Precepts, leads to → moral degradation, leads to →

spread of anti-social behaviour, leads to → rebelliousness of the poor, decline in social harmony, decline of the economy, lead to → generators and multipliers of Unhappiness → depression of GNH.

As narrated in a *Sutta*, (*Diga I*) several alternatives were put forward for dealing with such a situation as above which ended up in open rebellion. The proposal to perform ostentatious religious rituals to appease supernatural powers was dismissed as one that would only aggravate the problem by putting to sheer wasteful use resources that too will have to be raised by imposing new taxes on the already oppressed subjects. The second proposal to impose a fresh tax as penalty on the rebellious poor was dismissed as it would only worsen their plight. A third proposal to impose capital punishment or fines or banish them was dismissed on grounds that those left unpunished will continue to harass. The fourth proposal to bestow capital on the criminals and rebels in good faith was dismissed on the grounds that as time goes on more and more people would resort to crime as a ruse of obtaining funds for easy living.

National/State Policy for Poverty Eradication - Implications for Operationalization

What was recommended was to formulate a thorough and an effective policy and plan to eradicate poverty on the following lines. To cattle keepers and farmers, give them cattle, food, seed, corn, implying provision of productive assets, production inputs and working capital in the form of food. To traders – give them outright grants of capital as aid and not as loans, for them to flourish. To those in State service, give them adequate wages. With such programmes men will flourish in their own vocations, Treasury coffers will swell, and the “people will be pleased with one another”, implying that social harmony will prevail. “They will dwell with open doors”, implying that there will be no crime or robberies, “dancing their children in their arms” implying that family Happiness and blissful home life will prevail. (*Diga I, Diga III*, Nanayakkara 1995). The sequence here is demonstrative of the possibility of GNP growth (expansion of – vocations, production sectors and public finance) and GNH expansion (promotion of social harmony, observance of moral precepts, abstaining from evils and blissful family life) getting interwoven into a single process if appropriate socio-economic development policies, plans and programmes are put in place.

The Poverty-Unhappiness vicious circle will thus get broken and a new chain of cyclical causation involving eradication of poverty, leading to → peace and social harmony, leading to → increase in household Material Happiness and Societal Happiness, leading to → expansion of GNH, will now get operationalized.

National/Society/State Programmatic Action for Poverty Alleviation – Guidelines for Operationalization

Design approaches to poverty alleviation with focus on land reforms and land distribution, credit-based self-employment creation, wage employment creation for the poor who have no capacity for self-employment, micro-finance systems, micro enterprise promotion, entrepreneurship training, grants as start-up capital for selected small-scale investments, temporary judicious production subsidies, demand-driven vocational skills training, linking wage rates to COL index and implementation of the JP of A for HRD. (Hewavitharana 2003; 1987; 1999; 1994; 2002; October 1992; March 1992).

Maximize GNH Holistically by Adopting the Buddhist Concept of Good Governance=Dasarajadharma.

Formulate policies and plans on the basis of The Ten Buddhist Virtues of State Craft=*Dasarajadharma* (*Diga III*), which represent the Buddhist concept of good governance. In the matrix table given below, the first column lists the Ten Buddhist Virtues of Good Governance; the second column gives the comparable concepts and principles of modern good governance against each Buddhist Virtue; and the third column indicates using abbreviations, the types of development processes and happiness that the Buddhist Virtues of statecraft and their modern comparables can facilitate. It will be seen in this tabulation that the adoption of the *Dasarajadharma* will provide the political-social-economic-legal framework for the generation of the three types of happiness in society - material happiness, ethical and moral happiness and spiritual happiness, all combining to form a holistic process for maximizing GNH.

State Policy Implementation for Holistically Maximizing GNH by Means of Good Governance – Guidelines for Operationalization

Nurture and put into practice the five relevant virtues, Nos. 1, 2, 4, 7 & 10; identified in the Matrix Table, in order to operationalize through them a material development process, i.e., economic and social development process, to generate material happiness outcomes for the society.

Nurture and put into practice the eight relevant virtues, Nos. 1, 2, 3, 5, 6, 8, 9 & 10; identified in the Matrix Table, in order to operationalize through them ethical and moral development processes to generate ethical and moral happiness outcomes for the society.

Nurture and put into practice the three relevant virtues, Nos. 3, 5 & 9; identified in the Matrix Table, in order to operationalize through them Mental and Spiritual Development processes to generate Mental and Spiritual Happiness outcomes for the Society.

Matrix Table – Virtues of Statecraft, Development Processes Facilitated & Types of Happiness Outcomes

The Ten Buddhist Virtues of Statecraft	Comparable Concepts & Principles of Modern Good Governance	Types of Development Processes & Happiness Outcomes Facilitated
Giving Wealth Away No Craving	Welfarism, Equity, Redistribution of Wealth, Poverty Reduction	Mt-H & Et&Mr-H
Moral Practice Five Precepts	Law & Order, Justice, No Corruption, Morality, Rule of Law.	Mt-H & Et&Mr-H
Liberality/Sacrifice	Liberalism, Equity, Redistribution of Wealth	Et&Mr-H & Mn&Sp-H
Straightness/Honesty/ Integrity	Transparency, Accountability, Absence of Corruption. Rule of law	Mt-H
Gentleness/Kindness	Tolerance, Welfarism, Non-violence, Competent Administration.	Et&Mr-H & Mn&Sp-H
Restraint/No Indulgence in Luxury	Moderation, No Ostentation, No Waste.	Et&Mr-H
Non-anger/Non-Hatred	Non-discriminatory, Equality, Non-Confrontation	Mt-H
Non-Injury/Non-Violence	Non-violence, Protection of Human Rights	Et&Mr-H
Forbearance/Tolerance	Tolerance, Humanism	Et&Mr-H & Mn&Sp-H
Non-opposition/Non-Revenge	Democracy, Impartiality, Non-Confrontation, Regime Legitimacy	Mt-H & Et&Mr-H

Key – Mt-H – Happiness Derived from Material Development (i.e., from Economic & Social Development).

Et&Mr-H – Happiness Derived from Ethical & Moral Development.

Mn&Sp-H – Happiness Derived from Mental and Spiritual Development.

Maximize GNH by Instituting the Seven Buddhist Ethical Modes of Conduct of a Group Conducive to Non-decline (Non-degenerative Society)=*Satta Aparihaniya Dhamma (Diga II, DA II)*

National/Society/State Policy Action to Facilitate/Promote Ethical Modes of Group Conduct – Guidelines for Operationalization

Promote at all levels appropriate procedures, modes of conduct of groups; and provide decentralized institutional facilities such as Village Councils, Groups, Welfare Societies, Social Organizations, Community-based Organizations, Area/Divisional/Regional Committees/Councils, Cooperative Societies, National level Councils/Legislatures; and institute processes such as Social/Community Mobilization and Social Capital formation to facilitate the following.

Promotion of participatory decision making processes in accordance with the Buddhist Ethic of democratic decision making viz., decision makers to meet frequently, exchange views on a non-partisan basis to resolve conflicts and solve problems peacefully through discussion and consensus. Participatory decision making guided by moral and ethical considerations which is capable of providing an institutional framework for identifying and prioritizing such ways and means that are practical and conducive to achieving Happiness through Material, Moral, Ethical, Mental and Spiritual development processes.

Formulation and administration of laws/regulations in accordance with the Buddhist Ethic of Law and Justice – viz., enforce laws that are there to maintain law and order and not formulate/impose laws that cannot be enforced.

Structuring of inter-generation relationships and implementation of projects on the basis of the Buddhist ethic of cooperation and mutual aid – viz., create a bond between the young and the old with the youngsters taking advice from the elders.

Protection and promotion of the interests and concerns of the females.

Ensuring the continuation of cultural traditions and events.

Promotion of Spiritual Development and Happiness by looking after and learning from the *Vinnu*=the wise, viz., monks who are in search of spiritual enlightenment.

Taken as a whole these ethical modes of conduct of a group inspired by Buddhist Socio-Political Philosophy can be seen to map out a path and provide the institutional and procedural means that could lead to a society capable of evolving and sustaining a holistic process of maximizing GNH.

Buddhist Ethic and Environmental Conservation

Arrest the happiness depressing environmental degradation by means of the happiness promoting Buddhist ethic of *Appichchatha*=Simple Life/Plain Living

In the debate on how to resolve the ecological crisis there were arguments from many sides. The Club of Rome put forward the argument that what we have is a “space-ship earth economy” with finite resources

and there is no alternative but to somehow or other curtail the use of the resources. This “space-ship economy” assumption was refuted by others as being over-pessimistic in that it ignores the potential role of technology improvement and innovation and human ingenuity in saving the ecological balance. The concept of sustainable development that was advanced to preserve nature never could become a societal ethic, nor did it catch on as a moral issue.

Coordinated Micro-Macro Action for Environmental Conservation by Means of Plain Living - Guidelines for Operationalization

It is against this background of irresolution that the Buddhist Ethic *Appichchatha*=Simple Life/Plain Living which is based on the Buddhist concept of morally good life, the key to happiness, emerges as the only possible lasting solution to the problem of ecological environmental degradation. *Appichchatha* is an ethic of restraint and supported by the virtue *Santhutti*=Contentment, it is the only means by which the insatiable craving of man, which is the root cause of over-taxing of natural resources, can be curbed.

As advocated in Buddhism, formulate a public policy for environmental protection and plans for the protection of plants and animal species (*Diga III*). Promotion of Simple Life/Plain Living lifestyles must necessarily be assigned a central role in such plans and programmes. By doing this the issue of environmental conservation will no longer be left alone with material progress/happiness-based technical arguments and appeals to reason, but will get encased in moral values and societal ethics thereby integrating it with the processes of moral, mental and spiritual development and the ensuing happiness outcomes. This would amount to an important component of the holistic approach to GNH.

Recommendations For International Action for Operationalizing GNH

Building a new moral values-based system in one country can bring about an international backlash. Consider the treatment meted out to a leading Theravada Buddhist country, Myanmar, which has been trying to find its own path to development inspired by its own Buddhist wisdom and insights. A lesson can also be learnt from the historical situation when they were trying to build Communism in one country, the USSR, through a revolution, and international opponents ganged up against it. The argument was then put forward that a revolutionary change in one country is bound to fail unless that revolution is made to spread out on an international scale. Operationalization of the Buddhist concept of GNH also requires a revolution which, in this case, has to be a Revolution of Thoughts. It is the message about this kind of revolution that needs to be made to spread across the nations of the world along with the propagation

internationally of the Buddhist concept of GNH, as it behoves the present International Seminar to attempt.

Present a consolidated front of Buddhist thinking to the rest of the world as should be attempted by the present International Seminar.

Set up an International Institute of Buddhist Policy Studies to work towards these goals. It can help to organize bodies of *Vinnu* in the different countries and provide guidelines to such bodies for facilitating the Revolution of Thoughts.

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Using Buddhist Insights in Implementing Cross International Happiness

IR JEAN KAREL HYLKEMA

Introduction

Almost all training in leadership and management is geared to the acquisition of knowledge and practical skills. However, these skills only become effective if they are guided by the right intentions, which must be based on a correct understanding of the nature of reality. The triplet common to the Buddhist tradition I belong to – the Nyingmapa tradition of Tibetan Buddhism is: right view, right meditation, right action. Without right view of the nature of reality, one runs the risk of doing things that are contrary to the nature of reality, leading to poor performance for oneself and others.

A right view of reality means that right meditation/motivation will follow almost automatically. That motivation is to do as little harm as possible to others and to help others as much as possible. If work is guided by this conscious motivation, a decisive contribution to reaching good/responsible results is inevitable.

This approach corresponds to the story of what the Historical Buddha said when he was asked to give a summary of his teachings:

Do not commit any unwholesome actions,
Cultivate a wealth of virtues,
Train your mind, again and again and again....
This is the Truth of the Buddha.

In management we often focus on external material aspects that appear to exist outside of ourselves, and which we then try to improve. But I have learned, particularly through a growing understanding of Buddhadharma and through experience, that it is much more effective first to adjust our thinking. This is a much easier way to change our experience of external situations, which is the object of our management and leadership.

We all create our own reality, because of our karmic thought patterns, by way of our karmic-formed senses and our karmic-formed preconceptions and conditioning and habitual patterns. Learning to think, speak and act in a dharmic way is a most effective management tool, which leads to wholesome results.

I want to offer you a number of tools that will help achieve better management and give life long management skills as well as life skills. I will discuss, from a management point of view, in the following order:

The 'Seven Fundamental Qualities of Existence': Learning to live in harmony with these leads to causing our selves and others as little harm as

possible. Living contrary to these leads to negative/harmful results, which harm both our selves and others.

The 'Six Paramitas', or the transcendental practices of the Bodhisattvas, through which they realize the potential of all sentient beings: the attainment of Buddhahood. Training in the Paramitas leads to the attitude/motivation of putting the interests of others before our own, and to realize surplus values instead of profit maximization, so that correct/sustainable results are achieved.

Methods aimed at the direct training of our minds, so we gradually come to a direct experience of the absolute reality - the nature of mind. Practicing these methods further stimulates working in accordance with the previously mentioned areas of attention.

Teaching these methods derived from the Buddhadharma will help both Dharma practitioners and non-Dharma practitioners to become and remain responsible leaders.

Likewise, growing up in a Buddhist culture should almost naturally result in dharmic thinking and acting.

For this reason we can talk about the concept of Gross International Happiness, which is so important for the entire world and that is developed in the Buddhist Kingdom of Bhutan. For non-Buddhists, learning about these insights may also be very helpful. It is not necessary to become a Buddhist in a religious sense in order to be able to work with Buddhist insights and methods and try to attain Gross International Happiness.

Buddhism should never be about an 'ism', but about helping people discover their potential and realising it. It is important, therefore, both for people who grew up in a Buddhist culture and those who didn't to keep deepening the study and practice of these methods. This leads to a constantly renewed and nourishing understanding of the why and the how, and thus stabilises motivation. With deepening understanding, comes deepening motivation, and this results in better actions.

I think it's also of crucial importance to re-introduce Buddhist philosophy, logic and science in the educational system. Mind conditions matter. That's why intention/motivation is the decisive factor in reaching sustainable, wholesome results, also with respect to Gross International Happiness.

Now, at least in the West, the focus in business management lies in attaining the largest possible values for shareholders. This leads to an almost exclusive concern for attaining maximum profit, and less concern for people, the ecology etc. Consequently, a lot is going wrong.

The average Westerner pollutes his environment and himself - in a spiritual and physical sense-- much more than the average non-Westerner, resulting in an increase in physical and mental illnesses. More than 10 percent of all Westerners suffer from stress or burn out. This makes stress the most prevalent disease in the West, with corresponding costs higher

than those caused by diseases like AIDS, malaria, polio, leprosy, etc. More than 10% of all Westerners need psychological aid.

It has been my experience that focusing on attaining the largest possible surplus value for one's clients, thereby giving space to the problem-solving abilities of employees, works significantly better. It involves fostering motivation rather than prescribing what should be done.

In all of the organisations I managed for at least two years, and which I often took over in very alarming conditions, disease rates dropped to less than half of the average for the respective branches of industry and productivity increased significantly. The result was that the profitability of these organisations also increased considerably, not because that was the goal, but because of an orientation toward the interests of clients and employees. This also contributed to increased happiness among the employees, who started to feel co-responsible for the functioning of the organisations.

When – as in the customary Western model – everyone places the focus on maximizing profits, it leads to murderous competition and possibly even to forms of warfare.

The model I champion leads to a compassionate society, in which each takes care of others. This is the logic of compassion.

Initially I used intuition in management. Later, after learning about the Buddhadharmā, I began to realize why my intuition had been correct. Buddha said in the Seven Fundamental Qualities of the Reality: do not commit any unwholesome actions. It is necessary that your actions are not contrary to 'The Seven Fundamental Qualities of Reality' as when they are, they actually violate reality. And that cannot but have harmful results.

There are two realities: the absolute reality and relative realities. There is only one absolute reality; while relative realities can exist in as many forms and interpretations as are - literally - conceivable. The absolute reality is the source from which everything that appears to exist in the relative realities derives, and to which it also returns, when the causes and conditions that made its existence possible, disappear. It is non-dual and can therefore not be described. But it can be experienced, if you are able to let go completely of every concept and expectation you have of it. We don't produce it, but non-conceptually experience the absolute reality in all its perfection. Absolute reality also appears when we die, as the ground luminosity, the clear, sourceless light, of which all religions speak.

The relative realities are the innumerable ways in which the absolute reality manifests itself to us, guided by our senses and our preconceptions and habits (i.e., karmic patterns). The relative realities are nameable, measurable, etc. and are the objects of the classical Western sciences. These take their departure, contrary to Buddhist science, from matter, and develop, by way of the natural sciences, into the current areas of science that are occupied with the functioning of the human mind. They do so primarily

by investigating the functioning of the brain. However, the functioning of the brain is not the same as the functioning of mind/consciousness. Consciousness always exists and is not dependent on matter.

Our brain and our heart are the antennae with which we as material beings make contact with consciousness/mind. The heart is the connection with the non-conceptual wisdom mind/consciousness, the brain the connection with conceptual mind/consciousness. In Buddhism, scientific development is exactly the reverse. The Buddha first occupied himself with the functioning of the human mind, thus followed the behavioral-scientific insights, and then came the insights into the nature of matter.

We live at a time which is opening up to Buddhist science, partly because Western science has come to realize increasingly that its approach cannot explain all phenomena, such as the first milliseconds of the Universe if it came into being after a primal explosion. My own contribution is actually evidence of this.

So what are the Fundamental Qualities of Reality? Everything that appears to exist in the relative realities, is subject to change and therefore impermanent. Is this a disaster? No, because if reality wasn't subject to change it could also not be improved. And that would make leadership/management impossible.

However, we tend to see relative reality as static, and so we try to base our security on this. The way we experience the relative realities, this grasping of this wrong view, is the cause of the quality of *dhukha*/frustration/suffering. This is the second of the Four Noble Truths of the Buddha. Good leadership makes use of the quality of change-ability by trying to guide it in a way that is not harmful. Perhaps you've seen athletic competitions on TV, where the strong men must move a stationary truck across a certain distance. What is the hardest part in their effort? Getting the truck to move. For, once it's moving, keeping it moving and pulling it across the finish line is easy, compared to starting the movement.

In our work as leaders and managers we are blessed to work with a reality in which everything is constantly changing. The important thing is to give the right direction to the changes taking place. This responsible leadership focuses more on the intention behind changes than on grasping to what appears to enjoy permanent existence.

Next we can observe that in the relative realities everything is connected to everything else – mutual interdependency. Relative realities are ways by which the absolute reality manifests itself to us. Guided by our senses and our preconceptions and habitual patterns, we can recognize that everything that appears to exist is mutually interdependent. In perception the perceiver, the perception and the perceived are interdependent; in essence, they are one. Moreover, if we analyze where we experience the apparent existence of realities, we have to conclude that this experience takes place in our consciousness and not outside of us.

The law of cause and effect (karma) is the law that determines the relationship among all things that appear to exist in the relative realities – change-ability and mutual interdependency. Phenomena only exist if there are causes and conditions for them. If those causes and conditions change or disappear, the phenomena also change or disappear. However, every action causes reactions, which in turn cause other reactions. In this way, an entire system of mutually conditioning actions and reactions is created, which together form the relative realities. This is what makes it practically impossible to determine which actions and circumstances cause certain phenomena to manifest.

Within this karmic system the following principles can be distinguished (according to Dagpo Rinpoche):

- all actions of body, speech and mind have corresponding effects;
- the effects of an action increase exponentially in time;
- one cannot suffer the effects of an action one did not perform; and
- when an action has been performed, the effects of that action are inevitable.

Furthermore, there are four stages in the development of karma:

- to cause karma, a relationship between a subject and an object, is required;
- to cause karma, a relationship between a subject and an object, is required;
- conditioning thoughts of the subject with respect to the object are required, in which three aspects can be distinguished – motivation/intention behind the thoughts, disturbing emotion belonging to the thoughts, and an identification by the subject with the object;
- the beginning of the action; and
- the completion of the action.

Every action can have one of three kinds of results:

- complete maturation, which means the effects are greater than the cause;
- effects consistent with the cause; and
- effects regarding the situation, which means causes leading to circumstances that are of the same kind as the cause.

Many possible situations create problematic as well as favorable circumstances. They may be the result of causes, which cannot be directly linked to previous actions of the person in question. But that they meet those circumstances is always the result of their previous actions, either in this or in past lives. This is the reason why everyone is always co-

responsible for what he or she experiences. There is a saying, which is attributed to Guru Rinpoche: 'how you are now is a result of how you used to be; how your future will be is caused by how you are now.' This demonstrates the passive and active aspect of karma. The passive aspect is how you ended up in your present situation; the active aspect is that you always have the possibility in the here and now to take responsibility for your situation and therefore to work on improving the circumstances you and others will later encounter. Familiarity with these principles of karma is of crucial importance for good leadership. Moreover, it's possible to train ourselves in working with karma in a responsible way.

When we speak of absolute reality, we know that it is devoid of concepts. A concept is a combination of a form coupled with an attribution of values, both from a subject towards an object. Absolute reality, however, is non-dual and there are in essence no permanent, independent concepts. A consequence of this quality of absolute reality is that holding onto concepts in the relative realities is, in principle, a harmful action.

From this insight we understand that it is not the law that creates justice, but its application. Precepts and prohibitions that have to be performed without knowledge of the underlying insights and values may negatively affect the quality of the realities.

Bureaucracy, from this perspective, is something to be avoided as much as possible as it denies the emptiness of reality and creates an anonymous injustice because it takes individual responsibility away from people and defers it to dead rules.

Another quality of absolute reality is that it has the potential to give rise to all that is conceivable by means of identification by an apparent subject with a thought that occurs, motivated to do so in one way or another. This again underlines the importance of right intention in the (self-) creative process of the relative realities. Finally I want to mention two other qualities of absolute reality, namely compassion and (non-conceptual) wisdom /prajna. These are often compared to the two qualities of the sun: warmth (compassion) and light (wisdom). Both these qualities form the basis of the quality of potential.

Wisdom translates itself in the way in which each (self-creative) process moves from an always present implicit order in the absolute reality, to a temporary explicit order in the relative realities. One may think in this context of 'The Twelve Links of the Chain of Coming into Existence in Mutual Interdependency' / the Pratitya Samutpada / the 12 Nidanas of the Buddha, or David Bohm's Theory of the Implicit and Explicit Order, which theory lies at the basis of the current development of modern Western science. HH the Dalai Lama regards David Bohm as his science teacher.

The Theory of the Implicit and Explicit Order states that there is an absolute primal state of energy, which, through causes and circumstances, can unfold into an explicit order, the manifestation. That happens according

to patterns that are implicitly and non-conceptually contained in the primal state. When the causes and circumstances of the manifestation disappear, the manifestation folds again, by a reversal of the unfolding process, into the primal state. The Pratitya Samutpada and the Theory of Implicit and Explicit Order are compatible. Compassion translates itself in the relative realities in the possibility that apparently independent phenomena can assume temporary relationships. We experience non-conceptual wisdom through intuition.

Taking into account the Seven Fundamental Qualities of Existence primarily serves to keep you from causing harm by means of your actions, particularly in your role as leader. This is working on the foundation of responsible leadership.

Buddhism has a marvelous, and at the same time, practical system to give a concrete meaning to 'cultivating a wealth of virtues'. These are the Six Paramitas, the exercises of the Bodhisattvas by which they transform their relative habitual state of mind into the enlightened state of mind – Buddhahood.

The Six Paramitas are:

Generosity. This is the practice of giving space to your self and others. It is also receiving without attachment, so that you can also renounce again what you receive without having disturbing emotions. It is putting your self in the service of others. Aiming in your work to supply your clients with surplus value and giving space to your employees to realize business goals in their own way are ways of applying this paramita to responsible leadership.

In the early seventies, I was chief editor and publisher of Holland's leading agrarian trade magazine. Agriculture at the time was going through a period of expansion, from ongoing mechanization. Because most agrarian businesses were mixed, expansion could only take place through specialization. The formula of our magazine, however, was to pay attention to all facets of agriculture. We realized that our formula no longer corresponded to the needs of our readers. To test the development of a new formula, we first launched a specialized trade magazine for pig farmers. When it turned out that it met the needs of the specialized pig farmers, we subsequently adjusted the entire formula of the magazine. We published the main magazine with general information for farmers and other rural residents, and a number of technical supplements for arable farming, cattle farming, pig farming, poultry farming, and later also for horse and sheep farming. This way the reader could choose an information package, which met his specific needs and pay a suitable price for it.

The same was true for advertisers. With the old formula, there was only one magazine in which to place ads, and they paid for that part of the circulation destined for readers for whom their products and services held no interest. The new formula allowed them to choose between advertising

in the main magazine or in one or more of the supplements. In spite of the fact that we had to expand our editorial staff to implement these changes and our production costs went up, the result was that in one year we doubled our turnover and profits went up fourfold. Success came because we hadn't based our operation on cost analyses and profit maximization, but on the changing information needs of our readers and changing communication needs of advertisers, and tried to give them a larger surplus value, geared toward their particular needs.

Discipline. This an attitude in which you don't act based on rules and precepts, but train yourself in every specific situation to do that which is the best response to that situation, especially ethically. It is also eliminating harmful actions and striving to perform virtuous actions of body, speech and mind. The goal is to never have to feel ashamed, and to have a willingness to always be held accountable.

The example about the re-launch of the magazine also has many aspects that have to do with this paramita.

Patience. This means not to get discouraged in the absence of success and when facing obstacles, persevering in your good intentions, trusting that if you keep at it, eventually you'll achieve positive results.

In this context the insight that obstacles are not primarily caused by external circumstances, but are the result of your previous negative actions of body, speech and mind, is helpful. The more negative they were, the longer it takes before the circumstances they gave rise to can be changed. Because you understand you are the cause of the obstacles, you realize that you also have to solve them, however long it may take.

Exertion. This is the practice of the attitude to always be inspired and inspiring. All of the paramitas follow one another, by the way, so it is actually a deepening of the paramita patience. It means always taking responsibility for yourself and your actions, and not hiding behind excuses.

Meditation/Concentration. This is the practice of an attitude to always maintain a certain distance with respect to yourself, allowing you to supervise your actions of body, speech and mind, also by checking and correcting your motivation behind them. It is also an attitude of only doing that which you have chosen at that moment and not letting yourself be distracted by other thoughts and emotions that may occur to you.

The first five paramitas are aspects of compassion and therefore of right action. The sixth paramita is:

Wisdom. This is the development of an attitude of being able to listen and understand, and of reflection and contemplation. It is, above all, developing a distance from dominating and conditioning thoughts and giving space to intuition. Intuition is the way in which the inherent wisdom of absolute reality in your heart can be nourished and then be converted in your brain into concepts that allow you to communicate this inherent wisdom in the relative realities.

Wisdom in Sanskrit is called *prajna*. In that word there are two roots: *pra* and *jna*, corresponding to the concepts 'pre' and 'conceptual knowledge'. So *prajna* is the inherent non-conceptual knowledge, the pure ground in absolute reality from which the conceptual knowledge of the relative realities is derived.

Practicing the Six Paramitas is working on the second component of responsible leadership. It teaches to use inherent wisdom, translated into practical/ right action, to plant wholesome causes and conditions, which will later lead to wholesome results.

Training yourself to live the Seven Fundamental Qualities of Existence and the Six Paramitas is already a form of 'training the mind, again and again and again...' It is a matter of practice in the relative realities with the methods belonging to them. But by keeping up this practice, your relative, conditioned, habitual mind transforms itself more and more into its absolute original state of wisdom.

Other forms of practices, which work directly with the mind, can reinforce this. *Shamatha* meditation, orienting the mind inward, letting go and relaxing, is one of these. By practicing meditation you become an expert in your, mostly negative, ego-directed habitual patterns. It gradually enables you to recognize and let go of them in the state of non-meditation/ daily life. The result is gradual acceptance of oneself and openness, which offers space to compassion to manifest itself in a natural way. This can then be followed up with compassion practices. First generating the inspiration to act with compassion, we have the Four Immeasurables:

- Boundless love, as antidote to aggression
- Boundless compassion, as antidote to passion
- Boundless sharing love, as antidote to jealousy
- Boundless equanimity, as antidote to indifference

Concluding Remarks

I hope my contribution will have demonstrated that the *Buddhadharma* comprises many insights and methods that can contribute significantly to responsible leadership; that it is more important and effective to work on our spiritual and mental capacities than on learning and working with methods that are not based on the right view and right motivation; and that working from the right insights into the true nature of reality, guided by a right motivation/attitude – partly through practicing the Six Paramitas – is the most effective way in to achieve good and sustainable results with our leadership and management. This is also the deeper purpose of working with the concept *Gross International Happiness*.

The Characteristics and Levels of Happiness in the Context of the Bhutanese Society

KARMA GAYLEG

Synopsis

In this paper, some of the characteristics of happiness perceived by the Bhutanese are presented in the backdrop of the Buddhist philosophy of life. Over the last many centuries, Buddhism has played a great role in the shaping of society's perception of happiness and the general attitude towards life. Further, happiness has been divided into various levels, where its parameters or determinants may be common in all the levels, or it might be quite different. These levels have been treated in the context of Bhutan, while at the same time referring to the outside world.

Introduction

The nature of happiness can take different forms in different contexts. For various peoples in many nations, the idea of happiness may not be the same. However, for each locality or a community in the world we could try to look at some of the characteristics of happiness. So in this paper, we try to characterise happiness in the Bhutanese context, where Buddhism has played a great role in shaping the thoughts and attitudes of people. Some of the characteristics of happiness may or may not be identifiable to the reader, while some of them can be similar for other communities as well.

Also to understand the interdependence of happiness at all levels, from the smallest unit to the largest unit of happiness, I propose six levels of happiness. Eventually, these levels form concentric circles of happiness, where each circle has a bearing and the dependence on the other circles—whether outside or inside.

Happiness is more of an internal aspect rather than an outer physical one. The happiness achieved through external means may not be reliable or sustainable, whereas, the type of happiness that comes from individual self-examination and self-development, using certain mind training techniques, would be more effective and only this can ensure present as well as future happiness.

Characteristics of Happiness

Happiness is an Individual Experience

All humans experience varying degrees of happiness. One person's happiness may be another man's sorrow. From identical means the amount of happiness derived as the end, for different persons, may be different. For example, a rural person may derive happiness just by being able to visit an

urban town, whereas, an urban dweller may or may not be happy to have a prolonged stay in the rural settings.

Depending on one's *karmic* consequences (or accumulated positive/negative merits), one will experience happiness/sufferings of various types, on various scales in the time span of a lifetime, and even beyond this life. (If you believe in the reincarnation of consciousness.)

Another example is a person who meditates in the mountains who would be happy to have a simple soup as a means of sustenance, where as an ordinary citizen would consider the same soup as just a very simple meal. For that matter, it's immaterial whether the meditating person is served a simple soup or a delicious meal. Hence, we could say that the happiness is really in the mind of an individual. It depends on how much a person is able to accept the situation and make himself or herself happy within the context of that situation. With proper training of the mind, happiness can be conditioned.

The government's wise policy and the people's daily practice is to accept those things or situations which are impossible to alter, or inaccessible, or unachievable, but to alter those that can be changed for the benefit (both short and long term) of the country and its people.

Happiness is Transitory or Impermanent

Even as all of us are mortal souls, happiness, too, is subject to mortality. The happiness is not something that is permanent or eternal (except enlightenment). Happiness is very much impermanent or transitory. For one moment, a person may be extremely happy, later he becomes a very sad, unhappy person. So, we would say that our experiences are ever changing. For example, Mr. A is very happy to have won a lottery worth a huge amount of money, and the very next moment he might become unhappy upon hearing the news of the death of his dear child. We could take another example. In the early part of his or her life, a person may be very happy as everything goes as per her wishes and desire plus she has enough to spend and can afford to live a conformable life. But in the later phase of her life, she might end up being very poor, maybe even a beggar! So, we could say that coming events are unpredictable and mysterious. Even as much as we may not like the things that happen to us, they still happen and affect the happiness in our lives. Conversely, even if we wish some things to happen, they may not necessarily occur, thus increasing our dissatisfaction. Thus, Patrul Rinpoche said about impermanence:

Whatever is born is impermanent and is bound to die.
Whatever is stored is impermanent and is bound to run out.
Whatever is joined is impermanent and is bound to fall apart.
Whatever is built is impermanent and is bound to collapse.
Whatever goes up is impermanent and is bound to fall down.

Happiness Can't be Sought, but Sowed

Happiness can't be sought after, but the causes for happiness can be sowed. In Buddhist philosophy, once we are born in this *samsaric* universe, we are bound to suffer in various states. But, the means (or causes) for a rewarding present life, and ultimate freedom and happiness (even after numerous future lives) can be cultivated. For example, Buddhism emphasizes the practice of sixteen pure conducts for ordinary citizens and ten virtuous/ non- virtuous deeds for the practicing Buddhists (refer appendix 01 and appendix 02). Buddhists believe that following or cultivating these means or causes of present plus future happiness (cause and effect) is essential. It is wrong for a person to wait for happiness to happen by itself. It is absurd. Therefore, as His Majesty, the King, Jigme Singye Wangchuck said; "We should not take our good fortune for granted"; we can't afford to be complacent thinking that the things are going fine for the present. Buddhists believe that once earlier merit or good karma exhausts, we will end up in a life of miseries. Therefore, Buddhists are motivated to sow the seeds of happiness and have a good heart and help others, not with an expectation of praise or something in return, but with the motivation to benefit all sentient beings until everyone achieves enlightenment.

The Bhutanese Government places a great importance in preserving these positive social and cultural values, so that the future national happiness is ensured. This is not to say that we could try to preserve and maintain the tradition and culture intact with the onset of development and modernization. Although we may lose some of the aspects of our culture and tradition to the oncoming forces of change and development, nevertheless we should endeavor to preserve this rich culture and Buddhist values for the sake of national as well as global happiness.

Generally, what we are witnessing is a global decline in the moral values. With development and modernization, kindness and compassion is limited only to immediate family members under one roof. It seems to be a losing battle trying to stick to old tradition. But if we really consider, the Buddhist compassion is a broad attitude that encompasses not only immediate family members but also all sentient beings living in the universe. So, if we develop a conviction for this attitude and try to implement it, it could greatly contribute not only towards national happiness but also global happiness.

Happiness at All Levels is Inter-dependent

Considering the smallest unit of happiness – that is the individual level (the levels of happiness are explained in the later part of the paper), we can say that individual happiness depends on all the other outer levels of

happiness. An individual can't experience happiness if there is no happiness at the family level. In addition to the happiness experienced individually, the presence of happiness at all other levels would only help to increase or supplement individual happiness. Conversely, if there is happiness at an individual level, it reinforces the happiness at family level. Also, the collective happiness experienced at the global level is very much a function of happiness at all other levels. A case in point: Emission of poisonous/pollutants from industries affects all the communities that are within the reach of those pollutants. Similarly, ozone layer depletion has a climate effect for many regions in the world.

From the Buddhist viewpoint, first we wish for sentient beings' benefit and welfare and then we wish to ultimately achieve enlightenment through compassion and wishing for others happiness. So, the interdependence of happiness is very well understood and accepted in Buddhism. Individual freedom and independence is essential up to individuals, but not at the cost of ignoring others rights and harm caused to others. Buddhists believe that suffering comes from attachment to self or being selfish. When "I," "me," and "mine" becomes more important than "other," conflicts and disagreements arise everywhere. Thus, for a harmonious and peaceful co-existence, an altruistic attitude and concern for others are more important. For example, if a country is always having military conflict with some other country, there will be no national peace and security in the two affected countries. So, as a result the people in the two countries can't experience happiness. So, gross national happiness is a function of complex conditions and situations involving all the levels of happiness. Also, if a community initiates a communal conflict with another community, both the communities can't expect to experience a complete degree of happiness and the country's gross happiness would also be affected adversely.

Happiness can't be Conserved, but can be Ensured

As much as we humans try to prolong and extend the happiness experience, it tends to become increasingly distant from the seeker. Since happiness is not a tangible subject, we can't afford to preserve or conserve. Rather, happiness is unpredictable and even mysterious at times. When we least expect, some good things do happen and we experience happiness at that moment.

So, instead of seeking happiness or trying to conserve happiness, we can ensure happiness through sowing the "seeds" of happiness. It's a real paradox that without 'ensuring' or sowing the seeds of happiness, we expect and yearn for happiness.

From the Buddhist viewpoint, there are methods and means to practice (sowing the seeds) in this life so that the present as well as future lives' happiness is ensured. But in reality, we often fail to have the faith and

conviction in those methods and end up not practicing the means (or sowing the seeds) for happiness.

It's said in the Sutra of a Hundred Actions:

The joys and sorrows of beings
All comes from their action, said the Buddha.
The diversity of actions
Creates the diversity of beings
And impels their diverse wanderings.
Vast indeed is this net of actions!

It is further said in Buddhist teachings, "To see where you were born before, look at what you are now. To see where you are going to be born next, look at what you do now."

So, the effects of this life's actions will definitely be there, no matter how small or big. As it's said in the Sutra of the Wise and the Foolish:

Do not take lightly small misdeeds,
Believing they can do no harm:
Even a tiny spark of fire
Can set alight a mountain of hay.

Do not take lightly small good deeds,
Believing they can hardly help:
For drops of water one by one
In time can fill a giant pot.

So, from the Buddhist viewpoint, happiness is an effect or the end that we experience as a result of certain causes which can't be conserved, but can be ensured by practicing the right actions, such as the Ten Positive Actions and the Sixteen Human Principles of Moral Conduct. (Refer appendix.)

Complete, Prolonged and Continuous Happiness is Impossible

According to Buddhist, as long as we are in this *samsaric* world, we have no choice but to endure suffering. Suffering ceases only upon achievement of enlightenment. Once enlightenment is attained, all the Buddha qualities have blossomed and we enter into the blissful state. So, we may for the time being consider that true, complete, and genuine happiness is experienced only upon attaining enlightenment. Whatever occasional happiness we experience is nothing but dream- like, transitory, temporary and limited. So, a Buddhist's long-term aspiration is to achieve enlightenment for the sake of all sentient beings. But at the same time he or she is aware that presently his qualities are not yet fully developed to be able to help the sentient beings as did the Buddha. So, in whatever way possible, a Buddhist tries to accumulate as much positive merit as possible to reach Buddha hood. At the same time, a Buddhist knows and accepts that

suffering will have to be endured while being born in this *samsara*, and experiences, whether good or bad, are a result of one's past actions committed in previous lives. Thus, a Buddhist tends to accept the state of affairs that he or she is in, and doesn't blame anyone for misfortune or ill luck. This may partially explain the reason for lesser social unrest and frustrations in the Buddhist societies.

The Lotus Born Guru Padmasambhava has said:

When something can be corrected,
What is the use of remaining displeased?
When something cannot be changed,
Why harbour ill-will?

Moreover, even while things are going well (good future, and a satisfying life), a Buddhist, instead of taking it for granted, feels grateful for the kindness and the blessings of the *Kencho Sum* (The Triple Gem), and it further motivates him/her to practice good, positive deeds. Thus, the Buddhists consider that progress is very gradual along the path to enlightenment. So, the Buddhists don't consider this life's happiness experiences as permanent or complete, rather he/she tries not to have any attachment towards the happiness and sources of happiness in this life.

Happiness is Subject to the Law of Diminishing Utility

The happiness derived from the possession of materials or external comfort decreases or diminishes with the corresponding increase in the quantity. Clearly there is an inverse proportionate relationship between the happiness experience and external physical objects. We can take the example of developed countries or the industrialized nations. The people living in these countries are provided with excess choice of physical comfort. But, we can ask, are they truly happy with material prosperity? The answer to this question is, yes, but only up to a certain point. After this critical point, the increase in material possession doesn't necessarily increase the true happiness of the owner. Yes, he/she may fulfill his/her desire of possessing things or materials, but that is not true happiness and will not last long. It's very commonly observed that the so-called rich often take medicine to induce sleep, maintain working stamina, to cope with the undue stress and depression, etc. This indicates that happiness has diminishing characteristics.

Looking at the Bhutanese society's context, the people consider themselves very fortunate to be born in this country because they are born into a place where the *Dharma* is flourishing and where there are teachers who are able to teach the *Dharma*. The Buddhists consider human life as the most precious form of existence (Refer appendix 03).

Moreover, Bhutan is a very peaceful and a blessed country, which is frequently mentioned in the prophecies and predictions of Guru Padmasambhava. People revere the king as the manifestation of a *Bodhisattva*, who has chosen to take the form of a king, for the sake of protecting the people and preserving and propagating the *Dharma*. So, the people's belief in this connection of destinies between the king, country, and the people (*Tsa-wa-sum*) is very strong. Every individual Bhutanese considers the coming together of his friends, neighbors, community, and total population is the result of past life consequences.

The people have a great faith in the wisdom and far-sightedness of our king. This is clearly seen from the traditional Bhutanese saying: "The Royal decree: Precious than the gold, and heavier than the mountains." It is also our observation and experience that the Royal orders/decree are fulfilled at every level of the society. During the National Day celebrations across the *Dzongkhags*¹, one may hear that people have traveled on foot for 2-3 days just to be able to see the king and to join in the celebrations like one family. Bhutanese people believe that the king, being the human manifestation of a *Bodhisattva*,² will have boundless knowledge and quality at the outer, inner and the secret levels. The proof of this is right in front of our eyes in the way Bhutan has shaped its own destiny from the 1960's to this decade. The successive monarchs have lived up to their sacred, destined duties and today Bhutan, though economically poor, stands as a living example for other countries to emulate in many ways. I'm sure the people of Bhutan are aware of this fact. The biggest challenge in the future, however, is sustaining these positive aspects. Not many countries across the globe are as fortunate as Bhutan to have the combination of so many factors for the success of gross national happiness.

Although rural Bhutan is not covered fully by development facilities such as electricity, adequate plumbing, etc. yet people are quite happy. People have learnt to live by the song of great yogi, Jetsun Milarepa³: "Having wealth is a Happiness, but not having it is a freedom," implying that material wealth can bring bring insecurity and mental suffering.

¹A district level administration unit in Bhutan. The *Dzongdag*, who represents the highest government representative body at the district level, heads each *Dzongkhag*.

² A practitioner on the path to Buddhahood, training in the practice of compassion and the six transcendent perfections, who has vowed to attain enlightenment for the sake of all sentient beings. Literally translated it means 'hero of the enlightened mind'.

³ (1052-1135): One of the most famous and beloved poets and yogis in Tibetan history. He was the foremost disciple of Marpa, the translator who, in order to enable him to purify the negativities of killing certain members of his family by black magic, subjected him to years of trial before consenting to teach him. After receiving instruction, however, Milarepa spent the rest of his life meditating in mountain solitudes. He attained supreme enlightenment and left behind a rich heritage of poetry and songs of realization.

The Levels of Happiness

Generally, we can think of happiness at various levels. Starting from the smallest unit of happiness, i.e. at the individual level, to the family level, community, then to regional or *Dzongkhag* level, the national level and finally to the global level, we can think of six levels of happiness. As explained earlier, happiness is precious and all precious things entail a great price. So, to seek a genuine happiness at all levels, there should be responsibilities that have to be borne at every level. We will try to see each level of happiness and their level of responsibilities in the following section. Dividing into six different levels allows us to have the perspective of happiness experience as an inter-dependent phenomenon. The concept of gross national happiness could be better exposed in this pattern whereby the contributors to the overall gross happiness are highlighted.

Individual Level Happiness

To quote His Holiness the Dalai Lama; “If in day to day life you lead a good life, honestly, with love, with compassion, with less selfishness, then automatically it will lead to *nirvana*.” At the individual level, we should practice the ten positive deeds and the sixteen human values/moral disciplines and try to contribute towards the gross happiness, and at the same time help ourselves. To want happiness at the individual level, these are some of our responsibilities.

Again, His Holiness the Dalai Lama has said that “The only true control is internal – a sense of concern and responsibility for your own future and an altruistic concern for others’ well being. Self-examination is most important, and thus the Buddhist theory of self-responsibility is useful as it entails self-examination and self-control in consideration of both one’s own and others’ interests.” Thus, as an individual living in a particular society, we have a great social responsibility. Once we fail to respect those responsibilities, the individual may not find satisfaction within himself, and at the same time, he may not have contributed anything for the society’s happiness. When there is a gradual shift in the behavior/responsibility of people from the good side to the bad side, the result is obvious: unhappiness. Consequently, gross national happiness would also diminish.

If, on the other hand, a person becomes a responsible human being, he/she contributes towards the individual, family, community, *Dzongkhag*, national and the global happiness.

His Majesty the King Jigme Singye Wangchuck has often mentioned in his speeches that the future of Bhutan lies in the hands of its younger generations. There is a great visionary message in the above statement for every Bhutanese to understand and live up to.

Again to quote His Holiness the Dalai Lama/ “If we have a good heart, a warm heart, warm feelings, we will be happy and satisfied ourselves, and our friends will experience a friendly and peaceful atmosphere as well. This

can be experienced from nation to nation, country to country, continent to continent.”

Family – Level Happiness

For happiness in the family, there has to be a peaceful co-existence of all members. The problems and sufferings become a shared concern in the family. If a member becomes sick, all other members are affected. But at the same time, all members in the family should fulfill the individual roles and responsibilities already explained above. If every member shares love and responsibility, there will be love, peace, and happiness in the family. The social problems like divorce, adultery, drug abuse, and teenage pregnancies can be successfully controlled to a great degree if every family tries to maintain love and peace, and shoulders their expected responsibilities. Researches in social behavior of humans have proved beyond doubt that the root of crimes, substance abuse, and other social evils can be traced to the broken family. In addition to fulfilling his individual responsibilities, an individual in a family also has to have a concern for the other members of the family. For example, the parents in the family have to look after the safety and security of the family and the eldest son or daughter has to care for the younger ones or help his/her parents when they come of age.

Happiness at the family – level is a collective effort of every member. Also, from the Buddhist viewpoint the earlier ‘*Karma*’ of each member also affects the collective happiness of the family. Buddhists strongly believe that every member in the family is meeting in this present life as one family due to the prayers and the powers of earlier *karma*. Thus, the love and respect between every family member is deeply rooted in this understanding. Also, after the death of a family member, other members in the family restrain themselves from knowingly committing any form of moral sins. Some families in Bhutan observe this even up to one to three years after the death of a family member. This is a very positive quality, which contributes towards the community, regional and national happiness. Buddhists consider themselves very lucky if they are born into a family where at least one member is a serious practitioner of the Dharma. A child groomed under the guidance of a Dharma practitioner learns early in life the law of cause and effect and the essence or the meaning of this life. They also learn to be responsible. Such a child when he goes into the society and forms a family unit of his own thus spreads these precious social values to his siblings.

In Bhutan, there is great support from the government and the leadership to have a small family that is happy and peaceful. Ultimately, it will lead to a healthy and happy nation. So, we can see that the family – level happiness contributes towards the gross national happiness now and in the future.

Community - Level Happiness

This level of happiness is at the community/village/neighborhood level. A community is generally happy if there is an atmosphere of love and concern for one's neighbors. With the presence of this altitude at the community level, during the times of disaster or crisis, members in the community would help amongst themselves. At the same time, the members would be co-operative with each other.

In Bhutan, there is a very deep level of understanding and co-operation at the village or a community level. Many government-assisted projects have been successfully implemented with community participation and co-operation. For example, the community schools, rural access roads, rural electrification etc. have been very successful because of community participation and co-operation.

The level of happiness may vary from community to community. Some communities may be blessed with ideal location, some with fertile land, and some with abundant water supply. Whereas, on the other hand, there would be communities situated in dry areas, which are barren and unproductive for agricultural cultivation. As explained earlier, Buddhists believe that the place or the community into which one is born is also a result of one's past actions or *karma*, in the earlier life times. So, although life may be difficult in some communities as a result of location, one could still find people in that community happy and cheerful. This is because we accept the result of our past actions and know and understand that not much can be done. So, instead of expressing frustrations and sulking over the shortcomings, Buddhists are spurred on to do better in this lifetime so that in future lives their birth conditions are favourable. So, in Bhutanese society, everyone considers the good fortune, wealth, and beauty in this life to be the direct outcome of one's past merits. The poor accept the rich and the rich look toward the poor with compassion, because both understand the law of cause and effect.

Regional - Level Happiness

Now, as the happiness unit grows bigger and bigger, the causes and conditions for happiness also increase. The commitment and responsibility of a region/Dzongkhag also increase tremendously. This requires us to look with broader perspectives. The key- decision makers at the regional level can have a tremendous impact on the lives and happiness of the people living in a particular region. The plans, policies, and strategies drawn up by the regional decision makers could either make or mar the happiness of the people. For example, as we see in many countries, if some politicians due to vested self-interest encourage the feelings of sectarianism or communalism among the people, the future or the long term happiness of the people in the region is jeopardized. Looking at the events happening across the world, we can see that many social evils such as racism, discrimination, and biases are

still present in excess. So, at a regional level, to sustain and ensure the future happiness, the people and the leaders in the region have many responsibilities to bear. The hard work should come from the people to preserve the good social values or positive attributes in the society that contribute towards happiness, now and in the future.

As self-interest and self-importance overtake the altruistic vision of leaders, the people in the region may be easily misled towards the path of un-happiness. So, we understand that for happiness at the regional level, positive contribution from all sections of the population is crucial. Also, the communities, families and individuals in the region contribute towards the regional happiness, as they are the constituents in the region. In addition to being responsible at their particular levels, they should also appreciate the broader perspective of the region.

In Bhutan, at the *Dzongkhag* level we have the *Dzongdag* and his team of officials who guide the people in the communities in shaping their future. Unlike the past, the development process is now fully decentralized, which is due to the self-less vision of His Majesty. The management concept is bottom-top planning and execution with minimal intervention from the centre. The communities set their own priorities, targets, and goals according to their needs and so they have more chance of influencing their own happiness/or unhappiness.

In Bhutan, looking from every angle, we can see that the ingredients for true happiness are always present. The people have faith in the leadership and the leaders have altruistic attitudes towards the people. This tradition has been deeply rooted as a direct result of the precious *Buddha Dharma* over the past centuries. For example, Bhutanese fondly refer to "*Tha Damtsi* and *Ley Jumdrey*," which loosely translated means the regard and respect for the elders, leaders, neighbors and others, and '*Ley Jumdrey*' means the unshakeable faith in the cause and effect or the *karmic* consequences. So, the people strive to achieve happiness as an effect, not only in this present life, but in the future lives to come. This is why even at the layperson's level Bhutanese try to practice the *Dharma* or the positive attributes.

National Level Happiness

At the national level, the happiness circle becomes bigger and the players even more numerous. The perception and the assessment of happiness might become difficult due to more people involved. The conditions or factors influencing happiness at the national level also become numerous and complicated. The happiness of individual nations might very much depend on the context (i.e., what they value); for example, some nation might enjoy greater a degree of happiness by achieving the status of a nuclear super power, some by achieving the status of an industrialized or fully developed country. Some nations consider the preservation of tradition and culture as the future source of pride and happiness. We can

say that Bhutan is a very good example of the latter. Bhutan, though economically poor, will not rush for industrialization or the quick harnessing of inherent natural resources for the country's prosperity. Rather, Bhutan has adopted the "middle path" philosophy of development; whereby caution and moderation is exercised in all the spheres of country's development. Presently in Bhutan, excellent policies are in place and the only real challenges that the country might face in sustaining are the influences from the outside world, which can be good as well as bad. Bhutan started its development activities only in the 1960', and is very cautious to extract the milk from the 'milk-water' mixture. Of course, it may not be possible for Bhutan to remain unaffected by negative influences. There will be some effects. But looking in a broader perspective, Bhutan tries to preserve and promote the good traditional values, while at the same time be considerate and aware of the existence of other diverse cultures, races, creeds etc. With the Buddhist mentality, every new idea that comes with development is judged and weighed in-terms of short as well as long-term benefits to the country and its people.

Here we can elaborate on the concept of "*The Three precious Roots*", or the "*Tsa-wa-Sum*", the king, the country, and the people as it underscores the basis of policies and decisions. Happiness at a national level will depend almost entirely on the three precious roots and they must be understood in conjunction with "*Tha Damtsi and Ley Jumdrey*", or the "Devotion and faith in cause and effect". These concepts have their origin in the Buddhist philosophy or the Lord Buddha's teachings.

In Bhutan, we have the monarch at the helm, supported by a stable and efficient government that plans for the welfare of the country and its people. At the same time, there is devotion and faith in the king and government by the people. People revere and respect the king and have a deep sense of national feeling for the country. So, there is a show of "*Damtsi*" or 'devotion' from the people for the king and country. Likewise, the king and the government have a great "*Damtsi*" towards the country and its people. The common metaphor that we often use to illustrate these concepts of the *Tsa-wa-Sum* and *Tha Damtsi and Ley Jumdrey* is the inter-dependence of "beam and column". If there is no beam, there is no point in providing for columns and if there are no columns, a beam would not be able to bear the on-coming load. The "beam and the column" are jointly able to support every load that is coming onto them. Thus, the status of the country is elevated to that of a living entity where there is rich environment, wild life and above all the hidden, sacred, treasures that remain to be discovered. So, the king and the people adore and protect the country as a show of "*Tha Damtsi*". So, we feel that there is a very strong foundation for Gross National Happiness in Bhutan.

Global -Level Happiness

The global level happiness or the collective happiness or is the responsibility of every nation, region, community, family, and individual. For world peace and happiness, all must assume responsibility. If we have regard only for our own country's welfare, forgetting other's welfare, then it often results in strife and even war. If nations respect each other's sovereignty and the right to exist, then the seed for world peace is already sown.

For the Bhutanese, it is not difficult to think about global issues, as Buddhist philosophy urges us to practice or adopt an altruistic attitude and compassion for all sentient beings. For example, whether someone is from Africa, or the USA or India, a Bhutanese would perceive him/her firstly as an identical human being, but born in a different country. The color and the creed does not matter. The sameness of the human race is respected. Maybe, this is a big reason why the Bhutanese are able to strike a quick friendship with almost everyone. For Buddhists, all sentient beings are looked upon with compassion. It doesn't matter whether a cow is born in Bhutan, or India, or Australia. What is considered important is that it is one of the countless trillions and trillions of beings which is the subject of our compassion and love.

Many other countries have found the government and Bhutanese people to be very a co-operative development partner because Bhutan believes that to live in the same global village with peace, happiness and co-operation is the only way forward. Bhutan's co-operation in the recently concluded SAARC (South Asian Association for Regional Cooperation) summit in Islamabad, Pakistan, is a very good example of regional cooperation.

Bhutan as a small country tries to contribute towards global happiness by protecting its environment, which contains some of the rarest species of wildlife and medicinal plants and also by preserving and promoting its rich cultural tradition and ancient heritage. Bhutan has taken care of its children's primary education, the health of its people, the GNP of its people and above all the spiritual well being of its people. The result of all these achievements culminates into Gross National Happiness for Bhutan.

On the political front too, Bhutan has lived harmoniously with its neighboring countries. The process of dialogue and negotiation for arriving at a fruitful political solution to the issues – both national and global, has been accorded a great importance by Bhutan and the Bhutanese.

It may be well to appreciate here the fact that Bhutan is a good country and a shining example for others to emulate. A country well managed is an asset for the world.

Looking from the Buddhist philosophy and perspective, it's because of our *karmic* connectivity that we all are born as human beings in this world. So, our fate or destiny is a shared concern of all of us and we all have a role

to play to shape our destinies. Whatever good or bad experiences that we go through at individual, family, community, regional, national and global levels are the fruit of our earlier *karma*.

Conclusion

In the above discussions, I have tried to convey to the readers that the actual source of genuine, and lasting happiness at all levels- individual, family, community, regional, national and global, has to come from within us. It in no way seems logical to say that sustained happiness is of external origin. Since human beings are the most superior among the sentient beings, the compassion and love has to be generated in our hearts so that the nature, environment, wild life is conserved for our own happiness as well as for our future generations. The process of self-examination and the universal responsibility has to come from the hearts of us humans. Then we can achieve happiness at all levels.

I would like to conclude by quoting Guru Padmasambhava:

“ Forsake the ten nonvirtues and adopt the ten virtues.
If you act like this you will have happiness in this life and further
happiness in the next.”

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Prolegomena to Pursuing Gross National Happiness: -The Bhutanese Approach

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Introduction

The Royal Government of Bhutan has proclaimed Gross National Happiness (GNH) the Kingdom's vision of development. GNH rests on "four pillars," or objectives economic development, environmental preservation, cultural promotion and good governance. An important question is: "Can this vision sustain, or be operational without, religious values?" First, this paper argues that if the concept of GNH is to be sustained or become operational as a vision of practical development, we will need to consider religious values, because they can provide the inner strength and guiding principles for living and can motivate development activities. Second, the paper will highlight the values to that need to be cultivated, the defects that need to be avoided, and the methods that need to be used in pursuit of GNH.

Happiness and Gross National Happiness

Happiness is a primary concern in many philosophies both east and west. The ancient Greek philosopher Aristotle suggested that the focus of virtue is those characteristics that make a person "good" and lead to "the good life," that is, to happiness (Solomon, 1994 cited in McKenna, 1999). At the other end of the spectrum of chronology, the World Database for Happiness (2001) suggests that public policies aimed at creating greater happiness for the greater number of people should be endorsed. Although not everyone accepts the utilitarian philosophy of happiness as being the only definition of the concept, the desirability of the happiness of all is indisputable. Every society over time has promoted its own social, political and economic system as ideal, as capable of establishing order aimed, directly or indirectly, at happiness. Various modern socio-economic and political systems, such as capitalism, socialism, fascism or communism enable one to achieve progress, depending on the system and its definitions. All these systems, however, seem to ignore the importance of the emotional aspects of human development.

In Bhutan, His Majesty King Jigme Singye Wangchuck, ever since he ascended the Golden Throne on June 2 1974, has advocated that the ultimate aim of the government is to promote the happiness of the people. His

¹ This paper is a summary of an original paper by Khenpo Jangem Tashi. The original paper is the first long work to have been written in Dzongkha about GNH and will be published as a separate volume, along with an English translation.

Majesty has always held that development has many more dimensions than those associated with Gross National Product (GNP) and that a nation's development should be understood as a process that ultimately seeks to promote the happiness of its citizens. His Majesty has repeatedly emphasized the importance of Gross National Happiness over Gross National Product other approaches to development have resulted in considerable damage to the environment, the culture, and to human and other sentient beings.

Since individuals have both material and emotional needs, development efforts should strive to achieve a balance between happiness and material prosperity, the former being more important than the latter. With this in mind, His Majesty has conferred "Gross National Happiness" upon the country as the central development philosophy.

Since the industrial revolution in the West, many approaches to development have concentrated only on the means for increasing material prosperity. Economists like Adam Smith, Malthus, Ricardo, management scientists like F. Taylor, sociologists like Max Weber, behavioral theorists like Abraham Maslow, Herzberg and others, all promoted the importance of, and the means for, enhancing material prosperity in the belief that material prosperity brings happiness. The industrial revolution taught mankind that prosperity can be improved by improving management that focused on efficiency, strict controls, rigid rules and procedures and mass production. As a result, exploitation and wealth creation emerged as the central pillars of capitalism (McKenna, 1999). Adam Smith, with his concept of the invisible hand, had a profound influence on modern Western economic thought. His approach suggested that individuals could, and should, pursue their own interests. Smith's invisible hand of the market can guide the self-interest of individuals in a direction that is most agreeable to the whole society (cited in McKenna, 1999).

Malthus and, later, Ricardo, suggested that economics developed as a closed system in which the main goal of "economic man" is to maximize individual utility without regard for the wider system. This concept suggests that prosperity can be improved by improving management practices. This gave rise to F. Taylor's approach to scientific management, where both employers and employees are seen as wanting maximum prosperity. Weber's ideal concept of bureaucracy also suggests that individuals are motivated by career advancement, receiving salary increments at each step up the organizational ladder. (cited in McKenna, 1999). The view that the only social responsibility of business is to maximize profits reached its highest expression in the 1970s (Freidman, 1970 in McKenna, 1999). The media reports about 1990s however, make clear that the greed that was celebrated in the 1980s and early 1990s as a virtue that made everyone better off, a feature of Western culture, was, in fact, a false virtue (Singer, 1993, p.83, in McKenna, 1999). This popular view of

individual desire, individual greed, is not accepted in the practice of management but is replaced by personified organizations where “whatever is good for the individual can only come from the modern organization.... Therefore, all behavior must enhance the health of such organizations” (Scott & Hart, 1979, p.43, in McKenna, 1999). In this view, the individual is subordinate to the organization whose benefit will trickle down to him or her. This approach directly or indirectly considers profit maximization as the end objective, as an indicator of a healthy organization, but it ignores the need to consider other requirements of human beings, in particular mental development.

Further, since the Hawthorne experiment, various motivation theories have been developed to be used to improve material prosperity. The theories of needs developed by A. Maslow, Alderfer, McClelland and Herzberg all suggest that each of us have needs and goals which are shaped by beliefs and values. These motivational theories are used as a means to facilitate the needs of organizations and individuals, but they measure achievement only in terms of profit, which ignores the emotional or the mental development of individuals; they are incomplete.

Various organizational structures, job designs and strategies have been developed as a means for improving the prosperity of the stakeholders as an end objective. During the 1980s, in an effort to improve efficiency, the Australian government copied private sector management models for public sector administration; this was known as managerialism. Huges (in McKenna, 1999) claims that the aim of this “managerialism” was to use the private sector model as a means for improving efficiency in the public sector where performance is normally measured in terms of increase in GNP as an indicator of development. Increase in GNP, however, does not give rise to an increase in happiness, either at a personal level or for society as a whole. Were it the case, those living in the richest countries should be the happiest in the world. Contrary to this, cases of alcoholism, drug abuse, murders and suicide are reported to be the highest in countries that are materially the richest in the world. Singer, (1993) cited in (McKenna, 1999) suggests two reasons for such problems. First, the individual self-interest thesis leads to an increase in crime and homelessness in American cities and corruption in politics and business. Second, in the name of individual betterment we are depleting, damaging and destroying the resources of our planet. Singer further states that the Western economy is “simply not sustainable”; nor is its lifestyle satisfying for its participants: “The craving to win whether in politics, business or in the office or in the sports, defeats the principle of contentment and promotes greed and selfishness and ignores other dimensions of human development”. Moreover, alienation, leading to despair, is one of the major causes of suicide in the West. Alienated people do not feel themselves a part of society and feel estranged. Industrialization, re-location and increasingly narrow specialization have made it more

difficult for some to feel themselves a part of the whole. The idea of contributing to GNH emphasizes the opposite.

One might argue that economic growth is unimportant when pursuing GNH. On the contrary, economic growth enables individuals to increase their standard of living and enlarges the opportunities and choices of the people and, therefore, must be seen as the means for pursuing higher goals. This implies that while we must pursue economic growth, we must simultaneously seek to strike a balance between material and non-material components of work, thus influencing people's attitude towards work. This attitude and the motivation to work enable one to understand the purpose of development, and it remains an inner value and a source of strength for striking a balance between material and emotional needs.

The concept of Gross National Happiness provides both hope and doubt. We may hope that we can work towards enhancing our current levels of happiness and make all kinds of plans to that end. We may plan to go to Bangkok and bring back consumer goods to sell in Thimphu, even go to go to the West to work, all in order to earn a lot of money. We may hope that more money will enable us to buy a piece of real estate and construct a house on it or buy the latest electro-mechanical domestic appliances or a car – and we would be much happier than we are now. Yet, if we look back, so many years in the past have been spent on efforts to enhance our happiness, and still we are not satisfied. Our wants have only increased with time, and we have not achieved what we hoped for. The things we wanted yesterday are not enough today, and we yearn for more. We may find that our minds are still wild, rigid, wanting and envious of our neighbors who are doing better than we are. We may become disillusioned with the world we live in, full of doubts and uncertainties and longing for freedom from this suffering we perceive as never ending. When such hopes and doubts torment us, Buddhism can help, provided we have enough knowledge about it.

However, if we have neither listened to perfect religious teachings nor studied them, we will find it difficult to appreciate those perfect values and qualities as having the potential to sustain and strengthen the concept of GNH. On the other-hand, without internalizing these perfect values, GNH may remain only a cherished idea. On the usefulness of his teachings, Lord Buddha said:

The monks or the wise ones must,
Like testing the gold, by burning, cutting, sharpening,
Carefully analyze my words,
And not uphold them to show me respect.

Buddhists do not wish to convert people of other religions to Buddhism. Before adhering to Buddhism, one is asked to examine the value of the Buddha's teachings and to embrace them only if they are found

useful. Similarly, the ways pursued by Buddhists for enhancing happiness may be analyzed before appreciating their usefulness. If we have never heard of Buddhist teachings, we cannot understand in our search for happiness the causes of happiness and so cannot achieve our objective. On this, Ashva Gosha said:

All being's sole eye that is stainless,
Which is the general lamp of the three worlds,
He who discards the precious teachings after obtaining,
Is the deed of the greatest fools.

To discard the valuable teachings that lead one to the path of lasting happiness would indeed be very naive on our part. This would be like one trying to find greener pasture on the other side of the mountain. A similar story of Socrates' "Exploring Plato's Cave" (cited in Morgan, 1986) narrates the story of a prisoner who escapes from a cave and who had never seen the outside world besides his own shadow on the four walls of the prison. If he were to return to the prison to share with his fellow prisoners, who are chained, his new found knowledge of the outside world, he would be ridiculed for his views and might be seen as a threat, because they have no knowledge of anything beyond the cave. On other hand, the person espousing the new knowledge would no longer be able to function in the old way. The story teaches us that the cave stands for the world of appearances and the journey outside stands for the ascent to knowledge. People in everyday life are trapped by illusions; hence, the way they understand reality is limited and flawed. By appreciating this and by making the effort, we have the ability to free ourselves from the imperfect ways of seeing. Similarly, perfect religion can help, provided we are prepared to make efforts to explore its values that help to sustain and nourish the concept of GNH.

That religion is indispensable to the long-term sustenance of GNH may be understood by examining the potential results of the fulfillment of the four components of GNH, especially in the context of people's perceptions of GNH. Would achieving the goals of economic development, environmental preservation, cultural promotion and good governance, which in themselves are not easy tasks, lead to the sustained happiness of the people? Would the four components, without a concomitant emotional development, sustain the concept of GNH? This question becomes even more pertinent in the face of misunderstandings and misperceptions on the part of many people about the concept of GNH, which they perceive to result in the fulfillment of their every desire.

A country may enjoy a relatively strong pace of economic development with access to all the basic necessities for its people and be culturally and environmentally rich and governed efficiently and transparently. However, human nature is such that the more one has, the more one desires and,

therefore, the greater is the likelihood of discontentment. And because every individual is unique, his or her desires and perceptions of what they think would make them happy are diverse. The different needs and desires of individuals cannot all be fulfilled, and this leads to discontentment and unhappiness. Ideologically, the achievement of the four components of GNH should lead to the happiness of the masses. However, in the context of people governed by diverse and increasing needs and by a longing for more and dissatisfaction with their present conditions, happiness achieved will not sustain them without the understanding of certain perfect values. Whatever happiness we have generated will be only temporary and will be dictated by the whims of our emotions, by how we perceive our situation and how satisfied we are with what we have. If we are to put an end to our dissatisfaction and suffering, we must entrust ourselves to the perfect all knowing physician, to the medicine of dharma and the sangha nurses for a complete cure. On this, Shantideva in “The Way of the Bodhisattva” said:

And if no other medicine to cure them
Is to be found elsewhere in the universe,
Then the intention not to act in accordance
With the advice of All-knowing Physician
That can uproot every misery
Is extremely bewildering and worthy of scorn.

This refers to the mental disease from which all of us suffer. The power of the mental diseases that arise from emotions of anger, attachment, jealousy, pride, ignorance and the like, are so strong that no ordinary doctor or modern psychotherapist will be able to cure them. Only the great physician, the Buddha, and his medicine of dharma, can overcome these diseases. If we do not take the remedy offered to us, relief cannot be found elsewhere in the universe. It would be extremely foolish and ignorant on our part to wish to be rid of our suffering and to ignore the ways pursued by Buddhists for gaining the desired goal of happiness. Because our desires are dictated by our emotions and our mind, the only way to overcome our lack of happiness would be to divert our effort towards the ways that can generate happiness. Buddhism tells us that we, our mind and Karma (the consequence of our actions) end up becoming a reality at the conventional level. It follows from this that it must be we who make up the economy and other components, since without us, the four components cannot function separately from our decisions. Therefore, if we decide that development should serve as a means for enhancing happiness, then, we should develop, accordingly, a system with inputs that ensure success in the four components for enhancing happiness. The opportunities made available by advancements in science, in social, psychological, and management studies, integrated with the mental studies offered by Buddhism, can enable us to achieve the desired level of happiness. Out of all these, mental development

is the key, as happiness in the end would be determined by our state of mind.

Our mental state, as the prime factor in achieving happiness, recognizes that our basic needs for food, clothing, shelter and access to basic necessities are met. Once the basic needs are met, the religious values will enable us to use additional material possessions, money, success, fame, glory, ideas and other resources for obtaining higher goals of happiness. Without reflecting on the correct values, though we be rich materially we may still be dissatisfied and unhappy. We therefore need to reflect on religious values and discipline our minds through mind training.

The first step for pursuing happiness is to listen to teachings or study those qualities that have the potential to transform our minds. The very few who have listened to teachings or studied them have had a rare opportunity, often by chance or through a friend. In Buddhism, such turning points for the few fortunate people are considered very rare and are regarded as meaningful and very precious. On this, Shantideva in “The Ways of the Bodhisattva” said:

My faith will thus be strengthened for a little while,
That I might grow accustomed to this virtuous way.
But others who now chance upon my words,
May profit also, equal to myself in fortune.

As Shantideva suggests, those pursuing happiness may find the approaches presented here to be meaningful, forming the basis for one’s inner strength, serving as a guiding principle for one’s life and a motivator of development. This may enable the concept of GNH to grow, and in the end, GNH can be the vision of development. This approach requires the study of Buddhist values. As it is very difficult to study all of the Buddha’s 84,000 different teachings and also to reflect on all of them, one may consider cultivating in one’s mind at least one of the nine values, such as patience, and avoid the seven negative defects, such as greed. Further, we must be aware of, and use, at least one of the six methods as the path for pursuing GNH. The nine values will include: the three distinct values, the form of GNH, the four great pillars, the sixteen pure human dharmas, the ten virtues, the seven riches of sublime beings, the confronting of four extremes, the four ways of reversing the mind, and the two safeguards.

The seven negative defects that must be avoided are: the six destructive forces, the three poisonous rusts, harsh behavior, reckless behavior, the eight worldly reactions, the five perverted livelihoods, and the four causes exhausting merit.

The six different methods to be used as the path for pursuing GNH include: the four mindfulnesses, the four excellent transformations, the five perfect livelihoods, the four flourishing friendships, the six sources generating happiness, and the eight peaceful paths. The nine values to be

cultivated, seven defects to be avoided and six methods to be used as the path are the main focus of the work by Khenpo Jangem Tashi, Pursuing Gross National Happiness: -The Bhutanese Approach, that is being published as a separate volume, in both Dzongkha and English, by the Centre for Bhutan Studies.

Culture, Coping and Resilience to Stress

CAROLYN M. ALDWIN

Abstract

Sudden economic change can have devastating effects on the well-being of a country, as witnessed by the dramatic increases in suicide rates in the former Soviet Socialist Republics. However, it is possible to use economic development to promote happiness, if one understands the relationship between culture, coping, and resilience to stress. Cultures shape both normative stressors and individuals' responses to them; individual coping strategies and cultural institutions must change to accommodate new types of stressors induced by economic development. However, strategies such as the promotion of intact social networks and dispersed economic development can mitigate the impact of stress due to economic change on gross national happiness.

Stress – or suffering – is ubiquitous, both in a scientific sense as well as a personal or social one. In terms of science, the past few decades have seen nearly 80,000 papers published on the topic, ranging from the effects of stress on the genome and cellular functioning to its impact on physical and mental health, to the effects of stress on a social and cultural level. In a psychosocial sense, it is also ubiquitous. At some point, all humans will suffer illness, bereavement, and death; most will suffer stress in their family, work, or spiritual lives; some will suffer from poverty, hunger, and torture. In many ways, it is how we cope with stress, or our resilience to it, that determines our level of happiness. Psychologists describe these resilience factors at the individual level, in terms of coping skills, social support, and temperament, but anthropologists remind us that how societies and cultures are organized have a great impact both on the nature and types of stressors individuals must face in their daily lives and on the types of resources they can draw upon. In this paper I will attempt to synthesize these two views, drawing on the work of anthropologist A. F. C. Wallace and psychologist Richard S. Lazarus to outline how stress resilience can be maintained despite cultural change such as economic development.

Culture, Stress and Coping

On the surface, it would appear that the psychological and anthropological viewpoints are diametrically opposed. After all, the very definition of coping is the study of individual differences in response to stress. If there is a strong cultural component to the process, then would this not by definition negate the emphasis on individual differences? This contradiction is apparent only if one holds a monolithic viewpoint of culture—namely, that it affects every individual in the culture in the same way. However, several decades ago, the cultural anthropologist A. F. C.

Wallace (1966) defined cultures in terms of "mazeways." A mazeway consists of patterns of beliefs, values, and commitments, as well as expected behaviors, resources, and so forth, that shape individual behavior. There may be different pathways inside the mazeway for different subcultural groups, such as males and females, or for different socioeconomic or ethnic subgroups. Thus, the types of stressors that an individual encounters, and the range of acceptable coping strategies, are determined in large part by an individual's position in the mazeway.

Stress and Coping Models

Before I present a model on how culture can affect the stress and coping process, I will present Lazarus' basic stress and coping model (see Figure 1). For Lazarus, stress is defined as a transaction between the individual and the environment: anything which taxes or exceeds an individual's resources is said to be stressful. Key to this process is the construct of appraisal (see Lazarus & Folkman 1994). For Lazarus, how an individual appraised a situation determined whether or not it is stressful; appraisals are a function of both contextual and personal characteristics. The four basic appraisals include threat, harm or loss, challenge or benign, although I have added three more: worried about others, annoyed, and at a loss for what to do next (see Aldwin, Sutton, & Lachman, 1996). When confronted with a situation a person has appraised as stressful, one must then decide on how to cope with the problem. Secondary appraisal involves examining one's resources, which may affect how stressful a person thinks the situation is. If sufficient resources are available, the problem may seem much easier than originally thought. Conversely, if resources are not sufficient, what the problem may become more serious. As we shall see, economic development need not be unduly stressful if resources are provided to buffer the cultural change.

In Lazarus' model, coping strategies consist of both behaviors and cognitions that are directed at managing the situation and the attendant negative emotions. They are flexible and responsive to situational demands. Thus, new strategies can be learned and old ones modified to deal with changing situations. While many different coping measures exist, the primary ones include problem-focused coping, emotion-focused coping, social support, religious coping, and cognitive reframing. These strategies are not mutually exclusive but can be used either simultaneously or sequentially in any given situation. Finally, the coping process is recursive – the individual is thought to examine the effects of the coping strategies on the outcomes, and modify them as appropriate. Thus, people may end up trying a variety of strategies until they find one that "works" – that is, achieves the desired goal.

Culture can affect the stress and coping process in four ways. First, the cultural context shapes the types of stressors that an individual is likely to

experience. Second, culture may also affect the appraisal of the stressfulness of a given event. Third, cultures affect the choice of coping strategies that an individual utilizes in any given situation. Finally, the culture provides different institutional mechanisms by which an individual can cope with stress.

This model is presented in Figure 2. Cultural demands and resources affect both situational demands and individual resources, both of which in turn affect the appraisal of stress. In addition, cultural beliefs and values influence not only individual beliefs and values, but also the reactions of others in the situation, which also affect the appraisal of stress. How an individual copes is affected by four factors: the appraisal of stress, the individual's coping resources, the resources provided by the culture, and the reactions of others.

Further, the outcome of coping not only has psychological and physical outcomes, but also social and cultural outcomes (see Aldwin & Stokols, 1988). How an individual copes affects not only that person but also others in the immediate social environment. Further, to the extent to which an individual (or groups of individuals) modify or create cultural institutions in the process of coping with a problem, they also affect the culture, providing a means of coping for others facing similar problems. Grassroots movements such as Mothers Against Drunk Driving and the development of support groups for different illnesses or bereavement are good examples of this phenomenon. Thus, the sociocultural viewpoint of coping emphasizes that coping behavior nearly always occurs in a social context and is both affected by that context and contributes to its change (Gross, 1970).

Culture and Stress

As mentioned earlier, the patterns of stressors that individuals are likely to face is profoundly affected by their (sub)cultural context. There are two ways in which culture can affect the experience of stress. First, certain stressful life events can be seen as normative— that is, most individuals in a given culture or cultural subgroup will experience a particular event at specified times in their lives. Adolescent puberty rituals are one example of a normative life event, retirement is another.

Second, by differentially allocating social resources, cultures pattern the types and levels of stress that individuals are likely to experience. For example, contrast the types of stressors faced by inner-city children versus those in an affluent suburb in America. While the latter may face achievement-related problems such as the fierce academic competition in top-ranked schools and the anguish of whether they can live up to the achievement expectations of the parents, get into an ivy league college, and so forth, the former may face more fundamental problems, such as problems

in housing, nutrition, and family stability, as well as inadequate and often violent schools, which impair the learning process.

Cultural patterning of normative stress

While life events can be considered as events that occur somewhat randomly to individuals, closer inspection reveals that whether a particular event occurs and the manner in which it occurs often reflect cultural beliefs and practices. The sanctioning of the occurrence of stressful events for individuals may also be a means for cultures to solve larger problems. These events often denote changes in social status, such as puberty rituals, retirement, or O level examinations. They are often highly stressful, but the distress may be mitigated through other social institutions (e. g. , pensions). The mandating of such events is often a response to other social problems, that is, certain social goals are achieved, consciously or unconsciously, through subjecting certain populations to stress at specific points in the life cycle.

Culturally mandated stressful life events may also occur at irregular intervals, as when the federal government constricts the monetary supply to combat inflation, knowing that such a restriction will inevitably lead to unemployment, temporary or otherwise, on the part of vulnerable populations. This leads us to a discussion of the second way in which cultures can influence the experience of stress: through the allocation of resources.

Resource Allocation

Arsenian and Arsenian (1948) proposed that cultures can be characterized as "tough" or as "easy". Their basic premise was that individuals can be characterized in terms of goal-driven behavior. Cultures vary in the number and quality of goals aspired to by individuals. However, resources and access to the paths through which one achieves socially sanctioned goals are not distributed equally among individuals or subgroups within the culture. A tough culture is one that provides few valued goals and severely restricts access to the pathways through which that goal may be achieved. In contrast, an easy culture is one that provides multiple valued goals and relatively easy access to at least one of these goals.

Arsenian and Arsenian hypothesized that tough cultures would take their toll on both the mental health of individuals and the social health of the community. In cultures with severely restricted goals and unequal access to paths, individuals are expected to exhibit psychological problems, such as alcoholism, drug abuse, and suicides. Similarly, in tough cultures, crime is expected to flourish, as people pursue goals through illegitimate means.

As tempting as it may be to derive a unidimensional scheme on which to array cultures — from "easy" to "tough" —Wallace's (1966) conception of

mazeways argues for a more complex perspective. Obviously, cultures in which famine and war are prevalent are objectively more stressful than more prosperous and peaceful societies. However, from a mazeway perspective, the types of stressors faced by individuals within a culture vary according to gender, socio-economic status, and ethnicity. American culture may be considered a relatively easy culture for affluent white Americans, but a very tough one for inner-city youths.

Further, the importance of the subjectivity of appraisals of stress cannot be overlooked. Thus, even in very prosperous societies by worldwide standards, such as the United States and Japan, the death rate among youths has been increasing. Rather than rank cultures by their degree of stressfulness, it might be useful to examine the cultural patterns in the distribution and appraisal of stressors.

Cultural Influences On the Appraisal of Stress

While some stressors, such as bereavement, may be universal, cultures vary considerably in both their definitions of what is considered to be a stressor and in the degree to which a given event is appraised as stressful. For example, some cultures emphasize individual achievement, whereas in others being special in any way may be considered a threat. A classic example of this is provided by Rubel (1969). In Mexican-American culture, it was thought that children could become ill if someone outside the immediate family praised or admired them (*mal ojo*). Once ill, the child could only become well if the outsider patted the child in such a way as to remove the *mal ojo*. Thus, in close-knit Mexican-American families, praise for a child from an outsider constituted a stressful event, in marked contrast with the pride that a European-American mother may feel when her child is praised.

While anecdotal instances of cultural differences in the perception of what is stressful abound in the anthropological literature, there are very few systematic studies of social differences in the appraisal of stress. However, a few studies are suggestive. One study tried to measure stress by using Holmes and Rahe's (1967) stressful life event measure in South Africa, and found that it correlated very little with standard measures of psychological distress (Swartz, Elk, & Teggin, 1983); instead, problems such as breaking of taboos were more likely to be considered stressful. This suggests that a stress measure standardized in one culture may not be very useful in another, if that other culture has radically different views of what is considered stressful.

Cultural Influences on Coping

Mechanic (1974) argued that the ability of individuals to acquire coping skills and their success depends upon the efficacy of the solutions that the culture provides and the adequacy of the institutions that teach them.

Further, Antonovsky (1979) stated that "Culture . . . give[s] us an extraordinarily wide range of answers to demands. The demands and answers are routinized: from the psychological point of view, they are internalized; from the sociological point of view, they are institutionalized. . . . A culture provides . . . ready answers . . . with keening for a death, an explanation for pain, a ceremony for crop failure, and a form for disposition and accession of leaders" (pp. 117-118). Culture can also provide a means of coping with economic development.

Cultures may differ in both their preferred means of emotion-focused coping as well as problem-focused coping, such as preferences for external or internal control and direct versus indirect approaches to mastery. Shek and Cheung (1990) have argued that cultures may be divided into those that place greater reliance on the self (internal locus of coping) and those that rely more on others (external locus of coping). Differences in emotion-focused coping center around issues of emotional control versus emotional expression, as well as patterning of emotional expression.

Coping in a nonculturally prescribed manner may result in greater stress. Hwang (1979) examined how men cope with residential crowding in Taiwan. Men who used coping styles that emphasized traditional cultural values and interpersonal cooperation experienced less interpersonal stress and lower symptom levels. Coping styles that emphasized self-assertion and achievement enhancement, however, were associated with more interpersonal stress, psychosomatic disorders, and depression.

Bicultural individuals may develop two separate coping repertoires, depending upon the cultural context. Kiefer (1974) found that Nissei, second-generation Japanese-Americans, appeared to have different rules of behavior depending upon whether the problematic situations involved other Japanese-Americans or individuals outside their cultural group. Aboriginal adolescents in Australia also appear to use different strategies in coping with conflicts arising from demands made by parents and/or the traditional culture and those made by Western-style teachers in the mission school (Davidson, Nurcombe, Kearney, & Davis, 1978). Bicultural competence refers to the ability to manage the rules and requirements of both cultures (cf. , LaFramboise, Coleman, & Gerton (1995).

In summary, sociocultural groups appear to generate not only consensual belief systems concerning the origin and meaning of stressors but also beliefs concerning the most appropriate means of both emotion-and problem-focused coping. Further, trying to cope in ways that run contrary to the general cultural ethos may increase stress, even though those same strategies used by members of a different culture may be efficacious in reducing emotional distress. Even more rarely examined, however, are the more generalized institutions that cultures provide to individuals in order to help them cope with problems.

Institutions As Coping Mechanisms

Mechanic (1974) argued that the efficacy of an individual's coping is dependent upon how well the culture provides a range of coping resources and transmits coping skills. Thus, coping strategies are influenced not only by cultural beliefs concerning the most appropriate means of handling specific types of problems, but also by social and cultural institutions for problem-solving and tension reduction (Mechanic, 1978). Some examples of institutionalized assistance in coping are obvious. The legal system is the formal means of conflict resolution, and a cross-cultural comparison of legal systems might provide interesting insights into the cultural beliefs that govern those processes. For example, it is interesting that in Euro-American cultures, with all their emphasis on personal control, relatively little individual control can be exercised in the court system, where decisions are made primarily by lawyers and judges. In other cultures such as Mexico and Saudi Arabia where seemingly less emphasis is placed on personal control, plaintiffs may have much more influence over the amount and type of punishment meted out to the perpetrator (Nader, 1985).

In addition to formal systems for conflict resolution, all cultures provide some form of ritualized advice that may consist of religious counselors, professional ones (e. g. , psychiatrists, psychologists, social workers, etc.) or quasi-formal support groups such as Alcoholics Anonymous. Tseng (1978) argued strongly that fortune-telling may be a sort of folk-counseling service. Clients typically present a wide variety of problems concerning health, business, academic examinations, marriage, and so forth, and receive not only interpretations as to the causes of their problems, but also specific suggestions as to how to cope. Hsu (1976) found that advice provided by Taiwanese diviners was usually culturally conservative—that is, individuals were advised not to be too aggressive or ambitious and to behave in ways that were appropriate for their social role and status.

Finally, rituals of various sorts may also be viewed as cultural mechanisms that aid individuals in both emotion- and problem-focused coping. Through their symbolic ability to transform personal and situational states, rituals provide an opportunity for individuals and social networks to cope with various stresses. Funeral rituals help to serve these functions for the bereaved, marriage rituals for newly weds, and rites of passage for individuals undergoing status transitions. Among other things, rituals focus social support on individuals who are undergoing a transition, and in general they provide a sense of closure for one part of an individual's life, that allowing him or her to make the transition to a new life (Constantinides, 1977). The challenge is to modify culture institutions to promote new coping strategies which mitigate the stress brought about by social changes due to economic development.

Developing Resilience to Economic Developing

As part of his mazeway theory, Wallace (1966) hypothesized that there exists a dynamic balance between the types of stressors typically faced by individuals in a culture and culturally-sanctioned means of coping with them. However, severe stress arises when there is a mismatch between culturally patterned stressors and coping responses. If the pattern of stressors changes due to cross-cultural contact, technological or social change, natural disasters, famine, war, and so forth, then the typical means of coping with problems may no longer "work," and there may be an increase in social problems such as alcoholism, divorce, child abuse, and psychiatric problems.

At that point, it is incumbent upon individuals within a culture to derive new patterns of problem solving. This often occurs through what Wallace termed "revitalization movements," usually religious in nature, which establish new patterns of beliefs, values, and adaptive behaviors. Revitalization movements are often characterized by a desire to return to traditional values, such as the Islamic Revolution in Iran, or, conversely, to develop a new Utopian society, such as the Transcendentalist Movement in 19th century US. Through a series of case studies, Wallace cautioned that failure on the part of revitalization movements (usually through inflexibility or an inability to accommodate to the powers that be), or an inability to invent new adaptational patterns, can ultimately result in the death of the culture.

Wallace's theory can easily be applied to economic development. When there is rapid cultural change due to economic development, the pattern of stressors changes, and thus individuals and the culture as a whole may experience considerable stress until new coping strategies and institutions are developed. A good example is the recent international data on suicide rates published by the United Nations. As can be seen in Figure 3, 7 of the 10 countries with the world's highest suicide rates are the former republics of the USSR. However, understanding how culture can contribute to resilience to stress on the part of individuals can mitigate the adverse impact of economic development on Gross National Happiness.

I am proposing three principles to mitigate these effects.

(1) Social networks should remain intact. Social networks are perhaps an individual's greatest coping resource. Communities which have intact social networks are much more likely to survive stressful times than those in which the networks have become disrupted (Erikson, 1973).

Economic development should be decentralized. Concentrating economic development only in urban areas in the name of greater economic efficiency leads to severe disruptions in social networks. Young people are more likely to migrate, leaving elders behind in rural areas. Providing small scale economic development throughout the country allows social networks to remain intact, thus mitigating the stress of social change.

If migration is necessary for economic reasons, efforts should be made to provide housing which is sufficient for whole families to migrate.

Maintaining intact social networks should decrease the tendency of urban youths to experiment with alcohol and drugs.

Maintaining social networks should prevent the increases in suicide rates among elders left behind in rural areas, as is currently the case in China.

(2) Education levels should be enhanced. The more educated a person is, the greater his or her resilience to stress, and the stronger the community can be. Even one to two years of education for women lowers infant mortality rates. Providing more educational opportunities for women also lowers the birth rate.

Education at the primary and secondary levels should also be decentralized, in order to allow students to remain with their families. Bhutan could take advantage of development in telecommunications technology to provide primary and secondary education in local areas.

Education should not be opposed to traditional beliefs and values, but rather should enhance them. Maintaining one's sense of meaning and a sense of purpose is perhaps the most important component to resilience to stress. All too often Western education is disrespectful of traditional beliefs and values and young people can become ashamed of their culture. Instead, bicultural competence should be emphasized, that is, young people could be taught to be competent in both cultures. For example, traditional stories could be used to teach literacy; Buddhist psychology can be taught alongside of Western psychology.

Obviously, the healthier the population, the more likely it is to be able to resist stress. However, all too often Western health care is focused on treating acute illnesses rather than focusing on primary prevention in order to maintain health. Immunization to prevent disease and adequate nutrition, including micronutrients, are necessary to promote stress resilience, especially in children.

Cultural factors can also affect the appraisal of stress. In some ways, poverty is in the eye of the beholder. While there is a gradient between SES and health, various studies have shown that it is the size of discrepancy in wealth between the richest and poorest which is most destructive to health. Rather than developing a system in which the concentration of capital is primary, as the US did in the former Soviet Socialist Republics, small scale entrepreneurship should be emphasized.

Thus, the stressfulness of economic development in Bhutan may be decreased if individuals are provided with the social and cultural resources to develop new means of coping with social change. Thus, it should be possible to increase economic development and Gross National Happiness.

Table 1: Highest Suicide Rates by Country (UN Data, May 2003)

Country	Year	Males	Females
LITHUANIA	2000	75.6	16.1
RUSSIAN FEDERATION	2000	70.6	11.9
BELARUS	2000	63.6	9.5
LATVIA	2000	56.6	11.9
UKRAINE	2000	52.1	10
SLOVENIA	1999	47.3	13.4
HUNGARY	2001	47.1	13
KAZAKHSTAN	1999	46.4	8.6
ESTONIA	2000	45.8	11.9
SRI LANKA	1991	44.6	16.8

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Beyond Disease Prevention and Health Promotion: Health for all Through Sustainable Community Development

DR. TANTIP THAMRONGWARANGGOON

Summary

At the government run Ubolrat District Hospital, an outstanding foundation has been established to help people achieve happiness called the Sustainable Community Development Foundation (SCDF). This foundation has served the local community as a social institution with attributes borrowed from Buddhism, local wisdom, and holistic development. The foundation was initiated due to problems found in health services in the hospital, and it was found that the way to cope with these health problems could be done outside the hospital. Of course, the work of the foundation has been beyond conventional disease prevention and health promotion. For instance, the foundation can help patients with HIV/AIDS can live along the rest of their lives happier.

Ubolrat District Hospital, Thailand

The Setting

Ubolrat is a government hospital located in Ubolrat district, Khon Kaen province, in northeastern Thailand. There are three doctors, 36 nurses and 60 other personnel.

Ubolrat district, which the hospital serves, is mostly rural with approximately 38,000 people in 65 villages. The hospital has become a place for comprehensive development in terms of service, research and training. The hospital serves its traditional role of treating patients and providing services for the sick. It is involved in health promotion activities, which include preventive health care and health education. It has also taken a number of community development initiatives and mainstreamed them into the health care agenda of the hospital. In addition, it is a site for research activities on areas such as self-help health care, child diarrhea, and iron supplement tablets for expectant mothers. The hospital has become a place of study for groups of villagers, academics, high level administrators, and politicians. The hospital facilitates learning by providing a meeting place for individuals and groups to think and exchange ideas.

There are several divisions within the administration of the hospital, each of which oversees a different component of hospital activity. The Ubolrat Public Health Cooperation Committee (UPHCC), established in 1986, is responsible for curative and preventive health care activities. It consists of the members of the administrative board of the Ubolrat hospital

and the Office of Public Health. Because this is a governmental body, its activities are restricted by governmental regulations and mandates.

The Ubolrat Hospital Foundation (UHF) was established in 1993. It was created to raise money and conduct in-house activities and programs that do not receive funds from the government.

The Sustainable Community Development Foundation (SCDF), founded in 1993, is a non-governmental organization (NGO) that operates in the community. The Foundation oversees community development activities sponsored by the hospital.

Introduction

For decades, medical professionals concentrated their energies on the curative aspects of healthcare. However, it soon became apparent that many diseases they were curing were easily preventable. Doctors, nurses and other health personnel were quickly ushered into preventive health care. Preventive health care includes immunizations, health education, disease surveillance, etc. Now we have entered a new phase of consciousness that calls on the health professional to be involved in much more than preventive and curative care. It is no longer sufficient to think that health of the community is simply a matter of improved medical services and more advanced technology. When the family does not have enough to eat, is overburdened by debt, or is falling apart from stress, no amount of medicines, iron supplements and immunizations can help. What is needed is a much more radical approach to health and well - being of the community, one that goes beyond distribution of medicine, providing immunizations and health education. The root causes of illness often lie in the economic and social conditions of the community. In order to ensure the well - being of society, the roots of the problems must be tackled.

Ubolrat district hospital aims to provide comprehensive health care by taking into account curative, preventive, and community development aspects of health care. Three principles outlined by Dr. Tadchai Mungkarndee form the main framework for the diverse activities of the hospital:

The sick are provided with medical attention close to home when needed, followed by an effective referral system if necessary.

People are protected from illness through good health promotion and disease prevention measures.

People are able to have good quality of life through sustainable development (which includes development of economy, environment, society, and culture).

Hospital activities aim to empower people so that they are self-reliant, and self- sufficient. This book provides a detailed description of the activities of the hospital and its staff in curative, preventive, and community development activities.

Curative Health Care

Curative care is one of the primary responsibilities of hospitals and health personnel. Patients who come to district hospitals fall into three categories:

The first group consists of those who will recover with treatment, but will die or become disabled if they do not receive treatment. Examples of illnesses in this group include appendicitis, incarcerated hernias, meningitis, ectopic pregnancy, and pulmonary tuberculosis. Patients in this category have high priority in using hospital services because they benefit the most from the curative services available at the hospital. Presently, the health care system cannot provide guaranteed access to health care to patients in group one.

The second group consists of patients who come to the hospital but will recover with or without treatment. Examples include colds and certain viral infections. We have found that these kinds of patients are visiting the hospital with greater frequency and now form the majority of the people who come to seek treatment at the hospital. This unnecessarily burdens the hospital staff and resources. Unfortunately, modern day medical and public health systems have fostered a culture that instructs people to seek care from medical professionals even for the slightest ailments.

Because of disproportionate regional distribution of personnel and finances, rural people receive fewer doctors, often with very little experience. Thus, rural people lack confidence in the health care centers close to home and often bypass the services of primary health centers and community hospitals in order to go to a central or teaching hospital. Reliance on the district level hospital destroys methods of self-help and traditional healing when they can be used just as effectively in these instances.

The third group consists of patients who will die with or without treatment. Examples include final stage cancer and AIDS, chronic liver failure, and brain death. Patients in this group are frequent visitors to the hospital and must be admitted as inpatients for long periods. Medical costs of treating these patients are rising and now form a very high percentage of overall expenditure of the hospital. In addition, quality of life of the patient is often drastically reduced. On many occasions, the family becomes bankrupt from the high costs of medical treatment. Often there is a dilemma between prolonging life and providing the patient with a dignified death. The health system incurs unaffordable expenses from the medical care costs of patients in group three.

Ubolrat hospital strives to overcome these shortcomings in the public health system in order to ensure the health and well-being of the community it serves. The hospital works very hard to provide the best possible care for all people, regardless of what category they fall in. The hospital team has come up with some innovative strategies to address some

of the concerns and improve the quality of care at the hospital and in the community.

The hospital aims to provide guaranteed access to medical care for patients in the first group, reduce the reliance on health care centers for the patients in the second group, and reduce expenditures and provide a good life and a dignified death for the patients in the third group. In order to provide good quality care, UPHCC has taken a number of initiatives that include:

Encouraging proper health care at home supported by an with effective referral system;

Implementing a system of medicine distribution to communities;

Guaranteeing access to health care services;

Developing effective means of record keeping;

Developing service techniques;

Developing efficient and good health personnel; and

Increasing community participation in patient services

Proper Health Care at Home

The UPHCC has adopted a number of measures that aim to reduce the dependence on district level hospitals for health care and encourage home health care. A 1992 home health care survey of all the communities in Ubolrat district found that only 40 percent the of population, seek treatment at health centers, private clinics, community hospitals, and private hospitals. The remaining 60percent treat themselves at home or in the village, with 5 percent using no medicine, 10percent using medicinal herbs and traditional medicine, and 85 percent using modern medicine. In this last group, 15 percent use medicines that are dangerous, for example, medicines that have passed their expiry date, medicines containing prednisolone, and a mixed assortment of unspecified drugs, or antibiotics. Every year the hospital receives many patients suffering from fixed drug eruptions, Steven Johnson's syndrome, or swellings resulting from the side effects of prednisolone. It is also clear that certain strains of bacteria in Ubolrat district have become resistant to tetracycline and co-trimoxazole. This situation has arisen because of the widespread misuse of antibiotics.

In order to solve these problems, the UPHCC has drawn up three operational policies to improve the quality and safety of home health care. Providing information for consumers concerning the use of medicines, distributing good quality medicines in the community, and developing the use of medicinal herbs and traditional medicine are the main priorities.

Provide Information for Consumers Concerning the Use of Medicines

In the research work, public health workers chose five sample villages to discuss the use of medicine in the villages and inform villagers about the

conditions that cannot be treated at home and necessitate consultation with the doctor or public health personnel. Using these discussions as a starting point, a handbook on the proper use of medicine, and self-help health care in times of illness was produced. This handbook enables consumers to treat themselves at home with greater confidence and visit the health centers and the hospital in good time when necessary. The working team has also used the handbook to provide information for groups of mothers with young children in other villages, groups of health volunteers, and groups of medicine retailers. The idea of good self-help health care is spreading across the district.

Distribute Good Quality Medicines in the Community

Between 1986 and 1992, the UPHCC carried out Ministry of Health policy by developing “medicine funds” to provide the population with good, safe, inexpensive medicines in sufficient quantities. The operational methods used in creating the medicine funds were the same all over the country. The Ministry of Health allocated 700 baht per village as a revolving fund for selling medicines. Part of the profits was used for paying dividends to members and remuneration for committee workers. Another portion of the profits was used for rural development. By 1992, only eight funds out of an original 61 were still operating. Some had transferred ownership to village health volunteers, some had sole owners, and others had been transferred to the headman or village chief.

Operating in the form of a village medicine funds was not effective because of low organizational cost-effectiveness, low dividends, and pay of less than one baht per day for the committee workers. The accounting system was also complicated. Profits were small and members cashed in their shares. The eight funds that survived were able to do so because the committee changed the working methods and expanded the funds into all-purpose funds.

In practice, the medicine funds were not successful, but the idea of distributing good, safe, inexpensive medicines in sufficient quantities into the community is still a good one. It can provide patients with medicines that are effective in treating certain conditions and can remove the complications that arise from using certain undesirable types of medicines. The working team reassessed the state of medicine distribution in various communities through the district. It found that, apart from the medicine funds of the village health volunteers, there were also general stores that sold medicine to consumers in the villages.

The UPHCC, with support from the Academic Department of the Food and Drug Administration, invited 30 interested representatives of medicine funds and general stores to hold ongoing monthly discussions to figure out a way to distribute sufficient quantities of good quality, safe, inexpensive medicines in the villages.

The discussions led to the creation of the District Pharmacy Association in 1996. The aim was to establish a research and development project covering medicine distribution in the community, and provide funding to reduce the cost of medicines by 25 percent. The fund enables the medicine funds and general stores to sell household medicines at the price set by the Association, while being competitive with medicines sold on the open market and making a profit. The primary desire of members is to help community members in times of sickness.

Funding from the Association provides for a quick and convenient retail system for members of the Association to purchase medicines. It also enables team workers to supervise the members and provide recommendations, train new members, cover transportation costs for members to attend regular meetings, and give prizes to stores that operate according to the regulations of the Association. It also sends workers into the villages to hold discussions and provide information to consumers whom general stores have identified as those who frequently purchase dangerous medicines. Finally, funding is also used to send the police to confiscate dangerous drugs if all positive measures have failed.

The methods detailed above have increased membership from 30 stores in 1992 to 203 stores as of September 30th, 1998. This represents 68.4 percent of all stores and medicine funds in the district. It is clear that member stores sell smaller quantities of dangerous medicines than non-member stores.

Developing the Use of Medicinal Herbs and Traditional Medicine

Western medicine has almost completely replaced traditional medicine in Thailand. Traditional healers have not received any support from the government. The government has not funded the research and development of self-reliant methods like using medicinal herbs and traditional. Therefore the popularity of medicinal herbs and traditional medicine has decreased to the point where Thailand has given up the copyright on many medicinal herbs like plao-noi, which can be used to treat peptic ulcers.

In order to improve safe and effective home health care, UPHCC took on a project of developing the use of medicinal herbs and traditional medicine. In 1995, we invited 18 traditional healers for regular meetings every two weeks, to discuss the future of medicinal herbs and traditional medicine in Ubolrat district. These meetings led to the creation of the "Ubolrat District Traditional Healers' Association." Apart from the initial fortnightly meetings for the exchange of knowledge among the traditional healers and the staff of Ubolrat hospital, the Association also invited well-known traditional healers from other areas to share their knowledge.

Traditional medicine activities in Ubolrat district have made rapid progress. Some of our programs consist of growing saplings for distribution to members and other interested people to use in reforestation, and planting

herbal medicines. The Foundation started the Khum-kun Traditional Medicine Center, which has facilities for herbal saunas and traditional massage. Other activities of the Center include planning the production of various processed herbs in order to increase the popularity of medicinal herbs and traditional medicine in the future. It also serves as a center for the sale of products from various village initiatives. These include organic vegetables, processed fruit, silk, and cotton. This, we believe, will increase the self-reliance of the people of Ubolrat.

By providing information on the use of medicine to consumers, distributing good quality medicines, and developing herbal medicines, Ubolrat hospital has improved the quality and reliability of self-help health care at home. When home health care is not sufficient, patients are able to use hospital services and facilities. If the patient cannot be treated adequately at Ubolrat Hospital, there are well-equipped ambulances ready to take them to central hospitals. With effective home healthcare and an efficient referral system, we have made great progress in providing good quality care to patients in time of real need.

System of Medicine Distribution to Communities

In 1988, the UPHCC began by designating the Ubolrat Hospital dispensary as the central dispensary for the district, with health centers purchasing medicines from this central store. The goal was to enable patients suffering from the same complaint to obtain the same type and make of drug from both the health centers in their villages and the hospital, and to popularize the use of health centers, and to reduce problems of drug shortages, out of date medicines, and overstocking of drugs in the health centers.

The pharmaceutical department sends a pharmacist every six months to check the health center dispensaries, make inventory, take back any out of date medicines, and draw up a one -year medicine procurement plan for each health center. A doctor assesses these plans to see whether any drugs have been ordered in unusually high quantities. At the monthly meeting, the doctor will provide information about the drugs to encourage reduction in the quantities of drugs ordered between inspection periods.

If any of the health centers have insufficient supplies, they can borrow more from the hospital and return the medicines they borrowed in the next six months. This ensures that there are no drug shortages at the health centers and that medicine supplies are controlled efficiently.

Health centers must keep an exact, comprehensive, up to date register of medicines. The UPHCC uses a monitoring system where the number of patients is compared with the quantity of medicines used. If the correspondence between patients and medicines is irregular then the health center must accept responsibility for the difference and use its own budget to pay for the excess medicines.

To provide an incentive for the health centers to run well, the UPHCC has allocated welfare benefits (provided by the Government Pharmaceutical Organization (GPO)) for the health centers and the District Office of Public Health. The money is divided according to the number of personnel in each center and is used to provide welfare benefits for the workers.

Providing Guaranteed Access to Health Care Services

The UPHCC has drawn up a comprehensive computerized register of the population of Ubolrat district in the Health Insurance Information Center, and has produced barcode identity cards to prevent unnecessary duplication of data. Information concerning patients who are eligible for welfare benefit cards, those who want to buy health cards, or those who are eligible for various types of hospital treatment is entered in the population database.

This system relies on the Village Health Volunteers to check for people who are living below the standard poverty line and issue welfare benefit cards. Anyone who has enough money is encouraged to buy a health card. Every month the Health Insurance Information Center issues a list of people whose health cards have passed their expiry date, or will within the next two months. Using this information, the health centers contact these people and sell new cards. This method provides ongoing, comprehensive health insurance coverage. In the near future all the citizens of Ubolrat district will have guaranteed access to health care for all.

Develop Effective Means of Record Keeping

Accurate record keeping is essential to running an efficient hospital. The UHPCC has allocated part of its research budget to support the health card system by giving the health centers nine baht per card if they send information concerning patient visits and services provided for registration at the Information Center. This money is used to provide welfare benefits for the health center workers.

The UPHCC also uses part of its research budget to support the collection of information concerning immunizations, antenatal, and postpartum check ups. The health centers are paid two baht for every case they record and report. They receive an additional ten baht every time that diabetics or children suffering from protein deficiency are entered on the register. As a result, in 1998, immunization coverage increased from 95 to 99 percent, comprehensive antenatal check ups increased from 92 to 97 percent, and check ups on diabetics referred to health centers for symptomatic treatment reached its maximum of one-hundred percent.

Develop Service Techniques

The UPHCC sends a working team to inspect each health center every six months. This team consists of representatives from each of the health

centers, from the District Office of Public Health, and from Ubolrat hospital. The twice-yearly visits are to supervise service techniques and to judge the health center using the criteria for health center supervision designated by the above team and by the Provincial Office of Public Health. The health center that achieves good marks receives a shield and a cash prize from the UPHCC Research Fund. Also, the points awarded in the twice-yearly inspections are passed on to the District office of Public Health to be taken into consideration when awarding annual salary increases for health center workers. In addition, funds for developing basic services and for health card research have been distributed every year. The District Office of Public Health and each health center have received 20,000 baht per year for the last 6 years. These funds have been used to support the centers in improving facilities and creating new programs in order to serve the patients better.

Good Quality Health Care Workers

Equally important is the presence of good health care workers who can complement self-help health care at home and provide good care at the hospital. In order to encourage good health care workers to continue working in the Ubolrat area, UPHCC sponsors joint working activities like the annual Village Health Volunteers Day, Sports Day, and annual training sessions for village health volunteers. Among other activities are reeducation sessions for health center workers, training for workers before they take up their posts, annual data processing, choosing children of Village Health Volunteers to receive education scholarships, an annual “Outstanding Health Center” contest, and an annual Mahidol Day Festival to campaign on public health problems. Shared learning and working together to improve the health of the people has encouraged unity and resulted in higher rates of job satisfaction. This has helped retain good workers and develop a strong network of health care workers who support the home health care system effectively.

The Hospital Administrative Committee elects an academic committee every year that is in charge of personnel development. The hospital holds academic forums that aim to improve the knowledge base of staff. Both in-house and guest speakers are invited to speak at these forums. Hospital personnel also have the opportunity to undertake short-- term training outside the hospital. The Administrative Committee provides an annual budget of 100,000 Baht for these activities. Money is also available for hospital personnel to undergo long--term training outside the hospital if the Academic Committee approves. Personnel who wish to upgrade their education are also given the opportunity to do so. These opportunities help develop health personnel with the knowledge they need to provide good quality care for the patients.

Increasing Community Participation in Patient Services

Out-patient visits increased from 28,080 in 1986 to 47,000 in 1998. In-patient admissions increased from three to five patients per day in 1985 to 30–50 patients per day in 1998. In addition, in 1998 over 300 patients underwent surgery at the hospital. In 1987, there were not enough beds for in-patients at the hospital. Monks had to sleep in wards together with other patients. Hospital equipment was limited.

Ubolrat hospital discussed these problems with village headmen, village health volunteers, wealthy merchants and hospital in-patients. The response of the community was excellent and all parties worked together to raise funds. A drive in 1987 collected over 300,000 baht, which was used to convert an equipment store into a ward for monks. They continued to raise funds to buy medical equipment and to establish the Ubolrat Hospital Foundation (UHF) in order to provide better health services.

UHF funds are used to treat child protein deficiency, care for the elderly, and for monks who are sick. In addition, an annual secondary education scholarship is provided for children who show an interest in medical and health work, in the hope that these children will eventually return to work in the district. The Foundation also provides financial support for meetings and study tours of the Ubolrat District Civic Network.

The hospital draws on volunteers from the community to work at the hospital. These volunteers often sit at the information desk and help patients find their way around the hospital. They also help keep the hospital surroundings clean and pleasant. Additional duties include passing out herbal refreshments in the waiting room.

With the above measures, the quality of curative care at Ubolrat hospital has greatly improved. Patients in group two, who do not need to visit the hospital for treatment have been able to take care of themselves effectively at home. With the burden alleviated slightly, the hospital is able to put more of its energy towards patients in groups one and three. The Ubolrat Public Health Cooperation Committee is always looking for new ways to improve the quality of care patients receive at the hospital.

Preventive Care

More than seventy percent of patients who visit Ubolrat Hospital suffer from easily preventable conditions such as peptic ulcers, dental cavities, diarrhea, or injuries from accidents. While the public health system has been successful at overcoming many preventable diseases like polio and smallpox, it still has a long way to go in its health promotion and disease prevention activities.

Currently, there is a huge difference between government investment in health promotion/disease prevention activities and curative medical care in terms of personnel, budget, and resources. To exacerbate the lack of

funding, health promotion programs and activities are designed and implemented at the national level. This highly centralized process proves ineffective in the context of local society, culture, environment, and economics. Despite this, programs to improve health continue to be drawn up without the participation of the community they are meant for. As a result, most health promotion and disease prevention activities fail repeatedly.

Good health and freedom from illness are essential for the well-being of any community. Preventive care should be one of the biggest priorities for healthcare establishments, especially those based in rural areas. However, it is much more difficult to achieve good health and freedom from sickness than it is to provide medical treatment after the illness has occurred. UPHCC has adopted and designed many programs that work towards health promotion and disease prevention. Participation from the community is stressed in all its activities. Following are short descriptions of UPHCC programs and efforts.

Nutrition

The village health volunteers keep surveillance on nutritional conditions by weighing children aged 0-5 years every three months. Teachers also weigh school children twice a year. Because of this two-fold method, coverage of weighing children aged 0-5 years has reached 98.8 percent. In this district, children with protein-calorie deficiency at level 1 total 16 percent, and at level 2 total 1 percent. There are no children suffering from protein-calorie deficiency at level 3. Protein supplements are provided for children aged 0-5 years who suffer protein-calorie deficiency at level 2 or 3.

The hospital has established a system where village health volunteers, health centers, health promotion clinics and the outpatient department undertake nutritional surveillance. If they detect a child suffering from protein-calorie deficiency at level 2 or 3, they refer the child for a physical checkup at the well-baby clinic. The parents also receive nutritional education for three months, once a month, and protein supplement in the form of cartons of milk (90 200 cc. cartons of milk are distributed for three months). The hospital issues a referral form and evaluation form for the health center to send back to the hospital for assessment. The health centers are paid 10 baht for every evaluation form that they return. After six months, the child is checked again. If the weight is normal, or has improved to level 1, the child is discharged from the clinic. If the child still has protein-calorie deficiency at level 2 or 3, then he/she is readmitted to the well-baby clinic.

Because of these operational methods, 46.5 percent of children with protein-calorie deficiency at level 2 or 3 have improved to level 1 or no longer have any deficiency. These methods have also meant that the

incidence of children with deficiencies at level 2 or 3 has been reduced from 7 percent in 1986 to only 1 percent in 1997. We are now undertaking research into ways of helping children with level 1 protein-calorie deficiency and pregnant mothers who have a low Vallop's Curve Score.

Sanitation

Sanitation is of vital importance in reducing the number of disease vectors like mosquitoes, flies, and rats. It also helps provide people with improved physical and mental health. Living in an environment free from dust and bad odors helps to reduce the incidence of respiratory and skin diseases. The six health-centers in the district and Ubolrat hospital altogether receive over 100,000 respiratory and skin disease related consultations per year.

To reduce the incidences of these diseases, the health centers try to work together to provide clean workplaces and increase consciousness of sanitary issues in people's homes. The health staff also facilitates various groups which work to create a shared vision of homes free from disease and worth living in, and organize campaigns for destroying breeding grounds of disease vectors in times of infection.

In addition, the UPHCC has helped to campaign for the provision of latrines, and achieved 100 percent coverage in 1996. It campaigns on an ongoing basis to ensure that using latrines becomes a way of life for the people of Ubolrat district. The UPHCC has also provided a system of loans with funds from the Provincial Sanitation Fund to buy large water containers and food cupboards at a cheap price. People now have clean drinking water, which reduces the incidence of gastrointestinal tract disorders.

Disease Surveillance

The UPHCC uses patients who come for treatment at the health centers and Ubolrat hospital as an effective base for disease surveillance. As soon as the first case of Dengue Hemorrhagic fever, dysentery, or severe diarrhea is encountered, the hospital assumes that there has been an outbreak. A working team, which consists of workers from the health centers, the District Office of Public Health, and Ubolrat Hospital, in conjunction with village health volunteers, immediately undertakes disease control activities.

The UPHCC invites various groups, such as student leaders, teachers, and health volunteers, to assist in disease surveillance. It holds monthly meetings for the Chiefs of Village Health Volunteer Associations, where reports of disease outbreaks can be shared between members. The Public Health Newsletter acts as an information reception point and provides ongoing knowledge concerning disease surveillance and protection.

In addition, every year before the new school term, teachers who have special responsibility for child health undergo refresher courses. Teachers

are able to isolate children with communicable diseases by keeping them at home for an appropriate period, and are able to control disease vectors in the schools.

These methods of disease surveillance and control have led to a clear reduction in the incidence of local communicable diseases. For example, the incidence of Dengue Hemorrhagic Fever in Ubolrat district has been reduced from 350 cases per 100,000 people in 1992 to 70 in 1997.

Immunization Promotion

The UPHCC has drawn up a computerized register of children aged 0-5 years who must receive a program of immunizations. The register includes both children who come for treatment at the hospital and children who receive service at the health centers. Since 1992, information has been entered on the hospital health information database. A list of children who missed their immunization appointments is automatically generated every month. Using this information, health centers and the hospital health promotion team contact parents of children in their area under their responsibility in order to ensure that they come in to receive immunization. Records concerning health center service provision and follow-up contact work are maintained.

The coverage of various immunization services for each health center is presented at the monthly meetings of the UPHCC and the rate of coverage is one of the indicators used in deciding which health center will receive the " Outstanding Health Center" award. Immunization coverage in Ubolrat district increased from 68 percent in 1992 to 95 percent in 1995 and 99 percent in 1998. Total immunization guarantees the protection of child rights in terms of safe survival. Village health volunteers and health centers that achieve 100 percent immunization coverage within a specified time also receive a prize. Because of the depth and breadth of these activities in Ubolrat district, there have been no children aged 0-5 years suffering from TB, diphtheria, tetanus, pertussis or measles.

Maternal Health

Since 1992, the UPHCC has used a computerized register similar to the one used for immunizations to cover maternal health. By keeping such accurate records, the number of pregnant women who received all four antenatal checkups increased from 73 percent in 1992 to 92 percent in 1995 and 97 percent in 1998. The coverage of Tetanus immunizations increased from 85 percent in 1992 to 94 percent in 1995 and 99.7 percent in 1998.

In 1999, the UPHCC incorporated maternal health information with the barcode system and organized village health volunteers and team workers to make monthly checks in the villages for newly pregnant mothers.

Good maternal health care has meant that in Ubolrat district the infant mortality rate is 8.2 per 1,000 live births, compared to national average of

12.2. Currently, no children are disabled because of Syphilis, and no children under six years of age have died from tetanus. There have been no maternal or infant deaths during childbirth. Caesarian Sections were used in only 1-3 percent of all births (this includes surgical referrals to other hospitals). Because great importance has been placed on providing comprehensive health education concerning birth control to new mothers, the rate of birth control reached 89 percent in 1998. Criminal abortions have been reduced from 10 -20 patients in 1986 to 0 -1 patient between 1995 and 1998.

Dental Health

In 1990, self-help health care research in Ubolrat district showed that dental health problems ranked number two out of all health care problems in the district. The Ubolrat district dental health care team adopted a number of measures that have helped to reduce dental health problems including providing health education for student leaders, teachers, pregnant women, and volunteers from various groups, providing fluoride for target groups, establishing dental clinics both during and outside normal working hours, and holding dental clinics at health centers, schools, and villages.

Mental Health

Adolescents and the elderly are the two groups that suffer the most from mental health problems in Ubolrat district. Adolescents want to experiment, to express themselves, and be individuals. The elderly commonly have problems with stress, insomnia, and loneliness.

The UPHCC has tried to create civic networks at village, tambon, and district levels to enable relevant groups such as community leaders, teachers, and others who are interested, to meet and discuss problems of mental health in the community. Discussions are meant to create knowledge and understanding about the problems of adolescents. Various groups have set up child and youth camps, and now facilitate children's groups. The aim is to enable children to think and to express themselves in a positive manner.

The UPHCC also facilitates interest groups for the elderly by providing a space for the group to meet, inviting guest speakers, and organizing study tours to various successful groups of elderly people. Various activities of the group include an annual Elderly Citizens Day, an annual general meeting, and organizing representatives to volunteer at the hospital. The group also mobilizes funds to assist in funeral costs for the elderly. Each member pays 10 baht to the family of any member who dies. Collectively, the family receives over 17,000 baht to assist in funeral costs, thereby reducing the financial burden for the family and enabling the elderly to have a dignified death.

Exercise

It is a well-known fact that suitable daily exercise leads to good health and prevents illness. However less than five percent of the people in Ubolrat district exercise regularly. The UPHCC organizes an annual run on Mahidol Day, using donations from shops and stores as prizes. The number of children, health volunteers, and target group members who participate has increased from 1,000 in 1986 to over 7,500 in 1998. In addition, the Ubolrat district public health care team holds an annual run up the mountain to the large Buddha statue overlooking the Ubolrat dam.

Consumer Protection

The UPHCC has developed its network of village medicine funds and general stores into a Medicine Retail Store Association. The initial target was to sell good quality, inexpensive medicines and to rely on the good public relations achieved to develop consumer protection for other retail goods. The UPHCC also provides information on consumer protection to various groups such as student leaders, teachers, community leaders, women's group leaders and monks. These groups can then work together to keep a check on problematic products. Cooperating with forums to develop a self-sufficient economy has meant that the use of chemicals in the agricultural production cycle has been reduced, and organic fruits and vegetables are now on sale more often. This is of great benefit to consumers and allows for a healthier community.

Accident Prevention

The UPHCC has cooperated with various government bodies, such as the Ubolrat district government headquarters, the Ubolrat district police station, and the Safety Department of the Electricity Generating Authority of Thailand, no. 2 region, to create a Traffic Accident Control and Prevention Committee (TACPC). The UPHCC and the TACPC work together to provide safety information, stop drunken dancing on Songkran day, organize a one-way traffic system, and improve the condition of the road surface.

The number of accidents in Ubolrat district, a popular tourist area, has been visibly reduced since 1995. The Electricity Generating Authority of Thailand, no. 2 region, forbids people who do not wear crash helmets from riding motorcycles in the grounds of Ubolrat dam. The Ubolrat district police also arrest or fine motorcyclists who do not wear crash helmets and car drivers who do not fasten their safety belts.

AIDS

AIDS has become a major social problem in Ubolrat district. The first case occurred in 1988. By the end of 1998, 138 people had been diagnosed,

and 28 have died, including four children. The Ubolrat district AIDS Control and Prevention Committee, chaired by the Ubolrat District Chief includes various government department heads as committee members, has created a unified plan to fight this social problem. The plan includes AIDS education, raising funds for care and treatment of HIV patients, and creating network and support groups for people living with HIV. The Monks' Anti-AIDS Network organized a fund raising drive in 1997. This raised over 100,000 baht to be used towards providing assistance for HIV patients and spreading knowledge about AIDS.

The UPHCC, in conjunction with the SCDF, invites HIV patients to meet and discuss, learn about self-help health care, practice meditation, and find work of a suitable kind. Such work includes planting saplings, growing and watering trees, weeding and so on. The UPHCC also provides information about integrated farming to HIV patients. Farming this way enables them to generate income to pay school expenses and establish savings funds for their children. The patients now have hope for the future.

Health Education

Health education is an important component of any preventive care program and it happens at many levels within the health care system. First, every patient who consults the doctor, contacts the health promotion office, or is admitted as an inpatient receives individual health counseling. Group education is also done in waiting rooms and in-patient wards. Health information is also relayed over the hospital intercom system everyday. There is a monthly newsletter covering public health issues put out by the Health Education and Public Relations Committee in the Hospital. The newsletter is distributed to volunteers, target groups, and hospital visitors.

The UPHCC emphasizes group health education by targeting representatives of various interest groups including students, health teachers, community leaders, mothers with young children, monks and novices, and village health volunteers.

The UPHCC attaches great importance to mothers with young children because these mothers have special responsibility for providing ongoing care and attention for young children. There are monthly meetings in the villages to find ways of development that lead to improved child health. For example, the mother's group in Kam-pla-lai village, apart from uniting to create secondary incomes from making sweets and weaving, has been successful in totally removing the problem of child protein calorie deficiency.

Village Health Volunteers

Village Health Volunteers play a key role in preventive and public health work. They help correct misguided perceptions of health care while disseminating useful health information. The village health volunteers are

also responsible for public health surveillance activities--weighing children, identifying pregnant mothers, reporting disease outbreaks, etc. They serve as an important link between the hospital and the community.

There is an annual Village Health Volunteers' Sports Day, which encourages cooperation between public health workers and village health volunteers.

The disease prevention and health promotion activities of the UPHCC are diverse. Together, they have been successful in working towards the aim of better health and good quality of life for the people of Ubolrat.

Development and Health

The connection between health and development is complex, but it is an important one to understand. Often, when the words "health" and "development" go together, one thinks of low infant mortality, total immunization, and a well-nourished population with few infectious diseases. However, there is another side to health in developing countries that requires careful examination. Because of development, Thailand has advanced leaps and bounds in terms of some health issues like infant mortality and maternal health. At the same time, the health of the population has also suffered greatly from the environmental pollution and economic instability that has been brought about by the rapid onslaught of development.

This chapter attempts to outline the development path Thailand has taken and the impacts it has had on health and the next chapter describes what we have done in Ubolrat district to overcome these health problems caused by development.

Fifty years ago, Thai people were probably the happiest people in the world. People used to greet each other with great regard and love with expressions like 'Where have you been?' or 'Have you eaten yet?' Mutual concern and love for fellow human beings can still be seen in the traditions that have been passed down through the ages.

In the past, Thai people loved and respected the environment. They worshipped the soil, the water, the rice, and the fish as their mother, and compared the wind and the trees to gods. By word and deed people showed their love and respect for nature. Thailand, located in the most fertile seven percent of the earth's surface was gifted with good soil, plenty of water, fertile forests, fish in the rivers, rice in the fields, and an unending supply of shrimps, shellfish, crabs and fish. Thai society was healthy and happy because people understood self-sufficiency and conservation of the environment. They appreciated the gifts nature gave them.

In the last fifty years, things have changed drastically. Following the reconstruction of Europe after World War II, many formerly colonized countries gained independence, and the world entered the development era. Development fueled by western powers and funded by international

financial institutions like the IMF and the World Bank, seeped into policies of many countries. Thailand took on the development projects and policies prescribed by these financial institutions with full force.

Thailand's rapid development in the last five decades has had both positive and negative impacts on the rural communities that Ubolrat Hospital serves. Better access to education and formal health care is one of the advantages. However, it has severely effected the environment, society, and culture of Thai people.

Through its development projects and policies, Thailand became deeply involved in the world economy where everything is measured in terms of monetary value. The focus of development activities has been on building industry and exporting raw materials. Environment and social capital are being converted into monetary terms to keep the GNP engine producing higher numbers. This resulted in the massive destruction of forestland in Thailand, which has been reduced drastically from 48percent in 1950 to 18percent today. Trees are being cut down to be traded for foreign currency that will be used to buy sill more destructive technology. For the last fifty years, foreign companies with cooperation of the Thai government have been looting the country of its environmental capital

The forest can be called "the poor man's supermarket" because it provides food in the form of crops, vegetables, fruit, shrimps, shellfish, crabs and fish, as well as cotton and silk to make clothing. There are branches for firewood, timber for housing and furniture, and herbal remedies to treat illness. In addition, branches, leaves, and animal remains, which pile up continuously, become first-class nutrients for the trees, making the use of chemical fertilizer unnecessary.

But with the onslaught of logging industry, the poor have lost their source of livelihood. The forests, wild animals, minerals, soil fertility, and mountains have been swept out of the countryside and into large cities and foreign countries. With the forests destroyed, the poor find themselves in many difficulties, not only because they lack the four basic necessities of life (food, clothing, shelter and medicine), but also because they must face natural disasters, including floods and drought which follow deforestation. In addition, toxic wastes from industries are released into the air and the water killing off fish and polluting water to be used for irrigation.

To exacerbate the problems of the poor, the government has initiated many farming programs that focus on monocropping, the products of which are used primarily for export. Many farmers have been encouraged to turn their entire land holdings over to heavily promoted exportable cash crops. Widespread adoption, encouraged by government incentives and subsidies and by promises of high returns, has changed the face of the countryside. Traditional farming methods that emphasize subsistence--growing a variety of food, herbs, and other useful plants for consumption, selling only the surplus--are going extinct. Cash cropping makes farmers

reliant on the financial returns from their harvest to meet their own dietary needs and basic needs. The food no longer comes from the farms, but from the markets. This increases the uncertainty of obtaining a good balanced diet and maintaining good health.

Contrary to their expectations, many farmers have found the profits from cash cropping to be far from certain. First, cash cropping, unlike subsistence farming, is a high investment business. When the government promotes a particular crop, the market can easily become flooded, depressing prices. Second, intensive farming destroys biodiversity, and soil fertility. Droughts and pests can decimate an entire crop leaving the farmer with nothing. They rely on even larger doses of chemical fertilizers to maintain soil fertility and boost their yields and chemical pesticides to keep pests away. After one bad harvest, the agrochemical bills alone can be enough to push many farmers into a cycle of rising debt that eventually becomes impossible to pay off through farming activities. Many farmers are left struggling to survive in an increasingly centralized, even globalised economy, that their experience, traditions and education have not equipped them to deal with. The rise of commercialism, the flood of information, the growing influence of the central government, and the increasing dependency on a monetary economy in which the farmers often find themselves among the poorest--have effectively paralyzed many communities.

Farmers and poor people all over rural Thailand are finding that they have nothing to eat despite their hard work. After diligent years of work, they are still trapped in an endless cycle of debt. Poverty, debt, and growing unattractiveness of the farming lifestyle have led to large-scale labor migration. Migrant labor fuels the massive growth of infrastructure in Bangkok. The father, the head of the household, has to migrate to sell his labor in the big city, Bangkok or even aboard, to prevent his family from starving. Many people sell their children as factory labor, and their wives and daughters as prostitutes.

Labor migration has profound implications for children and for the wider aspects of community development. Elderly grandparents are forced to take over the duties and responsibilities of the stronger and more able generation below them, particularly working the farm, and raising the young grandchildren. Overburdened and only receiving financial support from their children, they are often unable to provide early childhood stimulation and nutrition needed for proper growth of children. The problems are exasperated by the rising rates of divorces and family breakdowns among migrant workers. The rates of suicide and murder are among the top ten in the world every year. The trade in alcohol is wide and open; amphetamines and other narcotics are sold everywhere. Crime figures increase at an alarming rate; lives and property are no longer secure.

The change in lifestyle brought about by inappropriate rural development brings with it several health risks. Debt and overwork among the elderly put the villagers under psychological stress. Improper use of agricultural chemical leads to blood poisoning. In a recent survey, the blood of over 20 percent of farmers tested in Khon Kaen showed dangerously high levels of the most popular agro-chemicals. Debt-laden families, reliant on their depleted cash reserves to buy food allow themselves to become malnourished. Alcohol and drug abuse is also prevalent for a number of reasons, among them boredom during the long periods between growing seasons and influence of urban culture. Under these combined pressures, many rural villages lose their sense of community, the implicit social contract that traditionally provided a network of mutual support, a safety net and a base from which to plan the future. They also lose self-reliance--in terms of material resources and more importantly, in the way they approach problems and the running of their own lives. With this, they lose an invaluable resource for their own development.

In the past, the political, governmental, and education system have been used in attempts to solve social crises. But it appears that all three systems have many problems and are approaching a dead end. The government system is highly centralized with many rules and regulations, resulting in low efficiency; the budget is not continuous, because it is allocated year by year. Local government officers have no decision making power, lack confidence, and feel that it is better to do nothing because it is less risky. There is no system of public scrutiny and the organizations responsible for auditing are not efficient, resulting in cancerous corruption infecting the government system.

The political system, which should be a source of hope, is suffering from an ongoing crisis of faith because there is a system of patronage and extensive vote buying. Politicians then try to recover their investment in every way possible. As can be read every day from the front pages of the newspaper, there is a lot of political in-fighting in order to secure the maximum private benefit. Even worse, there have been many coups during the last 60 years, resulting in a lack of political stability. People cannot rely on the government system to improve their quality of life and environmental conditions.

The educational system, which should aim to improve quality of life and environmental conditions for Thai people, is in the same condition as the governmental and political systems. Education aims to satisfy the requirements of the industrial and service sectors, and attaches less importance to the agricultural sector, which is in fact the true foundation of Thai society. The philosophy of promoting only the truly gifted students, instead of helping people to achieve their full potential according to their individual ability, fails many children every year. Many primary school children, who cannot study at high school, must leave their fields and join

the massed ranks of servants, wait staff, factory workers and laborers. This means that very few people return to help develop rural areas. Rural areas are seen as worthless and people flood out of the countryside both out of necessity and in order to find a better source of income, following the pattern laid down by the governmental and educational systems. This type of educational system only serves to worsen the crisis of thought, the environment, and the poor.

The economic crisis of 1997 was a turning point in modern Thai history. Thailand had to sacrifice more than one trillion baht of national reserves with no hope of recovery. The value of the baht decreased rapidly, increasing the value of private and public sector debt from 2.8 trillion to 4 trillion baht. Thailand has essentially become a slave of international financial institutions like the IMF. This downturn of the seemingly everlasting and unstoppable economic boom is sufficient evidence that this form of economic development is not sustainable. Thai society today is in a very dangerous predicament, not only because the national economy is in a critical condition, but also because the environment and society, which were once strong sources of capital are deteriorating. As a result, the health and well being of the population is also deteriorating rapidly. The political and educational system has failed to solve the problem. We can predict that in the near future, if we don't use wisdom and good management to return to the real strengths of Thai society, future generations will face extreme difficulties.

Sustainable Community Development

The Genesis of the Idea

Amidst the great crises attacking farmers nationwide, resulting in broken families, shattered communities, and loss of self-reliance, is a group of successful farmers who use a different way of thinking to face the strong tide of materialism with confidence. They use local wisdom and appropriate indigenous technology to overcome their problems and enable themselves and their families to have a better quality of life. These local sages are scattered in various provinces throughout Thailand. They are willing to spread their ideas and achievements among workers and farmers who are interested in a holistic approach to achieving sustainable development.

Paw Boon-tan Ketchompu from Dong-bang village started out as a skilled farmer thirty years ago. After adopting government promoted activities, he worked hard for more than 20 years growing rice, cassava, sugarcane, and other cash crops only to find that the more he grew, the poorer he became, until finally he found himself in debt. At certain times, he had to work as hired labor to pay back his debt. He became very thin, both because he was unable to eat and because he had nothing to eat. He was frequently ill, and could not sleep because he worried about his debt.

Society would not accept him because people feared he would try to borrow money or threaten them when he was drunk and depressed.

Paw Boon-tan had the opportunity to join the Well – Child Survival Project at Dong-bang village. This project stressed group forming, and facilitated learning through discussions between group members and sponsored study tours. The aim was to help members understand concepts of self-reliance and the benefits of bio-diversity.

He radically changed his way of thinking, from working as hired labor to digging his own ponds to raise fish and growing all his basic daily provisions. Two years after joining the project, he utilized all his land to grow food, and produced a large surplus to give to friends and relatives, and to sell at the market. His income gradually increased through the sale of fish, chickens, pigs, cows, vegetables and fruit. Merchants came to the farm to buy, so he could set the price himself. His huge debts were gradually reduced, and cleared after five years.

Now he has a pension with the village saving-group. He has also planted 2,000 timber and fruit trees, which are now like a small fertile forest around his farm. Environmental conditions have improved because he uses organic fertilizer. He grows a wide variety of trees, which make his soil more productive and the air cleaner. He also has better water resources, both in terms of quality and quantity. He shows love and affection for all kinds of animals and for the people who come to ask for fruits and vegetables. He is healthy and happy, in terms of the body, mind, society, and spiritual consciousness. He achieved all this in only seven years. Many others have shared similar experiences. By breaking free of ideologies imposed by national and international institutions, local wisdom practitioners have found an innovative path to happiness.

There is no lack of wisdom in Thailand. Other examples of this local wisdom include Paw Tong-on, who has accumulated vast knowledge about medicinal herbs and effective traditional medicine, and Paw Suttinun Pradchayapreut who has collected a great deal of knowledge about selecting local species of trees to be planted in farms. Senator Wibul Chemchaerm can connect ideas about natural agriculture with macro - economics, politics, the environment, society, and culture.

The E-to-Noi group of Paw Pai Soisaklang in Sra-kun village is yet another example that shows how innovative thinking can be used to solve health care problems and lead to better quality of life. This group uses a seven-fold Buddhist philosophy called A-pa-ri-ha-ni-ya-tham. This consists of:

- Regular meetings;
- All group activities must be carried out together;
- Members must abide by majority decision;
- Members must accept and respect the elderly;

Members must take care of and help the under privileged in society, such as children, women, the disabled, and the elderly;

Members must promote and preserve tradition and culture; and

Members must help to promote and encourage Buddhism.

More than 80 percent of the villagers in Sra-kun village are the members of the E-to-Noi group. All members have social welfare benefits such as health care and better child education. Members share mutual affection, have a better quality of life and improved environmental conditions. They have well - being in terms of the body, the mind, society and spiritual consciousness.

The E-to Noi group has established a traditional massage and herbal medicine center, which is now famous throughout Thailand. The cost of running the center is small in comparison to the existing sub-district and district level public health care system. It is self-reliant and does not depend on technology alone. It is an alternative that is capable of looking after all three types of patients described in chapter 2.

This group helps solve economic problems by reducing investments, increasing income, reducing debt, and creating savings. It also enables villagers to increase their environmental capital in the form of water resources, for daily consumption and for agriculture, soil fertility, through the use of natural fertilizer, and most importantly, large trees, both fruit trees and many types of local hardwood trees. This people's organization ensures that the concepts and activities it runs by are passed on to future generations. There is a children's group in the village that operates on similar principles.

This E-to-Noi group has also joined with the network of Sateuk district, Buriram province, to create the Northeast Community School, a community learning center that helps to spread the concepts and philosophies of the network.

The work of E-to Noi group shows the power of strong people organizations. The coordination between Paw Pai and government development workers, NGO workers, academics, business people, and the mass media shows the power of civic society in solving problems. When all these civic groups join together, they create a horizontal network that is connected with the vertical systems of government, education, and religion, thus resulting in a structure that is flexible but strong, like a fishing net that can lift many heavy things.

History of SCDF

These case studies show that the quality of life and the environment can be improved in a holistic manner. The ideas and inspiration for creating the Sustainable Community Development Foundation (SCDF) came from the above-mentioned examples and many others that followed. SCDF was

first started under the leadership of Dr. Werapan Supanchaimart, then deputy director of Khon Kaen hospital.

SCDF is a non-governmental organization based in three district hospitals in Khon Kaen province, which seeks to help poor rural communities become self-reliant. SCDF believes that in order to achieve sustainability and self-reliance, communities must take charge of their own development and to do that effectively, they must be continually learning. SCD activities are thus geared towards stimulating and supporting group learning processes.

The goal of the SCD Foundation is to expand people's organizations and their networks, which consist of government development workers, NGO workers, academics, business people, and the media, in order to learn and think together about how to solve the problems of Thai society.

From 1994 to 1996, Ubolrat District Public Health Coordination Committee and The SCD Project, relying on funding from the World Vision Foundation of Australia, hired three NGO development workers to work with public health workers in six villages in Ubolrat district. Emphasis was placed on strengthening learning processes at both individual and group levels, by organizing monthly village-level forums for all members and monthly district level forums for natural leaders from various villages.

From 1995 to 1996, UNICEF provided funding for learning and for activities in strengthening child rights in schools in the project area, with each school receiving approximately 20,000 baht per year. However, from our activities, we found that it was impossible to solely focus on child welfare without addressing the larger problems at hand. Issues of child rights would be addressed in the process of tackling other issues.

From 1997 to 1998, replacing the funding from World Vision Foundation, UNICEF provided funding to create forums at village, district, and province levels. Thus, people forums have been established and various networks have been created.

The Future

For the future, the hospital first hopes to maintain all present activities where all networks and villages cooperate in areas like environment, child health, and fund raising. Additionally, SCD hopes to encourage sustainable development in new villages. This will be done through networks of community leaders, teachers, health personnel, and NGOs.

Through our activities with various groups, we have found that a lot of knowledge is generated through the group learning processes. In order to effectively channel and spread this knowledge, more people should have access to it. So, the hospital staff with some network leaders is planning to establish a "People's College", where villagers can learn from each other. The curriculum will not be sanctioned or imposed by the government as it does in its own schools. Education here will be relevant to their

environment, economy, and culture. The aim of the College will be to develop “change agents”, people who can be leaders in their communities, facilitate group formation, and mobilize their community into forming civic groups. Only through these “homemade” change agents can the knowledge and ideas spread far enough to reach everyone.

Currently, there are 2,500 families involved in all the networks run by the hospital. In the next 18 years, we hope to have one million families who understand self-reliance and can have a good quality of life.

The hospital has been successful in many of the activities it has conducted. However, it still has a long way to go before it reaches its goals. The Ubolrat Civic Groups have a shared vision for the year 2007:

The citizens of Ubolrat, whenever they are sick, have guaranteed access to good medical care close to home complimented by an efficient public health care system.

There should be fewer people suffering from preventable illnesses, thereby reducing medical care costs.

People can be mutually self-reliant, leading to physical, mental, social and spiritual happiness.

Achieving Gross National Happiness Through Community-based Mental Health Services in Bhutan

DR. CHENCHO DORJI

Introduction

Development is an inherent human desire, and the unique and dynamic concept of Gross National Happiness as a development philosophy and objective is generating substantial interest among many development partners of Bhutan. Nonetheless, some believe that development inevitably entails a negative effect on the mental well-being and happiness of the people. Others accept the premise that development facilitates and provides a platform for the fulfilment of many human needs. The argument is not whether development is good or bad, but how it can best be used to serve the purpose of enhancing human development and satisfaction with life.

Important dimensions of GNH, including preservation of our rich Bhutanese culture and traditions, preservation of our pristine environment, and good governance and human development, have been deliberated in many forums. In this article, we approach the concept from a mental health perspective.

Background

Concept of Well-being, Mental Health and Mental Disorders

Gross National Happiness, by definition, is closely linked to mental health, which is a state of well-being in which the individual realises his or her own abilities, can cope with the normal stresses of life, can work productively and fruitfully, and is able to contribute to his or her community. Across cultures, concepts of mental health, as with GNH, include subjective well-being; perceived self-efficiency; autonomy; competence; inter-generational independence; and self-actualisation of one's intellectual and emotional potential, among others. It is generally agreed that the concept of mental health is broader than a lack of mental disorders. Mental health must address the entire spectrum of issues affecting the mental well-being of all sectors of society.

Mental and behavioural disorders, meanwhile, are understood as clinically significant conditions characterised by alterations in thinking, mood (emotions) or behaviour associated with personal distress and/or impaired functioning. Advances in neuroscience and behavioural medicine have shown that, like many physical illnesses, mental and behavioural disorders are the result of complex interactions between biological, psychological and social factors.

Global Scenario

Overall Burden due to Mental and Behavioural Disorders

Mental and behavioural disorders are common, affecting more than 1 in 4 people sometime during their lives; at any point in time, about 10 percent of all adult populations suffer from these disorders. They are also universal, affecting people of all countries and societies, individuals of all ages, women and men, rich and poor, from urban and rural environments. They have a significant economic impact on societies as well as on the quality of life of individuals and families. In 1990, it was estimated that mental and neurological disorders accounted for 10 percent of the total Disability-Adjusted Life Years (DALYs) lost worldwide due to all disease and injuries; by 2000, the figure had risen to 12 percent. And by 2020, it is projected that the burden will have increased to 15 percent and that depression alone will become the second-largest cause of disability around the globe. In particular, alcohol use also is a major cause of disease burden, especially for adult men.

In developing countries, the problem of mental and behavioural disorders is further complicated by the fact that emotional and psychological problems often present in the form of physical symptoms, which can result in misdiagnosis, mismanagement, waste of already meagre resources, and lack of satisfaction for both care seekers and caregivers. Thus, only a small minority of the 450 million people in the world suffering from a mental or behavioural disorder receives treatment. In addition to the sufferers, families also bear the negative impact of stigma and discrimination.

Common Mental Disorders and their Disease Burden

Mental and behavioural disorders present a quite varied picture. Some are mild, while others are severe. Some last just a few weeks; others may last a lifetime. Some are not discernible except by detailed scrutiny by experienced professionals, while others are impossible to hide even from a casual observer. This section focuses on common disorders that place a heavy burden on communities and that are generally regarded with a high level of concern. These include depressive disorders, substance and alcohol abuse, schizophrenia, epilepsy, mental retardation, Alzheimer's disease and disorders of childhood and adolescence.

The inclusion of epilepsy needs some explanation: Epilepsy is a neurological disorder; however, it was historically seen as a mental disorder and is still considered this way in many societies. Like those with mental disorders, people with epilepsy suffer stigma and severe disability if left untreated. The management of epilepsy is often the responsibility of mental health professionals because of the high prevalence of this disorder and the

relative scarcity of specialist neurological services, especially in developing countries.

Like physical disorders, mental disorders can appear together, such as anxiety and depression; individuals with substance use disorders often also have emotional disorders. Likewise, mental and physical disorders often appear together, which complicates treatment.

Determinants of Mental and Behavioural Disorders

A variety of factors determine the prevalence, onset and course of mental and behavioural disorders. These include social and economic factors, demographic factors such as sex and age, serious threats such as conflicts and disasters, the presence of major physical diseases, and the family environment.

Poverty

Poverty and the associated conditions of unemployment, low educational level, deprivation and homelessness are not only widespread in poor countries, but also affect a sizable minority of rich countries. Data from international studies have shown that common mental disorders are about twice as frequent among the poor as among the rich (Patel et al. 1999). Evidence also exists that the duration or course of disorders is determined by the socioeconomic status of the individual (Kessler et al. 1994; Saraceno & Barbui 1997). Mental disorders and poor economic status adversely affect each other and, therefore, the prognosis for mental disorders is better in people who have better resources.

Gender

The overall prevalence of mental disorders does not seem different between men and women. Anxiety and depressive disorders are, however, more common among women, while substance abuse and anti-social personality disorders are common among men (Gold 1998). Many reasons for the higher prevalence of depressive and anxiety disorders among women have been proposed, including genetic and biological factors.

Age

Overall, the prevalence of some disorders tends to rise with age; predominant among them is depression. Some disorders are age-specific, such as Alzheimer's disease.

Conflicts and Disasters

Conflicts and disasters, both manmade and natural, cause immense suffering to humankind and can cause mental disorders. The most frequent problems associated with severe catastrophes are post-traumatic stress

disorders (PTSD), which have a prevalence of 0.37 percent, according to GBD 2000

Major Physical Disorders

The presence of major physical diseases affects the mental health of individuals as well as of families. Most of the serious disabling or life-threatening diseases, including cancer, have this impact. The case of HIV/AIDS is a particularly stark reminder of the close association between physical and mental disorders: HIV is spreading rapidly in many parts of the world, with as much as one-third of populations in some countries affected, and the mental health consequences of this epidemic are substantial. Many individuals suffer psychological consequences because of infection. The effects of intense stigma and discrimination against people with HIV/AIDS also play a major role in psychological distress. In addition, family members suffer the consequences of stigma and, later, of the premature deaths of their infected loved ones.

Family and Environmental Factors

Mental disorders are firmly rooted in the social environment of the individual. A variety of social factors influence the onset, course and outcome of these disorders. All people go through a series of significant events in life, minor as well as major. These may be desirable (such as promotion at work) or undesirable (bereavement or business failure). It has been observed that there often is an accumulation of life events immediately before the onset of mental disorders (Brown et al. 1972; Leff et al. 1987).

Situation Analysis And Scope Of Community Mental Health Development In Bhutan

Prevalence of Mental Disorders in Bhutan

Data from Health Facilities

Many of us like to believe that Bhutan is the last Shangri-la and that there are not many patients with mental disorders here. This may be both true and false. The truth is that indications from various sources point out that there may be less mental disorders in Bhutan than other countries. However, this does not mean that there are no mentally ill people in the country. So far, very little reliable data is available on mental disorders here, in large part because, until very recently, health workers did not easily detect mental disorders due to lack of knowledge and experience. Since a national mental health programme started in 1997, including training health workers on the management of mental disorders, the number of cases identified has steadily increased. For example, the number of mental

disorder cases reported by hospitals has risen significantly (Annual Health Bulletins, 1993-2002).

More than 1,500 patients with mental disorders attended the psychiatric clinic in Jigme Dorji Wangchuck National Referral Hospital in Thimphu in the past four and half years, among whom 590 (40 percent) had depression and 459 (31 percent) had anxiety and stress-related disorders. Epilepsy, at 116 (8 percent), and alcoholism, at 111 (7 percent), are other common disorders. Psychoses (96, or 6 percent) are relatively rare when compared to depression and anxiety. Many people associate mental disorders specifically with “madness” or psychosis ; however, this data shows that the vast majority of the patients who attend the psychiatric clinic suffer from depression and anxiety disorders. Men and women are represented in equal proportion in all disorders except depression and anxiety where females predominate; males predominate in alcoholism and substance abuse (see Figure 3). All age groups are represented, but depressed patients are mostly adult.

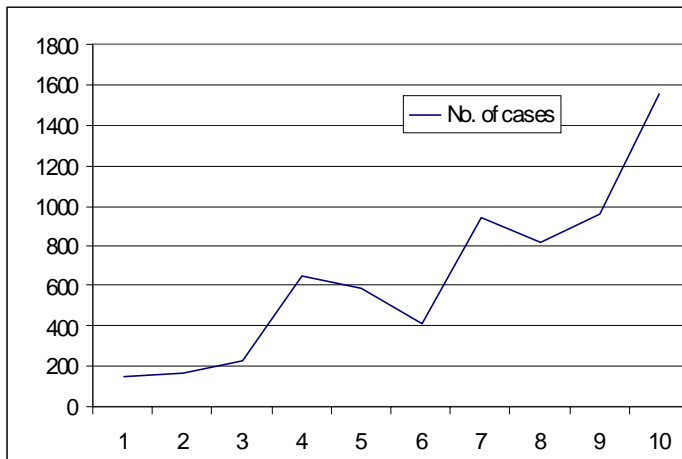


Figure 1: Increasing trend in the number of cases of mental disorders reported by health facilities in Bhutan, 1993-2002

Almost 20 percent of the patients seen from July 1999 to September 2001 were younger than age 20. A closer look at their illness pattern (see Figure 4) revealed that the majority of them suffered from stress-related and anxiety disorders (34 cases). The increasing competition to achieve better academic results in the face of limited seats for higher studies, or for job opportunities due to the increasing number of students graduating from school each year, appear to be the main reasons for the increase in anxiety and stress-related disorders among youth. Epilepsy (23 cases) and depression (22 cases) are other common problems. Together, these three

groups of disorders account for about 82 percent of disorders seen in children and adolescents. Substance abuse, psychosis, mental retardation and bipolar mood disorders together constitute the remaining 18 percent in this age group.

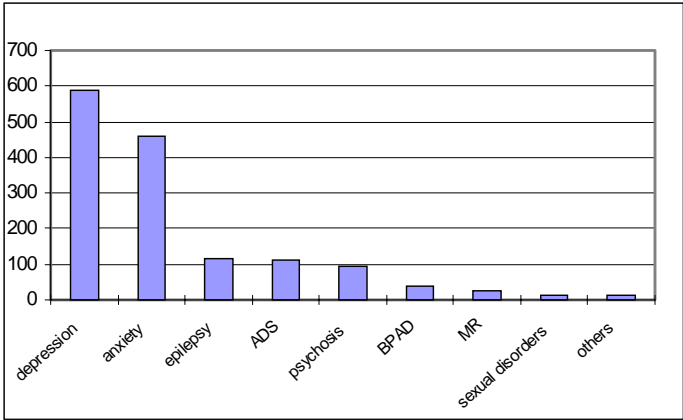


Figure 2: *Number of patients with mental disorders seen at the psychiatry outpatient department in JDWNRH*

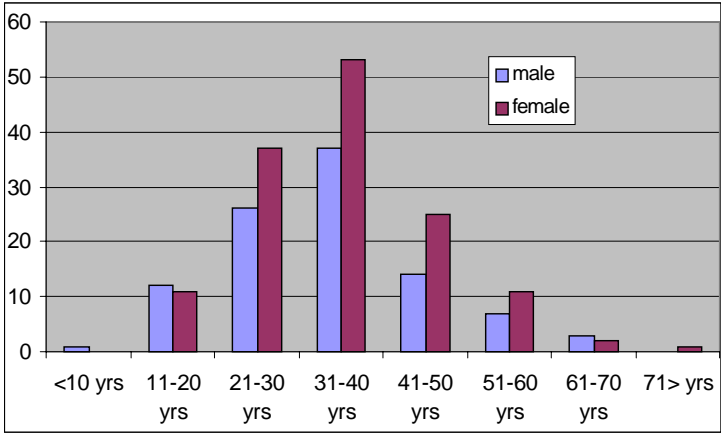


Figure 3: *Age and sex of patients with depression in the psychiatric outpatient department in JDWNRH, July 1999-September 2001 (n= 325)*

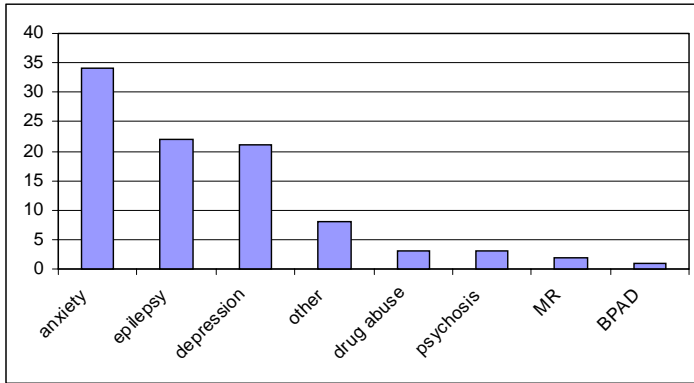


Figure 4: Type of mental disorders in patients younger than age 20 in the psychiatric outpatient department in JDWNRH, July 1999-September 2001 (n=94).

A WHO psychiatrist Dr. R. S. Murthy, who visited Bhutan in 1987 and 1999 observed a steady increase in the number of neuropsychiatric disorders reported over the decade. Dr. Murthy also observed a high number of “headache cases” reported by health facilities (headache was reported as a disease category by both hospitals and BHUs until 2001) and argued that these cases may have represented stress-related anxiety and emotional disorder cases. Table 2 shows that, until 2002, both hospitals and BHUs reported many cases of headache, which ranked between fourth and seventh among the most common disorders treated in our health facilities. It would be interesting to find out where the 83,000 cases of headaches reported by hospitals and BHUs in 2001 have gone. Are the headache cases now being reported as musculo-skeletal aches and pains, or in another category? What percentage of these cases had a primary mental disorder such as anxiety or depression?

Table 2: Number of “headache cases” reported by health facilities, 1998-2001

Year	Hospital			Basic Health Unit		
	Number of cases	Percentage	Ranking	Number of cases	Percentage	Ranking
1998	26039	4.91	4 th	33262	6.34	6 th
1999	22679	4.64	7 th	51698	9.24	4 th
2000	24538	4.81	6 th	58122	10.21	3 rd
2001	25302	5.07	7 th	58329	9.46	4 th
2002	-----	----	--	-----	-----	--

Data from Community Studies in Bhutan

A pilot study in 2002 in 19 geogs of three districts (Paro, Bumthang, Trashigang), covering a population of about 45,000, examined the prevalence of mental disorders and attitudes and practices regarding their treatment. It found 273 confirmed cases of mental disorders in that population, for a prevalence rate of less than 1 percent (see Figure 5). However, we have to be cautious in interpreting this result, because this population may not be representative for the whole country, and because the sample size is small. But the study did point out that all types of severe mental disorders – schizophrenia, depression, suicide, alcohol and substance abuse, epilepsy and mental retardation – are prevalent in the country. Of the 273 confirmed cases, Alcohol Dependence Syndrome (ADS), with 83 cases, is the most common problem, followed by epilepsy, 69 cases; depression, 49 cases; mental retardation (MR), 39 cases; psychosis, 17 cases; and suicide, 16* cases.. In terms of percentages, Alcohol Dependence Syndrome constituted 30 percent; epilepsy, 25 percent; depression, 18 percent; MR, 14 percent; psychosis, 6 percent; and suicide, 6 percent.

Number of Suicides Over the Past Five Years

This community study revealed that the proportion of cases seen in hospitals does not actually reflect the situation in the community. For example, a greater proportion of alcohol-dependent and epilepsy patients exist in the community, while the proportion of patients who seek help are more among those who suffer from depression and anxiety. Treatment-seeking behaviour can be influenced by many factors, including an individual's awareness and perception of health problems, attitude and accessibility to services and availability of services.

Prevalence of Substance Abuse in Bhutan

When we talk of substance abuse, many people tend to think in terms of only illicit drugs such as heroin or cocaine. However, it is important to know that the so-called “legal” drugs, such as alcohol, tobacco and *doma* (areca nut, betel leaf and lime), are more commonly used and are, therefore, responsible for the majority of the drug-related health and psychosocial problems here.

Alcohol

Alcohol represents a serious public health problem, being a common if not essential ingredient in all social events in Bhutan. No social or religious taboo against drinking exists. Alcohol is produced domestically, in most Bhutanese houses, as well as in three commercial distilleries. Alcohol dependence accounts for nearly one-third of all mental disorders (Mental Health Survey 2002). Even among survey respondents not identified as

having mental disorders, 13 percent of them drank daily. Average alcohol consumption is quite high, more than the limits set as safe for drinking.

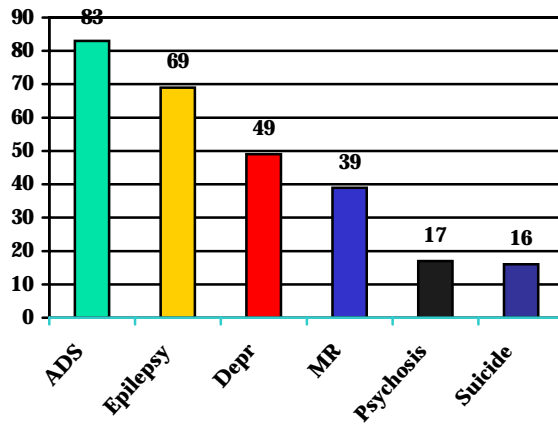


Figure 5: Number of patients with mental disorders (n=273) detected during community survey in three districts (Paro, Bumthang and Trashigang; total study population, 45,000)

Alcohol is now the No. 1 killer of young and middle-aged men in Bhutan. Reports on deaths from hospitals and BHUs across the country show that alcohol ranks between second and sixth among all causes of hospital deaths (see Table 3). Traffic police report that drunk driving is the most common cause of motor vehicle and traffic accidents in the country and, therefore, alcohol is the No. 1 killer on the roads as well. An analysis of deaths in the medical wards in JDWNRH during 2001, 2002 and 2003 found that, out of a total of 369 deaths in three years, 114 were due to alcohol-related causes, accounting for 30 percent of all deaths (see Table 4). Even so, this high figure excludes people who die in other wards, such as in the emergency department or surgical wards, due to alcohol-related traumas because of accidents, mainly in motor vehicles. Bhutanese women are not far behind men in this tragedy. For every two men, one woman is also dying in her prime due to alcohol.

Table 3: Number of alcohol-related deaths per year reported by health facilities (Ranking is based upon the highest number of deaths attributed to or caused by specific disease)

Year	Hospital		Basic Health Unit	
	No. of deaths due to alcohol	Ranking	No. of deaths due to alcohol	Ranking
2000	61	5 th	75	2 nd
2001	37	6 th	43	4 th
2002	--	--	88	4 th

Table 4: Number of deaths due to alcohol per year in different age groups in the medical ward of JDWNRH, 2001-2003

	<20 years	20-29 years	30-39 years	40-49 years	50-59 years	60-69 years	70 > years	Total
2001	0	4	5	17	7	2	2	37
2002	0	0	8	11	8	6	1	34
2003	1	4	6	12	15	3	2	43
Total	1	8	19	40	30	11	5	114

Drugs

Substance abuse among Bhutanese adolescents is reportedly increasing year by year, although no reliable data are available. Nonetheless, information gathered from police, teachers and health workers across the country indicates that substance abuse is prevalent everywhere, including even Gasa, which is not yet accessible to motor vehicles. An informal study also showed that most drug abusers are males younger than age 25 and that the substances abused are mainly pharmaceuticals. This study indicated that drug abusers are found mainly in the two urban cities of Thimphu and Phuentsholing and that multiple drugs are abused, including sedatives, cough mixtures, painkiller injections. Inhalation of solvents such as glue, correction fluid and petrol is by far the most common form of abuse, initiated as young as age 10. Cannabis smoking also is common because of the easy accessibility and ubiquitous presence of the plant in Bhutan

Drug-related deaths, mainly due to overdose, also have been sporadically reported in recent years. Twenty-five adolescents who developed severe complications of drug abuse or withdrawal symptoms sought help in the psychiatric clinic in JDWNRH during the past four and half years. Until now, heroin, cocaine or psychedelic drugs are not reported in use in Bhutan.

The main sources of the common pharmaceutical drugs abused in Bhutan are pharmacy shops in border towns in India. A few pharmacy shops within the country were reportedly selling some of these drugs without prescriptions in the past. With the improvement of drug regulations, licensing of the pharmacy shops, and the enactment of the Medicinal Act 2003, it is expected that the sale of these prescription drugs over the counter will virtually cease. However, there are still reports of drug carriers and peddlers being caught.

The time is right for us to formulate and implement a comprehensive programme to deal with our drug problems in Bhutan. Like other mental disorders, drug abuse is a complex interaction of biological, psychological and social problems. While the role of health workers, teachers, police and family members is important, they alone will not be able to solve the problem. It requires the collective and concerted effort of all agencies, including drug regulation authorities and legislation, and welfare and social

services departments. Fortunately for us, our problem is still small and can be effectively managed if we act decisively now.

Learning from the Tobacco Eradication Campaign in Bhutan

A countrywide campaign and programme to eliminate the use of tobacco-based substances has resulted in a ban on the sale and use of tobacco products in public places in all districts except Thimphu. Efforts also are being made to include Thimphu in this campaign. If that is achieved, Bhutan will become the first country in the world to be declared tobacco-free, a remarkable achievement. Even so, the Mental Health Survey 2002 showed that 20 percent of the respondents used some form of tobacco, mainly in the form of chewing tobacco. Although the more visible form of smoking has decreased significantly, chewing and sniffing seem to persist.

The success of the Bhutanese tobacco-free initiative stems from two facts: First, tobacco is not indigenously grown or processed, and all tobacco products are imported. The other significant factor is the religious taboo against using any form of tobacco, which holds that according to Buddhist tradition, tobacco is sinful.

A significant lesson from this initiative is that it may be possible to use the same strategy to control the increasing drug problems in the country, since the traditional factors noted above also apply to substance abuse. However, the issue of alcohol control is completely different – and therefore will pose an enormous challenge.

Community Mental Health Programme Development in Bhutan

In many countries during the second half of the 20th Century, a shift in mental health care from that of custodial/institutional care to community-based care became possible because of the greater availability of effective psychotropic drugs, which made it possible for most patients to remain in their own homes; the growth of human rights movements and democratic processes in treatment decisions and the growing realisation of the need and contribution of the family to the treatment and rehabilitation of patients. The following are the characteristics of providing care in the community:

- Services that are close to home, including general hospital care for acute admissions and long-term residential facilities in the community;

- Interventions related to disabilities as well as symptoms;

- Treatment and care specific to the diagnosis and needs of each individual;

- A wide range of services that address the needs of people with mental and behavioural disorders;

- Services coordinated between mental health professionals and community agencies;

- Ambulatory rather than static services, including those that can offer home treatment;

Partnership with caregivers and meeting their needs and
Legislation to support the above aspects of care.

With proper budgetary planning and allocation of resources, introducing an effective mental health programme into primary health care (PHC) can reduce overall health costs. The key concepts of PHC such as accessibility, availability, acceptability, affordability and community participation are especially relevant to the care of mentally ill persons, as services need to be provided to them in an integrated manner, often over prolonged periods. Mental health care, unlike other areas of health, does not generally demand costly technology; rather, it requires the sensitive deployment of personnel who are properly trained in the use of relatively inexpensive drugs and psychological support skills on an outpatient basis (WHO 1999). Studies carried out in different countries have shown that around 10 to 20 percent of patients who are already seeking help at the primary health level have psychiatric problems. Therefore, the effectiveness of PHC and patient satisfaction can be markedly improved by applying appropriate interventions.

In addition to the treatment of mental disorders, mental health principles and skills can improve the health delivery system and thus reduce the ever-increasing threat of dehumanisation of modern medicine. Proper mental health inputs in general health programmes like immunisation, nutrition and maternal and child health services, as well as in education and welfare, can enhance the acceptance of these health and welfare programmes.

For centuries, Bhutan had remained an independent and isolated country, embarking on modern development only in the 1960s. The First Five-Year Plan of development began in 1961, with an emphasis on road building and infrastructure development. Subsequent Plans included development of modern education, health, agriculture and livestock. Four decades of planned development have resulted in rapid progress and improved the health and quality of the life of Bhutanese. It is striking to note that between 1984 and 2000, infant mortality decreased from 142 to 60.5, maternal mortality decreased from 7.7 to 3.8, the crude death rate decreased from 13.4 to 8.6, and life expectancy increased from 48 to 66 years. Bhutan also has achieved one of the highest GDP per-capita incomes in South Asia within this short span of development.

Even so, such a rapid pace of development and progress, with however cautious an approach, is not without its consequences. The Bhutanese people, who have hitherto enjoyed a very simple and contented way of life, tempered by its cultural and religious beliefs, are now being suddenly exposed to the realities of the modern world. There are already signs of change in the dress code among our younger generation due to the influence of TV, which was introduced to the country only in 1999. Mobile

phones, introduced just in November 2003, also are becoming a common commodity.

The risks of rapid development eroding or undermining the closely knit family bonds and social cohesion of Bhutanese society – and ultimately, GNH – is high, which may lead to an upsurge in mental and behavioural disorders. Therefore, the mental health needs of the people are becoming increasingly essential in the health planning of Bhutan. The disparity between total needs and the currently very limited mental health infrastructure requires using and improving the resources already available. Because Bhutan has a fairly well developed primary health care system, a community-based mental health programme is highly likely to succeed. The country implemented its first such programme in 1997, during the Eighth Five-Year Plan (see inset below).

Various strategies were adopted, including integrating mental health care services into existing general care services. The first priority was to identify specific activities to be carried out by different levels of health care facilities, such as hospitals and BHUs. Accordingly, training programmes for different levels of health workers were developed and implemented. At the same time, advocacy and public awareness programmes were launched to sensitise Government leaders and the public. Essential psychotropic drugs were included in the essential drugs programme and supplied to health facilities.

Now, a core mental health team comprised of one trained national psychiatrist and three psychiatric nurses exists in the country. A psychiatric clinic, psychiatry ward and day care centre have been established in JDWNRH. Several batches of district medical officers have participated in basic psychiatric skills training; they now provide basic psychiatric services in the district hospitals. Many nurses have participated in the training and orientation course on mental health. A manual on mental health care for health workers, along with mental health education materials for the public, has been published. The teaching curricula of Royal Institute of Health Sciences students in the subjects of psycho-sociology and mental disorders have been updated, and a two-week clinical attachment course in the psychiatric department for trainees has begun. The essential drugs list was revised to include psychiatric drugs at the level of district hospitals and BHUs. Topics on common mental disorders have been included in the Standard Treatment Manual for health workers. Common mental disorders are included in the general health information reporting system. Lastly, collaborative work on mental health issues with the education, welfare and law enforcement sectors has begun.

At the community level, among other activities, a pilot study on community knowledge, attitude and practices on mental health was conducted. For the first time in the history of modern medicine in Bhutan, representatives from traditional healers (*Drungtshos*) and religious leaders

were included in the survey, in planning, focus-group discussions, and the actual field survey. This experience of modern and traditional health practitioners working together gave important additional understanding of each other's perspectives on mental health, and how to work more closely in the future. The survey also proved to be valuable hands-on training for the health workers, who hitherto did not have much experience in detecting mental disorders. The survey process likewise sensitised the community on mental illnesses. Therefore, it was a learning experience for both surveyors and community representatives. This method of consultation with community leaders also indicated that they could be trained to identify mental disorders in the community. Because of the survey, many new patients are receiving treatment, again underscoring the linkages with GNH.

Finding Common Ground: Modern And Traditional Mental Health Services Work Together

Bhutan has a long history of Buddhism and indigenous medical practice, which are deeply rooted in our culture and traditions. Even today, religious and traditional systems of medicine command great respect and faith among Bhutanese. Many of our senior citizens and non-Western-educated individuals prefer to seek treatment from traditional practitioners due to their shared knowledge and beliefs. A closer look at indigenous psychiatry practice reveals that many of the psychiatric disease entities and methods of treatment have a close resemblance to modern psychiatric syndromes and disorders.

Mental disorders from the traditional perspective

Traditionally, mental disorders are said to be caused when the *rlung*, translated as "wind" or "life-wind" of the *snying*, or heart, gets disturbed by various forces such as worry, overwork, strain, sorrow, anger, sudden shock or fear. These manifest psychologically in the early stages as over sensitivity, anxiety and emotional instability. According to the traditional system of medicine, there are five causes of insanity, which may work alone or in conjunction with one another. They are:

Karma: Karmic mental disease implies a specific link with destiny (predisposition), a ripening of the seeds sown by former actions. For such karmic disease, there is no medicine except Dharma (religion); nothing else is effective in counteracting negative karma. This is true for psychosomatic as well as psychiatric disorders.

Grief-worry: This psychological basis of insanity is the same as the basis for enlightenment, depending on attachment to material things, greed and anger. It also depends upon whether it is accepted and worked with as the key to liberation; if it is not, it becomes a subconscious cause of denial, repression and mental illness. A combination of somatic medicines, herbal mixture, moxibustion, and the practice of the Dharma is used.

Physical (humoral) imbalances: When the humors function normally, they support the health of mind and body. When they function incorrectly, they cause disease. Excess psychological and emotional qualities associated with each humor aggravate the mental condition.

Air or lung: Mental and emotional strain causes the winds or airs to increase. Thinking and concentrating on something too much, worrying about unfinished projects and unattainable goals, grieving over family troubles, and becoming upset over lost articles – all are said to disturb the wind and thus the mind. Generally, it is said disease of wind stem from over-engaging in desire, lust and attachment. Beside excitability and sadness, other symptoms are that the person will speak whatever comes to mind, will not remember what is said and will be unable to concentrate or finish anything. He may cry all the time and become abruptly angry without reason. He is restless, anxious and tense. Treatment methods include restoring nutrition, providing a pleasant and bright environment, allowing sexual relationships, talking to the patient “sweetly,” and breathing exercises. Other treatment methods are moxibustion, massage therapy and herbal incense burning.

Bile: Psychiatric disturbances caused by bile render a person mad in a violent and rough manner, the humor bile being an outcome of aversive-anger. Anger and hatred therefore promote the overproduction of bile. The patient speaks harshly and is abusive to other people. He is disruptive and breaks things indiscriminately, and may injure or even kill other beings. He is constantly angry, dwells on past annoyances, and is high-strung. Treatment methods include physical restraint, a cool and quiet environment, and “cold foods.”

Phlegm: Confusion, ignorance and sloth promote the production of phlegm. The person who becomes mad because of excess of the humor phlegm displays a pathologically phlegmatic nature. He is completely withdrawn, silent, inactive and sullen. Such as person refuses to eat and tends to roll his eyes upwards and to have dizzy spells. In addition to being silent, he is especially closed-minded. Treatment methods include affectionate treatment to encourage him to socialize, exercise, massage, herbal medicines, and hot medicine bath.

The modes of mental disorders associated with the three humoral types can be said to correspond generally with modern classification of known psychiatric disorders; madness cause by phlegm corresponds to catatonic types of schizophrenia, violent types resemble paranoid schizophrenia, and wind types resemble bipolar mood disorders.

Poisons: Toxins are held to be a direct cause of insanity. In such cases, the mind becomes completely confused, strength wanes and the radiance of good health disappears, especially in the face. The mental confusion of psychiatric disturbances caused by poison is called “deep illusion”. The victim does not know at all where his mind is going or he may alternate

between normal lucidity and completely illusionary thinking and unawareness. Poison may be a specific toxin, the poisonous combination of otherwise non-toxic foods and beverages, or a build-up of toxic substances in the body. Herbal and animal medicines are used to treat these cases. Modern mental disorders such as those caused by alcohol, substance abuse, and organ failure of the kidney or liver closely resemble these symptoms.

“Demons” or “evil spirits”: These cause insanity by taking over the action of body, speech and mind. This negative energy penetrates the conscious psyche of an individual because the person is psychologically weak and has no resistance. The “ghost” or “demon” may be the sole cause of the insanity or may be present along with humoral or poisonous causes. The symptoms of the presence of a “ghost” in psychiatric disturbances are that the person’s behaviour changes abruptly and he acts very differently than before. How he acts depends upon the type of “ghost” affecting him. Treatment is elaborate, with many tantric “anti-ghost” rituals and religious medicines, or herbal treatment. The modern classification of disorders such as acute psychotic episodes, “possession” state, multiple personalities, dissociative conversion disorders also present in a similar fashion.

In traditional medicine, the importance of community and family as sources of care cannot be overstressed. Traditional/indigenous practitioners can validate patients’ concerns because of shared beliefs, such as those in spirits, ghosts, demons and gods as the cause of illnesses. At the same time, they can offer enormous assistance and support to people needing to accept stress or change in relationships, environment/seasons, or the aging process. Traditional/indigenous practitioners also are usually wise elders and know how to listen and talk to people. As counsellors, they may give valuable advice, make useful comments or give explanations. This can reduce or take away people’s guilt, worries and other painful feelings. A particular contribution can be made to the individual’s understanding of death and dying, as well as dealing with pain and bereavement.

Because traditional/indigenous healers usually live in the same community, they are easily accessible. Indigenous medicines are made from natural herbs and plants, which are locally available and do not cause serious side effects; generally, these medicines are quite affordable since they are locally processed with the help of traditional equipment and raw materials. Finally, the system of diagnosis through such methods as checking pulse and urine or consulting astrology books is more reassuring to patients who normally would be highly reluctant to discuss physical or emotional problems with a modern doctor.

Limitations of Modern Health Care in the Bhutanese Context

While modern health care is highly effective in treating many different types of disorders, it has limitations, especially in illnesses and syndromes caused by psychosocial problems. In the context of mental health, much

depends upon how people perceive their problems and seek remedies for them. For example, modern health care may not be effective in treating those who complain of chronic headaches or body aches and pains. This is because chronic stressors in the patient's environment or their own emotional adjustment problems frequently cause such pains. Across the developing world, it has been well established that most patients prefer to present physical symptoms to doctors rather than express their social or emotional problems. In addition, although modern prescription drugs can be quite potent for many disorders, some may cause serious side effects if used for lengthy periods. Hence, indigenous medicines, which have not only fewer side effects but also are culturally acceptable and easily accessible, may play an important role.

As noted above, modern health care is not widely understood or accepted by much of the Bhutanese population, for a number of reasons: Firstly, modern health care is relatively new to the country, having been introduced only 40 years ago; thus, adequate popular knowledge about the health care system is lacking. Moreover, lack of modern education for a large proportion of the population compounds this wariness. For example, patients often complain that they have to give their own "diagnosis" to modern doctors because they must relate all their symptoms. This misunderstanding is not surprising, given that most Bhutanese have very simplistic ideas about diseases, syndromes, signs and symptoms and tend to confuse these concepts. Local dialects also have few terms to describe modern disorders, making effective communication difficult.

The other major problem is the perception by many patients that modern doctors do not understand that illness can be caused not only by biological disturbances but also by possession by spirits, ghosts and demons, as well as the wrath of gods. A popular local saying is that "medical treatment should go hand in hand with performing the religious rites and rituals" to achieve a cure. That this belief occupies a very important place in the culture is amply demonstrated by the fact that many patients request early discharges from hospital wards so they can go home and perform religious ceremonies with a lama/monk.

Prospects for Integrating the Two Systems

Because mental health and religion share many commonalities and goals, this area needs full utilisation to both balance the needs of the people and root the Community-Based Mental Health programme in the culture of the country. A project to formally integrate traditional medical practices and modern mental health care will be implemented; among other things, this project will emphasise the teaching of the Dharma and use of traditional practices such as meditation and yoga, which have both protective and promotional aspects for mental health.

The programme will identify the strengths in the religious and traditional systems of medicine and make it part of the training of all categories of personnel and as part of public mental health education. All these require close cooperation and active participation of the religious and traditional healers in the country. Particular areas of cooperation between the modern health workers and the religious and traditional systems of medicine can be in the management of chronic pain syndromes and in hospice care.

The radical cure of many diseases is not possible even in the most advanced countries, with the most sophisticated technologies and medication. Most treatment regimens today adopt a preventive or control method in the progression of disease and disabilities. In the final analysis, a patient's perception and a feeling of satisfaction with treatment overrides any radical cure or success with treatment. For example, treatment of advanced terminal cancer requires a humane approach through love, caring, understanding and compassion rather than radical chemotherapy, surgery or radiotherapy. Unfortunately, many of us in the health profession lack these basic skills to heal and nurture human fear, pain and worries.

Traditional and modern medicine can complement each other; they do not need to compete. Sometimes one gives better results than the other; sometimes results are the same. Many people feel much better knowing that nothing is ignored in trying to make them well again. Bhutan has a unique opportunity to constructively harness a symbiotic working relationship between indigenous/religious practitioners and modern health care workers to provide culturally acceptable care to the largest number of people, and in so doing, to maximise GNH.

Remaining Challenges In Mental Health Care In Bhutan

Bhutan is arguably one of the fastest developing nations in the world, having emerged from a medieval society and economy to a modern nation in the short period of 40 years. Numerous challenges remain for mental health needs, requiring further positive steps in development.

Funding

The ninth FYP (2002-2007) has identified mental health programme development as one of the priority areas of the Ministry of Health. However, to translate this policy into reality, much remains to be done, among which mobilising resources and funding are essential components. No separate budget is allocated to the mental health programme, and lack of a separate budget is a serious constraint to further development. However, WHO and DANIDA are providing financial and technical assistance to the programme.

Shortage of Trained Mental Health Professionals

Despite the formation of a core mental health team at the National Referral Hospital, a significant human resource gap still exists. Some medical officers and staff nurses are to be sent for short courses and training outside the country as soon as possible. After their training, they will run the mental health activities in the Regional Referral Hospitals until fully qualified mental health teams are available there as well. Expatriate mental health workers may be recruited to work in the country until sufficient national workers have been trained. A dearth of education materials exists for trainees of the RIHS and for public education.

Infrastructure

The successful implementation of community-based mental health care services will entail that more severe disorders and disabled cases will be identified, and referred, as well. Therefore, an effective referral systems needs to be in place for the successful implementation of the programme. Patients who require sophisticated diagnostic assessment, intensive care, multi-disciplinary treatment and rehabilitation also will require fully equipped referral hospitals with trained mental health professionals. A 10-bed psychiatry ward and a day care centre have been newly established in JDWNRH. These facilities will be able to provide specialist treatment of psychiatric cases referred from the districts, as well as providing training to health workers. The day care centre will facilitate education of patients and their families, provide support and rehabilitation to chronic mental patients, and organise individual and group therapy sessions and crisis management such as through use of telephone hotlines and other methods of communication. The formation of patient support groups such as for alcohol abstinence, for anxiety and depressed patients, and for families of psychotic patients, will be encouraged and supported. However, the facilities need to be strengthened both technically and logistically to be able to provide quality care and training. An efficient and mobile monitoring team is required if the programme is to make much progress in the field.

At the same time, the growth of the overall health infrastructure, while bringing basic health care closer to the people, also will bring forth two issues – namely, with more training of health workers and mental health campaigns in the community, the number of reported cases of mental disorders and substance abuse will increase significantly. In addition, wider coverage and increased accessibility to health care will eventually facilitate more people to seek help. More people with disabilities, psychological or otherwise, will survive due to improvements in care and will increase the burden to provide care.

Social Change

Development and social change affect mental health in a number of ways. It is well known that urbanisation, homelessness, unemployment, loss of social cohesion, forced idleness, changes in eating and exercise habits and the abuse of drugs like alcohol and tobacco make greater demands on the health of individuals. In the face of changing situations, it is necessary to recognise the behavioural components of development and build in safeguards.

Lack of Awareness on Mental Health

A lack of awareness about mental disorders and their causes and treatment methods persists in the community; also confusion is found among the general population regarding both modern and traditional practices. This knowledge gap may account for the high prevalence of myths, misconceptions and stigma for mental disorders and contributes to the delay or lack seeking treatment from health workers. According to the Mental Health Survey 2002, only frank psychosis is fully recognised as a form of mental disorder, while subtle symptoms of depression, anxiety and suicidal thoughts are not. The belief that epilepsy is contagious keeps many people from coming in close contact with epileptic patients, thereby depriving patients of help when it is most necessary. Alcoholism is not considered a public health concern, although it is very common and causes enormous problems to the individual as well as the family.

Need for Mental Health Legislation

People with mental disorders are often exposed to the criminal justice system. In general, there is an over-representation of people with mental disorders and vulnerable groups in prisons, in a number of cases because of lack of services, because their behaviour is seen as disorderly and because of other factors such as drug-related crime and driving under the influence of alcohol. Policies must be put in place to prevent the inappropriate imprisonment of the mentally ill and to facilitate their referral or transfer to a treatment centre instead. Furthermore, treatment and care for mental and behavioural disorders should be routinely available within prisons, even when imprisonment is appropriate. Policies concerning the confinement of vulnerable groups also need to be examined in relation to the increased risk of suicide, and there needs to be training strategy to improve the knowledge and skills of staff in the criminal justice system to enable them to manage mental and behavioural disorders.

At the same time, no explicit mental health act or legislation exists in the country. This has advantages in terms of decreasing stigma and providing flexible approaches to care. However, absence of an act also deprives of essential care patients who, for reasons of their mental disorders, do not agree to voluntary treatment. Mental health-related

legislation today includes the Narcotic Drugs and Psychotropic Substances Notification 1988 issued by the Home Ministry; a Narcotic Drugs and Psychotropic Drugs Act is being drafted. In 2003, the National Assembly enacted the Medicines Act, which, however, covers only pharmaceutical drugs used in the treatment of patients.

Now our priorities are to develop infrastructure and train service providers to be able to give the basic minimum mental health care and services to all our people at the community level. After achieving these, enforcement of legislation will ensure that not only are services utilised, but also that every needy Bhutanese will have access to basic minimum treatment, guaranteeing their basic human requirements. This process will ensure that we are one more step closer to fulfilling our goal of GNH.

Unemployment

In the next five years, about 50,000 young people will enter the job market in Bhutan. Not only is there a need to create more jobs, but job seekers also need to reorient their mindsets and acquire the necessary skills to take up available jobs. Labour force surveys in the country point out that many educated individuals prefer “white-collar” to “blue-collar” jobs. But because the scope of “white-collar” jobs is very limited in Bhutan, the majority of employment opportunities will be in service-related and construction industries, so many of these young people may remain without employment. Unemployment and poverty are closely associated with an increased incidence of mental disorders due to adverse life situations or stressors.

Increasing Education

Education has two mental health implications: firstly, and most specifically, increased education can help to identify mentally retarded children, since the education system is usually key in this regard. This would mean a growing gradual demand and development of services for these children. The second impact of education is a better understanding of human behaviour and a greater desire to find personal solutions to day-to-day problems, resulting in a greater demand for mental health services. Many Bhutanese who have had the opportunity to live in and enjoy the best health care services in the industrialised world already expect similar services in Bhutan.

Increasing Life span of Population

As the quality of life and health care improves, the life span of the population will increase. Population growth and expansion of the aging population will add to the demand for certain mental health services.

HIV / AIDS

HIV/AIDS infection in a population has a significant implication on mental health. Although the prevalence of HIV infection is currently low in Bhutan, it is steadily increasing. Studies have shown that besides those who practise unsafe sex, intravenous drug users also are high risks for contracting or transmitting HIV. These and other vulnerable groups in Bhutan continue to expand.

The Way Forward To GNH

Although our Community-Based Mental Health programme started less than a decade ago, we have the benefit of learning from the experiences of other countries. We cannot afford to make the same mistakes that others have made, such as keeping all mentally ill patients in institutions, mental hospitals or asylums. Effective medicines that will calm the patient much sooner are available and facilitate the patient's return home. We need to pick the best of all strategies and methods that other countries have used and that will be suitable to our culture and availability of resources. In addition, as already noted, we have a rare chance to integrate traditional and modern medical systems to improve patient satisfaction and cost effectiveness of treatment (see section, "Finding Common Ground"). In so doing, we can have one of the most comprehensive community-based mental health programmes in the developing world, which will contribute significantly to the enhancement of our Gross National Happiness. Other strategies to maximise GNH include:

Involve Communities, Families and Consumers

Communities, families and consumers should be included in the development of and decision-making on policies, programmes and services. This should lead to services being better tailored to people's needs and better used. Interventions should take into account age, sex, and cultural and social conditions to meet the needs of people with mental disorders and their families. In addition, involvement of stakeholders, such as the community, in the care of persons with mental disorders will lead to sharing of responsibilities and the cost of care, thereby helping to sustain and improve the efficacy of treatment.

Promote Intersectoral Collaboration on Mental Health

Because many of the macro-determinants of mental health cut across almost all Government departments, the extent of improvement in mental health of a population is determined, in part, by the policies of each department. In other words, all Government departments are responsible for some of the factors involved in mental and behavioural disorders and should take responsibility for solutions.

Intersectoral collaboration between Government departments is fundamental in order for mental health policies to benefit from mainstream Government programmes. In addition, mental health input is required to ensure that all Government activities and policies contribute to, and do not detract from, mental health. Policies should be analysed for their mental health implications before being implemented, and all Government policies should address the specific needs and issues of persons suffering from mental disorders. The following examples may be useful:

Some economic policies may negatively affect the poor, leading to increased rates of mental disorders and suicide. Many of the economic reforms under way in countries have as a major goal the reduction of poverty. Given the association between poverty and mental health, it might be expected that these reforms would reduce mental problems. However, mental disorders are not only related to absolute poverty levels but also to relative poverty. The mental health imperatives are clear: Inequalities must be reduced as part of strategies to increase absolute levels of income.

A second challenge is the potential adverse consequences of economic reform on employment rates. Any economic policy involving economic restructuring must be evaluated in terms of its potential impact on employment rates. If there are potentially adverse consequences, then these policies should be reconsidered or strategies put in place to minimise the impact. In particular, the work environment should be free from all forms of discrimination and acceptable working conditions have to be defined and mental health services provided, either directly or indirectly, through employee-assisted programmes. Policies should maximise employment opportunities for the population as a whole, and retain people in workforce, particularly because of the association between job loss and the increased risk of mental disorders and suicide. Work should be used as a mechanism to reintegrate persons with mental disorders in to the community. Government policy can provide incentives for employers to employ persons with severe mental disorders and enforce an anti-discrimination policy.

In addition, an important determinant of mental health is education. While current efforts focus on increasing the numbers of children attending school and completing primary school, the main risk for mental health is more likely to result from lack of secondary school education (10-12 years of schooling) (Patel 2001). Strategies for education therefore need to prevent attrition before the completion of secondary school. The relevance of the type of education offered – for example, introduction of life skills into the curriculum – also need to be considered.

Likewise, housing policies can support mental health policy by giving priority to mentally ill people in state housing schemes, providing subsidised housing schemes and, where practical, mandating local authorities to establish a range of housing facilities such as halfway homes and long-stay supported homes. Most importantly, housing legislation must

include provisions to prevent the geographical segregation of mentally ill people.

Lastly, policies for social welfare benefits and services should incorporate a number of strategies. First, the disability resulting from mental illness should be one of the factors taken into account in setting priorities among groups receiving social welfare benefits and services. Second, under some circumstances, social welfare benefits also should be available to families that provide care and support to family members suffering from mental and behavioural disorders. Third, staff in various social services needs to be equipped with the knowledge and skills to recognise and assist people with mental disorders as part of their daily work; in particular, they should be able to evaluate when and how to refer more severe problems to specialised services. And fourth, welfare benefits and services need to be mobilised for groups likely to be adversely affected by the implementation of economic policy.

Promote Mental Health and Raise Public Awareness

Public education should be a priority activity as the concept of modern mental health is new to Bhutan. Education should also include promotion of existing practices that are positive for mental health, such as community care, family support and rituals relating to childbearing, death and crisis situations. All modes of communication should be used so that the maximum number of people can benefit. Two types of education materials, one for the public and the other for patients, should be produced. One strategy to improve the implementation of programme activities would be to organise a “Mental Health Week” every year, coinciding with the observation of World Mental Health Day on 11 October. During this week, focus should be given to mental health activities such as organising health education programmes and training of health workers on mental health subjects.

The goal is to reduce barriers to treatment and care by increasing awareness of the frequency of mental disorders, their treatability, the recovery process and the basic needs of people with mental disorders. Care choices and their benefits should be widely disseminated so that responses from the general population, professionals, media, policy makers and others reflect the best knowledge. Well-planned public awareness and education programmes can reduce stigma and discrimination, increase use of mental health services, and bring mental and physical health care closer to each other.

In addition, a wide range of strategies is available to improve mental health and prevent mental disorders. These strategies also can contribute to the reduction of other problems such as youth delinquency, child abuse, school dropouts and workdays lost to illness. Interventions can target

population groups such as the elderly or children, or particular settings such as child-friendly schools.

Community-based Rehabilitation

It is envisaged that a significant proportion of mentally ill, mentally retarded and substance-dependent individuals will exist in the community who are not identified and treated or rehabilitated. Chronic untreated mental illnesses cause significant disabilities in the individual and a heavy burden to their families and to society. The community-based rehabilitation (CBR) programme of the Health Ministry has been focusing on the physically disabled. The day care centre in the psychiatry department at JDWNRH will be able to provide some support to mental patients residing in Thimphu. However, a comprehensive plan and strategy need to be developed in order to be able to rehabilitate all chronic cases in the community. As far as possible, cases should be identified and rehabilitated within their own communities using available agricultural and rural activities. In urban areas, there will be a need for sheltered workshops as well as rehabilitation facilities for drug detoxification and rehabilitation, child stimulation and rehabilitation for mentally retarded children.

Specific Activities for Different Levels of Health Facilities

Basic Health Units (BHU)

At the BHU level, preventive and promotional activities are identified for future priorities: sensitising the community in the area of psychosocial aspects of health and development programmes; strengthening mental health preventive measures as part of health programmes like nutrition, immunisation, iodised salt use, reproductive health and family planning; crisis intervention through volunteers in the community; and formation of self-help groups of parents with mentally retarded children and chronic mental illness. BHUs also will provide first aid and basic treatment in addition to case detection, referral and follow up of more obvious and severe mental disorders such as psychoses, mental retardation, substance abuse, alcohol dependence and epilepsy.

District and Regional Referral Hospitals

At the district hospitals, in addition to activities conducted at BHUs, detection, diagnosis and treatment of more subtle mental disorders such as depression and anxiety, and training of health workers and VHWs on mental health skills, will be carried out. Regional referral hospitals will have specially trained mental health professionals with separate beds for treatment and rehabilitation.

Psychiatry Department of National Referral Hospital

The psychiatry department of JDWNRH will become the national referral centre and will function as the technical backstopping for district programmes. This centre will be involved in the diagnosis, assessment and treatment of difficult patients referred by regional, district hospitals and BHUs. This centre will have specialised treatment and rehabilitation facilities for the care of children, chronic patients and persons with drug dependence. The national referral hospital will organise teaching of the district medical officers. It will also organise pre-service clinical training of trainee health workers at RIHS.

Specific Responsibilities for Health Workers and Community Leaders, after Appropriate Training

All categories of personnel in health, welfare, education and other sectors of the community have an important role in the mental health programme. The following activities have been identified as priorities for different personnel. Each of these personnel will receive initial and periodic training to undertake the activities.

Health Workers

Health workers will be responsible for recognising and referring persons possibly suffering from different mental disorders, substance abuse and epilepsy; following up on treatment of patients to ensure their regularity and early recognition of side effects; providing community-level support to mentally ill persons and their families toward social reintegration and rehabilitation and providing community education about psychosis, epilepsy, substance abuse and mental retardation.

District Medical Officers

District Medical Officers will have additional responsibilities to diagnose, assess, treat and provide rehabilitation of mentally ill persons with both pharmacological and psychosocial interventions. They also will train, support and supervise health workers as well as refer and follow up patients in the districts.

Police Personnel

Police personnel will be trained to recognise acute mental disorders and undertake necessary action to protect the mentally ill and provide first aid and basic psychosocial intervention.

School Teachers

Schoolteachers will be responsible to educate children regarding accident prevention, risk-taking behaviour and drug abuse, along with

methods to increase self-esteem (life skills programme); early identification of childhood problems and referral to health facilities; first aid in emergencies such as epileptic seizures or hysteria; parental counselling about adolescence and risk-taking behaviours; early detection of sensory defects and referral; and promotion of positive attitudes toward the mentally ill.

Community Leaders

Community leaders will play an important role in advising health team about traditions and beliefs in the community; facilitate activities of health workers by, for example, organising village meetings; identify people in need of mental health care; assist in the rehabilitation of the mentally ill in the community, and collaborate with health workers to promote mental health in the community.

Provision of Essential Drugs and Logistics to all Health Facilities

Psychotropic drugs can ameliorate symptoms, reduce disability, shorten the course of many disorders and prevent relapse. They often provide the first-line treatment, especially in the Bhutanese situation, where psychological interventions and highly skilled professionals are unavailable. Essential psychotropic drugs are already available in all health facilities. The varieties and quantity of these drugs supplied will depend upon the level of health facility and patient load. Newer and more effective drugs will be included in the essential drugs programme, supplied to health facilities as necessary.

Establish a Centre of Excellence for Research, Rehabilitation and Training

Research into biological and psychosocial aspects of mental health is helpful to increase the understanding of mental disorders and to develop interventions that are more effective. Such research enables us to understand variations across communities and to learn more about factors that influence the cause, course and outcome of mental disorders. Building research capacity should be an essential component of the Bhutanese programme in the future.

A centre for excellence in mental health research, rehabilitation and training will need to be established for the long-term sustenance and development of the programme. This centre will be the precursor to the development of a National Institute of Mental Health.

Monitoring of the Programme and Reporting System

The success of any programme will depend not only on the resources available, but also upon how the resources are utilised. Therefore,

monitoring of the programme is essential to achieve the goal of totally integrating mental health care into general health services. The responsibility of a monitoring unit would be to plan, train, support, supervise and coordinate the programme activities at the different levels of health care facilities. Monitoring would be done through simple recording and reporting procedures, as well as monthly and annual reports; providing support and guidance via telephone; making periodic field visits to district health units for supervision; and publishing monthly or quarterly mental health newsletters.

These activities not only will encourage the staff to integrate mental health with their work but also will maintain standards of care. This further will rectify the level of care (what is possible) and the limits of care (what is not possible) at each health care facility and category of personnel. Indicators of the Community-Based Mental Health programme will include not only health system indicators, but also that of patients, support systems and the community.

Conclusion

Many rich traditions and practices in Bhutan promote happiness and well-being. A spiritual dimension to health in general, and mental health in particular, will be valuable to understand personal adversities, responding with equanimity to illness, disability and suffering. The Buddhist traditions that the majority of our people follow see mind as inextricably linked to all phenomena, including illness and wellness. Traditional/indigenous healers are held in high regard and are often spiritual or moral guides. In addition, Buddhist rituals are performed right from birth to death, encompassing all major life passages. Most Bhutanese still prefer to seek help from the Buddhist clergy, an astrologer or an indigenous doctor for any illness before they approach modern health care services. Thus, religious practitioners and traditional/indigenous healers both occupy central places in the life of an individual and can make a tremendous contribution to the therapeutic process.

Bhutan's rapid social changes and increasing turn toward material values are bringing great stress to more people and may trigger the brain disorders that characterize mental disturbances. But as we have seen, the country has a unique system of housing many indigenous and modern health care services together in the same facility in many districts. Thus, representatives of the two systems already are working hand in hand to serve patients and are learning vast amounts from each other through knowledge sharing. Further decentralisation of the indigenous system of health care is expected in the near future, and indigenous health technicians will be placed at the village/community level, along with modern primary health care workers in Basic Health Units. Both similarities and differences exist between these two systems of medicine, and in order for the people to

get the full benefit and satisfaction of treatment from both, we need to look closely at and identify areas in which we can work together.. This represents the logical next step in taking the already established symbiotic working relationship to a new and crucial level in the important area of mental health. Such services will be accessible, affordable and acceptable, cost-effective and sustainable, in which everyone has a role and can participate actively, which gives satisfaction for both care seekers and providers.

Overall, Bhutan has achieved unprecedented peace and progress under the far-sighted and dynamic leadership of His Majesty the King Jigme Singye Wangchuck. We have reason to believe that the future will be even brighter: The Royal Government has a vision and a commitment – a vision to further the happiness of the people, and a commitment to achieve it. Successful implementation of such a comprehensive Community-Based Mental Health programme, which includes the best of both traditional and modern medicine, will make an incalculable contribution to the Kingdom and our overarching goal of Gross National Happiness.

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Literacy For All: One of the Means to Achieve Gross National Happiness

TASHI ZANGMO

This paper focuses on how quality education plays a vital role in national development. It also argues that education can be dangerous if we are not careful about excluding pedagogy, enhancing curriculum and including vocational training and teaching other societal values. Incorporating cultural and moral values to help literate people become meaningful contributors to the nation is crucial for development.

The paper suggests ways to bring together our older and younger generations to formulate ways to improve the nation. We must talk about the importance of cultural values and must bring a basic understanding of Gross National Happiness to the local people and to our younger generation. This paper describes the possibilities of GNH in terms of development, modernization, and education, including balanced cultural and spiritual values, and it concludes by proposing that we help our younger generation develop a deeper interest in culture and spirituality.

What is Gross National Happiness?

His Majesty the King has promoted the concept of GNH, and said that the “Gross National Happiness is more important than Gross National Product”. The guiding philosophy of our national development, GNH, is to maintain a balance between material progress and spiritual well-being (Ninth plan, 2002-2007).

Gross National Happiness is built upon the four pillars:

Sustainable and Equitable Socio-economic Development;
Good Governance;
Preservation and Promotion of Cultural Heritage; and
Environment (Love and Respect for Nature).

Bhutan is called the “Last Shangrila” because we have already achieved a certain level of GNH in the country through the pursuit of the above four goals. Gross National Happiness refers to the happiness and peace of the Bhutanese people, even though it is not a term that ordinary people often use. His Majesty recognized that economic development without spiritual well-being would not bring happiness to the people. Therefore, His Majesty constantly encourages us to preserve our traditions and cultural values, while facing the challenges of modern development. No matter how much material wealth one may have, without moral and spiritual values, a person can never be truly happy. Cultural values must permeate school systems, curriculum, and pedagogy, in both the formal and

non-formal sectors. Otherwise, nothing will be fully meaningful. For example, in the Buddhist teachings, the pure motivation of one's action is considered highly important, because no matter what we do and how small the deeds might seem, a pure motivation is what one must have behind every action. It is not what we do, but how we do things in our daily lives that matter the most. No matter how rich and beautiful, if we do not live our values and have the right motivations, traditions will have little impact on our daily lives.

In reality, wherever there is material progress, the spiritual well-being of the people of any nation often tends to diminish slowly. However, it is encouraging that Bhutan is attempting to balance and maintain both. To be successful, we must all work together as a team. We need to build a strategy gearing basic literacy toward quality education. Literacy has advantages and disadvantages in the pursuit of GNH.

Literacy And Its Advantages

Without literacy, it would be hard to even understand the concepts of GNH, much less to bring those concepts into practice. However, it is essential to educate the person as a whole and not stop at basic literacy as the goals of GNH can only be achieved through deeper education and not just basic literacy. Bhutan already sees literacy as an important component of development. The numbers of schools has increased and there is so much interest in improving education. Furthermore, Bhutan introduced Basic Learning Centers for adults during the past several years as an alternative for those unable to take advantage of formal education.

Paulo Freire, has recognized the down side of illiteracy and how it affects the whole process of development. Illiterate people cannot participate fully in decision-making: Illiteracy not only threatens the economic order of a society, it also constitutes a profound injustice. This injustice has serious consequences, such as the inability of illiterates to make decisions for themselves or to participate in the political process. (Freire & Macedo, 1987, preface VII).

Thus, it is very encouraging that Bhutan has introduced various alternative literacy programs to bring the underprivileged some form of awareness through literacy, so they can participate and make their contributions visibly and meaningfully.

Mahatma Gandhi also realized that education is the means to human liberation. By liberation, he not only meant liberation from social oppression and colonial oppression, but liberation from one's own ignorant mind. It is important that every citizen should have access to primary education or basic literacy. However, Gandhi also recognized that literacy alone is not adequate. To be fully educated, a person must be able to understand and practice his/her cultural traditions. Students must be motivated not only to

learn how to read and write, but to also make use of what they have learned.

To provide literacy for all within a short period, basic literacy through non-formal education is the only option, but perhaps we can eventually provide more holistic and advanced education for all. It is through education that our people will have the opportunity to compete in the outside world.

On an individual level, since we are a Buddhist nation, the first thing people want to be able to read is religious texts. Beyond that, literacy will allow them to become aware of a larger world outside their own. Literacy allows them to have access to all kinds of information. For example, today the Basic Learning Centers focus on producing learners who are at least able to read the country's weekly newspaper, the "Kuensel", to understand what is going on in the country. By being literate, they will learn to read and use information on health, nutrition, environmental preservation and economic activity and be able to run their own small business. Most importantly, they will be aware of the daily changes that are taking place around their world and will be able to deal with them accordingly.

On a national level, having a literate population makes it easy to communicate. There will be reciprocity between Government and the people at the grassroots level. People will be able to make wholesome contributions through understanding any plans and actions taken by the government for the common good. Whether it is problem solving or enjoying the end result, it will become a team effort rather than a handful of educated people figuring out how to make everything work. Finally, a literate person can learn more easily about our value system and cultural traditions.

Dangers Of Literacy For All

As I have mentioned, people do not become educated by simply learning to read and write. One danger of overvalued literacy is that young people come to think everything that comes from the western world is "cool". The west offers many good things, but there are risks involved in accepting everything from the west because there are things, values, and cultural practices that are not suitable for Bhutan. When I was growing up in a small village, seeing a person smoking a cigarette used to be such a shocking thing. Those days, people did not know anything about how it impacted one's health, but were aware of the cultural taboos, that it pollutes the local deities who are living around human environments. Day by day belief systems are fading away and nothing shocks people any more, not even drugs. Although this is a simple example, many western practices are adopted without regard for their impact on resources. Mind you, this does not often happen among the illiterate village youngsters. Indeed, in the corners of remote villages, belief systems of old are still alive, and

individuals still care about their own environment and other people around them.

Having said this, the question is, 'is there something wrong within our education system in how we pass messages to our younger generation in general?' If that is the case then maybe it is better to leave the people where they are, otherwise, we might be opening them to corruption they might otherwise avoid. Like the saying, "A little knowledge is dangerous", we need to be strategic about how we educate tomorrow's leaders, as we plan to promote literacy throughout the nation. We must avoid losing what we have, while we adopt all the new things that are creeping into the country from the outside world. We must consider who should be involved in education. Do we need our older generations to step in? Do we need our spiritual teachers and scholars to step in? It is time to recognize the abundant human resources in our country. Everybody should be part of this conversation about balancing the old traditions and modern development. Without that balance, it will be difficult to be a peaceful nation of satisfied people.

Westernization causes two sets of problems: (1) An increasing gap between generations, and (2) A widening gap between the privileged and rural Bhutanese. Sound educational policy will not make those worse. Planners and reformers must try to avoid intensifying conflicts that could emerge from those differences.

We will want to emphasize teacher training, especially in pedagogy. If we wish a unique form of development in the country, we will need a unique form of pedagogy and curriculum, in order to support our vision of increasing GNH.

Pedagogy and curriculum within the school systems and teacher training centers means the need to incorporate spiritual, cultural, and traditional values. Our older generation of spiritual teachers must have conversations with the younger generation who are curious about our religious traditions. There may be a need for some changes in how we teach those traditions as the current secrecy of spiritual teaching prevents many from learning and understanding. Some traditional restrictions are not practical today as we do not have time to wait and watch a student's faith and devotion before revealing some of those precious teachings from teacher to a student, such as Marpa Lotsawa practiced with Milarepa. It is no longer adequate for our spiritual teachers to only provide initiations and prayer ceremonies, with the abstract forms of text written in an old script that most young people cannot read or understand. New methods of religious teachings are urgently needed to compliment the old methods.

True communication does not happen unless there is a conversation. I was happy to read an interview with Dzongsar Khyentse Rimpoche, posted on the Internet:

“I want to teach the young Bhutanese people. I have been told by many Bhutanese that there is an emergence of other religions in the country and I can understand why. Because these missionaries don't sit on a throne. The missionaries are available to talk to, whereas with Lamas like myself, apart from the usual habitual blessings (putting my hands over their heads) and audiences, there is little communication and practically no philosophical exchange. I would like to sit next to the Bhutanese young people and let them talk about anything – drugs, sex money- whatever they want to talk about”.

(www.travellersandmagicians.com/travellers.html).

Often we overlook our interested youth who genuinely seek to learn, and neglect them by focusing on confused youth. Buddhism is moving to the west because communication through spiritual teaching is happening between teacher and student there. This is not happening in our society because both teachers and students continue to stick to the old tradition of students listening quietly, without asking questions about applications to contemporary life. A shift in attitudes should take place among both teachers and students, so that it becomes appropriate to ask questions, and contradict. Education must begin with the solution of the teacher-student contradiction, by reconciling the poles of the contradiction so that both are simultaneously teachers and students (Freire, 2000, p. 73).

Even during the Buddha's time, Buddha and one of his disciples, Rabjor, had wonderful conversations, exchanging questions and answers, clarifying many doubts and curiosities of Rabjor. The whole Buddhist text Prajnaparamita Sutra (rdorje jcod-pa and Shrub Nyingpo) records the dialogues of Buddha and his disciple Rabjor. We must encourage dialogue between teachers and students, because that is the only way to transform any knowledge. Our traditional way of teaching and learning is what Freire would call the banking concept of education, where teachers deposit the knowledge to students as a gift bestowed by those who consider themselves knowledgeable upon those whom they consider to know nothing (Freire, 2000, p. 72). Our school systems in the past have adopted these traditions. Of course, some schools in the urban areas are already taking steps so there is trust built between teacher and student, younger and older generations, rather than fear which drives them further apart.

If we don't do this, our cultural values will be eroded by the kinds of modernization that are not suitable for our country, that will not help our people, but will harm our younger generation and eventually the nation. The generation gap will grow wider day-by-day. We are talking about the well-being of each citizen, which eventually will grow into national well-being and increased GNH. In order for this to happen, we must do a good job in educating the youth so they too will become deeply committed to increasing GNH.

What Are The Solutions?

It might be easy to articulate literacy for all but difficult to put into practice. There is no quick fix to any social problem if we wait until the last minute. As I have suggested, the schools and institutions are the best places to begin. We are already taking a proactive approach by increasing the number of schools and by improving the teacher training programs by offering M. Ed programs both outside and within the country. We have started Non-formal education (BLC) programs for the illiterate population and vocational training programs teaching sewing, carpentry, farming, and much else. However, we have to make sure that vocational training does not create more inequality. Vocational programs must not be only for people who cannot send their children to higher education. We do not want privileged Bhutanese to look down on manual labor. As Gandhi stated, all book learning should include manual labor. An agricultural specialist should be able to work in the field with the soil, as well as read books about how to plant crops. All work must be respected. We should value every kind of labor, without dividing it by gender or social group. As a Buddhist nation, people should especially value and understand equality.

We must gear every literacy program to deeper understanding to produce truly educated people so that our small nation remains peaceful and strong with everlasting richness in our tradition and cultural values.

Language

Students, all Bhutanese citizens, must be able to read and write their native language so they have access to their own culture in a first hand, original way. We must work to make it easy to become literate in Dzongkha, and we must prevent English from replacing Dzongkha in every day life. There are numerous dangers, including social conflicts, which could result from an overvaluation of English. Literacy in Dzongkha alone should suffice for a person to work well in his own businesses or fill out government forms. For example, small construction workers and contractors, who are only literate in basic Dzongkha, are not able to use their knowledge because forms are available mostly in English. We should encourage the use of one's own language skills, at least for people who already have those skills. This is one area where we could work on translating the necessary official forms that are used daily by the ordinary people without having them go through the hassle of running after someone who can translate or fill out the forms for them.

Instead of going to the extreme of disqualifying school children if they fail in one subject (Dzongkha), we could generate, through attractive and subtle ways, the promotion of language by having simple story books made available in English and Dzongkha.

Gross National Happiness, Education, And Development, are the three main components of our national task at this moment. All three must be well balanced. Without quality education for all, the country may not be able to move forward towards full participation in economic development; without the spiritual well-being of the people, economic development alone may only bring many problems.

What I Propose

Incorporate moral values within the curriculum and pedagogy of every school in both formal and non-formal school systems.

Organize in every school at least twice a year, spiritual values workshops, inviting local spiritual teachers. Let there be dialogue between spiritual teachers and young students.

Incorporate moral values within the teacher training curriculum and pedagogy.

Encourage the use of local material and human resources. For example, we have experts and scholars who are capable of consulting about many areas of work, such as spirituality, agriculture, health, environment, and so on. Let us use our own experts, as well as those from abroad.

Promote entrepreneurship in the remote villages. This will provide economic opportunity for newly literate people produced through Basic Literacy Centers. Encourage villagers to be better farmers, carpenters and blacksmiths, weavers and whatever they are already good at or used to. Thus they will know how to look for better designs and follow the instructions to improve their field of work. We have to pass the message that education is not to give up our roots but to understand how to maintain values and preserve our roots.

Every educated person should try to look back from where they have come and try to give back something to their community.

Remind our younger generations who come from all types of family background that every person and every occupation is worthy of respect. Therefore, teachers and parents have the huge responsibility of educating our children not just in bookish knowledge, but also deeply humane knowledge. If this is in place, I think we need not have to worry about the achievement of Gross National Happiness. There is no other better way than this, to serve the nation.

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Tears and Laughter: Promoting Gross National Happiness Through the Rich Oral Traditions and Heritage of Bhutan

A. STEVEN EVANS

The Old Man and His Grandson

There was once a very old man, whose eyes had become dim, his ears dull of hearing. When he sat at the table, he could barely hold the spoon, and spill the broth upon the table-cloth or let it run out of his mouth. His son and his son's wife were disgusted at this, so the old grandfather at last had to sit in the corner behind the stove, and they gave him his food in an earthenware bowl, and not even enough of it. He used to look towards the table with his eyes full of tears. Once, too, his trembling hands could not hold the bowl, and it fell to the ground and broke. The young wife scolded him, but he said nothing and only sighed. Then they bought him a wooden bowl for a few [rupees], out of which he had to eat.

They were once sitting thus when the little grandson of four years old began to gather together some bits of wood on the ground. "What are you doing there?" asked the father. "I am making a little trough," answered the child, "for father and mother to eat out of when I am big." The man and wife looked at each other for a while, and presently began to cry. Then they took the old grandfather to the table and henceforth always let him eat with them, and likewise said nothing if he did spill a little of anything.

This tale, or ones similar to it, has been told for centuries around the world, from South America, to Europe, to the Far East. It not only reflects the wisdom of the innocent child, but is also a poignant reminder of the age-old adage to honor your father and your mother and to respect your elders. It reminds us how easy it is to become dissatisfied with life, but gently eases us back to a state of satisfaction and happiness with our everyday circumstances.

Introduction

"Like the bat of Bhutanese folklore, does His Majesty's Royal Government bare its teeth or show its wings?"

Up to 70% of the world's peoples are oral cultures, meaning they require or prefer to communicate through narrative presentations, storytelling and other traditional art forms. Storytelling entertains, instructs and informs, and for thousands of years cultures around the world have used folktales, heritage stories, proverbs, drama and songs to promote morality and values among their peoples. Bhutan has a rich heritage in its folktales and famous masked dances, setting the stage for the promotion of

Bhutan's Gross National Happiness through the time-honored traditions of oral communication.

His Majesty the King of Bhutan desires to develop the philosophy of Gross National Happiness within the Kingdom, accentuating Bhutan's vision of development beyond material economics and growth. In order to balance and even outweigh creeping outside influences of materialism and self-centeredness, in addition to saying there is a better and more applicable standard than the United Nation's Human Development Index, a national emphasis on storytelling and the oral arts at the indigenous grassroots level is needed. This integration of entertainment, information and education through a grassroots initiative contributes to a sense of community, satisfaction and happiness. The utilization of these "people-powered media" through such an initiative develops a sense of "ownership" at the level of the people, allowing for its acceptance, use and growth among the citizens of the Kingdom.

A dichotomy of contrast and conflict seems to exist, however, in the Land of the Thunder Dragon (or is it the Land of the Peaceful Dragon!?!): modern education vs. traditional education; rigsar (popular music) vs. traditional music; mass media vs. traditional media; modern, western morals and values vs. traditional, Buddhist morals and values; etc. Sometimes in the pursuit of development, the ends and means get confused, even reversed. Debate over form and content constantly arises. Like the bat of Bhutanese folklore, does His Majesty's Royal Government bare its teeth or show its wings? Does it concentrate on the drop of water that falls into the pond and merges with its waters, or does it concentrate on the same drop of water that falls into the pond and causes ripples on the surface; or, does it not concentrate on the drop at all, but focus on the ripples?!? The questions that must constantly be asked and applied are, "What is the ultimate goal or aim? What is right for Bhutan and its citizens? What contributes to Gross National Happiness?" These will help clarify end and means, form and content. The challenge is to move from theorizing to operationalizing. The question is, "How?"

In an effort to contribute to the cross-fertilization of ideas from various disciplines and cross-sectors concerning operationalizing the concept of "Gross National Happiness," a national plan on promoting "Gross National Happiness" within the Kingdom by way of the rich oral traditions and heritage of Bhutan should be developed, with the implications of such a plan to be explored.

The World of Oral Communication

"Oral cultures are centered in the practice of storytelling."

Large numbers of the world's population are oral communicators. They learn best through communication that is not tied to or dependent on

print. The definition, however, is somewhat elastic. At minimum the term “oral communicator” refers to people who are illiterate, around 1.5 billion. Many, though, who are functionally illiterate or semi-literate, express a strong preference for oral communication as opposed to literate or print-based communication. When they are included in the definition of “oral communicator,” it is estimated that more than two-thirds of the world’s population, or over four billion people, are oral communicators by necessity or preference. However, preferences for oral communication span all educational, social, gender and age levels. Many literates around the globe express strong preferences for oral communication, as well, when tested by appropriate tools to identify their communication patterns and choices. (An academic dean and a professor in Nairobi, both with advanced university degrees, were surprised to learn that their results showed oral preferences, but were quick to agree with the findings!)

Primarily through story, proverb, poetry, drama, and song, oral communicators house their knowledge, information, teachings, concepts, lists, and ideas in narrative presentations that can be easily understood, remembered and reproduced. Oral people think in terms of these stories, and not in outlines, guidelines, principles, steps, concepts, or propositions, which are largely foreign to their way of learning and communicating. If they have a teaching, a concept, or a principle they want to remember, they will encase it in a story. This is the common vehicle that oral communicators use to process, remember and convey information. Through the story, as well as proverbs, poetry, songs, art, and rituals, they preserve and transmit valued truths and teachings, since it is difficult if not impossible for them to learn through lists of principles and precepts, outlines, analysis, and syllogistic argument (deductive reasoning in which a conclusion is derived from two premises).

Oral cultures are centered in the practice of storytelling. It is their primary means of communication, normally in their heart language. They prefer these integrative ways of learning rather than the fragmenting, analytical approaches that are common in contemporary education. Western-style education emphasizes analysis – breaking things apart and focusing on extracted principles. Oral communicators prefer holistic learning, keeping principles embedded in the narratives that transmit them. Oral communicators learn better through the concrete, relational world of narratives than they do through the abstract, propositional framework of western educational systems. Both learning approaches deal with propositional truth, but oral communicators keep the propositions closely tied to the events in which those truths emerged. People who are steeped in literacy can more easily detach the propositions and deal with them as abstract ideas. In both cases people are learning “truth,” but the way the truth is packaged and presented differs dramatically.

Those of a literate-print culture mistakenly believe that if they can outline information or put it into a series of steps or principles, anyone, including oral communicators, can understand it and recall it. That is a misconception about learning and how different individuals process information. Most oral communicators do not understand outlines, steps, or principles, and they cannot remember them. For that matter, neither can those of the literate-print culture! They store information in notes, books, archives, libraries, and computers, and “look it up” to refresh their memories!

As His Majesty’s government seeks ways to implement Gross National Happiness in Bhutan and to ensure satisfied and content citizens at the grassroots level in local communities, it will be important to consider the realities of the oral world and its communication and learning preferences.

Setting the Agenda: Gross National Happiness

“Gross National Happiness is more important than Gross National Product.”

(His Majesty King Jigme Singye Wangchuck, Bhutan)

There has been much talk, discussion and debate concerning the concept of “Gross National Happiness,” especially in academic and development circles. Needless to say, many don’t see eye-to-eye on the topic! Time has come however, to stop the talk, quit the debate, and come up with solutions! The Centre for Bhutan Studies is challenging all to move forward, from theory to practice, forcing us to consider the question, “What is it going to take to implement Gross National Happiness?” In doing so, two things must first be considered: 1) How is the concept of Gross National Happiness offered by His Majesty the King of Bhutan to be understood; and 2) Why is there conflict and confusion over some of the solutions currently being offered?

“His Majesty has proclaimed that the ultimate purpose of government is to promote the happiness of the people,” said Lyonpo Jigmi Y. Thinley, Chairman of the Council of Ministers of the Royal Government of Bhutan. “This point has resonated in many of his speeches and decrees, which stress both increasing prosperity and happiness. His Majesty has said, ‘Gross National Happiness is more than Gross National Product,’ and has given happiness precedence over economic prosperity.”

Stressing that happiness is a shared desire of all people, Thinley said, “It is possibly the ultimate thing we want while other things are wanted only as a means to its increase.” He pointed out that Gross National Happiness is a “non-quantifiable” development objective in Bhutan. “Happiness has been usually considered a utopian issue,” he said. “The academic community has not developed the tools we need to look at happiness, one of our primary human values. This has led to a paradoxical

situation: the primary goal of development is happiness, but the subject of this very goal eludes our analysis because it has been regarded as subjective. ” Thinley said that scientific proof was not needed to assess happiness meaningfully, but that Bhutan must raise policy and ethical questions about happiness. “Its absence in most policies contrasts sharply with the primary concern of each individual human being in his or her daily quest for happiness. But we infer rather boldly from improvements in socio-economic indicators that there might be growing happiness behind it,” he said.

“I wish to propose happiness as a policy concern and a policy objective,” Thinley said. “In turn this may call for a new policy orientation. This also implies new departures in research, if the concept is considered important. ” Thinley stated that Gross National Happiness is the main purpose of development and is rooted in Bhutan’s philosophical and political thought. “We asked ourselves the basic question of how to maintain the balance between materialism and spiritualism, in the course of getting the immense benefits of science and technology,” he said. “The likelihood of loss of spiritualism, tranquility, and gross national happiness with the advance of modernization became apparent to us. ”

Thinley said that within Bhutanese culture, inner spiritual development is as prominent a focus as external material development. “Suffice it to say that, in varying degrees, the contemporary world may be too acutely preoccupied with the self in the sense of paying excessive attention to our selves, our concerns, needs and likes,” Thinley said. “There is a paradox here: excessive preoccupation with our selves does not lead to a real knowledge of our self. Happiness depends on gaining freedom, to a certain degree, from this particular kind of concern. ” Thinley pointed out that a growing income does not always lead proportionately to an increase in happiness. “In a world where everyone who has less is trying to catch up with everyone else who has more, we may become richer but happiness becomes elusive,” he said. “People may become richer but they will not have a greater gift for happiness. Nations will not rank higher on the scale of happiness as they move up on the scale of economic performance. As is widely known, this is due to the fact that the value of money in giving happiness or utility diminishes as the amount increases. ”

Consider the following story, called “The Barn That Wasn’t Big Enough”:

Life is not defined by what you have, even when you have a lot.

The farm of a certain rich man produced a terrific crop. He talked to himself: “What can I do? My barn isn’t big enough for this harvest. ” Then he said, “Here’s what I’ll do: I’ll tear down my barns and build bigger ones. Then I’ll gather in all my grain and goods, and I’ll say to myself, ‘Self, you done well! You’ve got it made and can now retire. Take it easy and have the

time of your life!' Just then God showed up and said, "Fool! Tonight you die. And your barnful of goods – who gets it?"

That's what happens when you fill your barns with self and not with God!

Human Development and Happiness: Do They Go Hand in Hand?

"If happiness is among the cherished goals of development, then it does matter how this happiness is generated, what causes it, what goes with it, and how it is distributed – whether it is enjoyed by a few or shared by all. " (Bhutan National Development Report 2000)

According to the Bhutan National Human Development Report 2000, no one can guarantee human happiness, and the choices people make are their own. However, the report said that the process of development should at least create a conducive environment for people to develop their full potential and to have a reasonable chance of leading productive and creative lives in accordance with their needs and interests. People have a right to make their own decisions and chart their own course, the report implies, and it is government's responsibility to create the environment in which good choices and courses can be determined. At the same time, however, there is a widespread growing disenchantment with the use of income and income growth as indicators of well-being and progress. "Clearly there is more to life than a expansion of income or accumulation of wealth," the report said.

The Human Develop Index assumes, however, that by adding increased life expectancy and increased education to increased income, chances of life satisfaction and happiness are almost guaranteed. The question remains, though, whether this is true.

"Consistent with the human development approach, from a Bhutanese perspective, His Majesty the King Jigme Singye Wangchuck has called for focusing more broadly on Gross National Happiness – and not narrowly on just Gross National Product," the report said. "Already in the 1960s, the late Ling Jigme Dorjii Wangchuck had declared that the goal of development should be to 'make people prosperous and happy. ' Development did not mean a blind expansion of commodity production. Instead, a holistic view of life and development is called for that augments people's spiritual and emotional well-being as well. It is this vision that Bhutan seeks to fulfill. " The report said that the concept of Gross National Happiness was articulated by His Majesty to indicate that development has many more dimensions than those associated with Gross National Product, and that development should be understood as a process that seeks to maximize happiness rather than economic growth. "The concept places individuals at the centre of all development efforts, and it recognizes that the individual has material, spiritual, and emotional needs. It asserts that spiritual

development cannot and should not be defined exclusively in material terms of the increased consumption of goods and services," the report said. "A grumbling rich man may well be less happy than a commercial farmer, but he does have a higher standard of living than the farmer. It is the sense of discontentment or emptiness that the rich farmer experiences that constitutes unhappiness. Happiness may be subjective, but this subjectiveness is shared by all, regardless of levels of income, class, gender or race."

The following story, about a farmer and his two sons, is one of three stories told in succession – the first about a shepherd who leaves his flock behind and searches for a missing sheep, and the second about a poor widow who searches for a lost coin. This third story is called "Time to Go Home."

There was once a man who had two sons. The younger said to his father, "Father, I want right now what's coming to me." So the father divided the property between them. It wasn't long before the younger son packed his bags and left for a distant country. There, undisciplined and dissipated, he wasted everything he had. After he had gone through all his money, there was a bad famine all through that country and he began to hurt. He signed on with a citizen there who assigned him to his fields to slop the pigs. He was so hungry he would have eaten the corncocks in the pig slop, but no one would give him any. That brought him to his senses. He said, "All those farmhands working for my father sit down at three meals a days, and here I am starving to death. I'm going back to my father. I'll say to him, 'Father, I've sinned against God, I've sinned before you; I don't deserve to be called your son. Take me on as a hired hand.'" He got right up and went home to his father.

When he was still a long way off, his father saw him. His heart pounding, he ran out, embraced him, and kissed him. The son started his speech: "Father, I have sinned against God, I've sinned before you; I don't deserve to be called your son ever again." But the father wasn't listening. He was calling to the servants, "Quick. Bring a clean set of clothes and dress him. Put the family ring on his finger and sandals on his feet. Then get a grain-fed [cow] and roast it. We're going to have a feast! We're going to have a wonderful time! My son is here – given up for dead and now alive! Given up for lost and now found!" And they began to have a wonderful time.

All this time his older son was out in the field. When the day's work was done he came in. As he approached the house, he heard music and dancing. Calling over to one of the houseboys, he asked what was going on. He told him. "Your brother came back. Your father has ordered a feast – barbecued beef! – because he has him home safe and sound." The older stalked off in an angry sulk and refused to join in. His father came out and tried to talk with him, but he wouldn't listen. The son said, "Look how

many years I've stayed here serving you, never giving you one moment of grief, but have you ever thrown a party for me and my friends? Then this son of yours who has thrown away your money on whores shows up and you go all out with a feast!" His father said, "Son, you don't understand. You're with me all the time, and everything that is mine is yours – but this is a wonderful time, and we had to celebrate. This brother of yours was dead, and he's alive! He was lost, and he's found!"

"If happiness is among the cherished goals of development, then it does matter how this happiness is generated, what causes it, what goes with it, and how it is distributed – whether it is enjoyed by a few or shared by all," the Bhutan development report said. "Ultimately, a happy society is a caring society, caring for the past and future...Establishing such a society will require a long-term rather than a short-term perspective of development...Happiness in the future will also depend upon mitigating the foreseeable conflict between traditional cultural values and the modern lifestyles that inevitably follow in the wake of development. " The reports concludes, "As economic and social transformation gathers momentum and Bhutan becomes increasingly integrated with the outside world, people's lifestyles are changing along with family structures. Assimilating these changes without losing the country's unique cultural identity is one of the main challenges facing Bhutan today.

Conflict, Contrast and Confusion

"...there is a need to provide a sense of continuity amidst change. In addition, since culture and traditional values form the bedrock of Bhutanese national identity it is important for the Bhutanese to ensure that its culture and values are not undermined...It is more necessary than ever to ensure the intergenerational *transmission of values.* " (*Tashi Wangyal*)

Five articles appeared in various issues of the Journal of Bhutan Studies a few years ago that, while not directly addressing the topic of this paper, influence it to a degree. The articles are: 1) "On the Two Ways of Learning in Bhutan" by Karma Phuntsho; 2) "Ensuring Social Sustainability: Can Bhutan's Education System Ensure Intergenerational Transmission of Values?" by Tashi Wangyal; 3) "The Attributes and Values of Folk and Popular Songs" by Sonam Kinga; 4) "Mass Media: Its Consumption and Impact on Residents of Thimphu and Rural Areas" by Phuntso Rapten; and 5) "Folktale Narration: A Retreating Tradition" by Tandin Dorjii.

These five articles, coupled with a series of papers on development in Bhutan found in Gross National Happiness: A Set of Discussion Papers (published by the Centre for Bhutan Studies) and Bhutan National Human Development Report 2000 (published by the Planning Commission Secretariat – Royal Government of Bhutan), all point toward an underlying

situation that greatly affects Gross National Happiness and its success in Bhutan. As mentioned in this paper's introduction, a dichotomy of contrast and conflict seems to exist and is brought out in these papers and articles: modern education vs. traditional education; rigsar (popular music) vs. traditional music; mass media vs. traditional media; modern, western morals and values vs. traditional, Buddhist morals and values; etc. Sometimes in the pursuit of development, the ends and means get confused, even reversed, and debate over form and content constantly arises.

Phuntso said, "The primary factor that determines the difference in outlooks and approaches between the two [education] systems [- traditional and modern -] is the ultimate goal they aim to achieve - learning is not an end in itself in either system." At the same time, he makes a strong case for "modern" education while not seeming to recognize the full value of traditional methods. It is important to understand that education is more than merely importing knowledge, and that traditional education transcends mere learning and is an experiential process directly linked with life itself. Phuntso said, "...modern curricular structures and methods by far excel the traditional styles." However, I believe that we can indeed use an old and traditional art form to teach a new generation. As well, we can have the integration of both systems of education meeting in the embodiment of the storyteller! In having more and better literacy and education as the goal or end, we can fail to see that it is to be merely a means to something far greater - in our case Gross National Happiness! Phuntso is right in saying that many Bhutanese equate traditional education with monastic Buddhist instruction and want nothing to do with it! Two issues are raised here that need to be addressed, those of "form" and "content." Perhaps we need to keep some of the form of traditional education and provide new and appropriate content!

Wangyal raises an important and valid question: "Can Bhutan's education system ensure intergenerational transmission of values?" He then makes an excellent appraisal of the values of Bhutan. "Traditional values based on Buddhist culture have a profound influence on the lives of a majority of the Bhutanese people," he said. "Traditional Bhutanese values not only address individual self-discipline and the conduct of interpersonal relationships but also delineate responsibility of all sentient beings...Such traditional values are, however, being gradually undermined, as people become more self-centered, and materialistic...Thus there is a need to provide a sense of continuity amidst change. In addition, since culture and traditional values form the bedrock of Bhutanese national identity it is important for the Bhutanese to ensure that its culture and values are not undermined." Wangyal points out that Bhutanese society is now witnessing a shift in values, attitudes and expectations. "External influences arising from the values accompanying economic development, the media

and the modern education systems, among others, challenge continuance of the national values," he said.

According to Wangyal, one of the main challenges in preserving values in modern Bhutan is the need to reconcile the fact that the social, cultural and economic context in which these values developed through the past centuries is very different from Bhutan today. "Apart from the influence of foreign travel and tourism, the mass media is perhaps one of the greatest sources of external influences and values," he said. "The recent introduction of television and the Internet has enabled the Bhutanese to have instant access not only to global news and information but also whetted their appetite for consumer goods. The process of modernization has thus had a profound influence on the social, economic and political outlook of the Bhutanese people leading to a gradual shift in their values, attitudes and expectations. " This, he said, has created an insatiable appetite for material acquisition. "It is now more necessary than ever to ensure the intergenerational transmission of values," Wangyal said. "Otherwise, unbridled modernisation may destroy the very spiritual and cultural fabric that has enabled the Bhutanese society to live in harmony with each other and with the natural environment. " Wangyal praises the introduction of "value education" into the school system and calls for more of it. He recognizes that it is the stories found in this "value education" that impacts a student, inspiring them to be different. The question remains, however, can we shift over from the world of literacy to the world of orality and impact an even greater segment of society with these stories?

Going beyond education, Kinga pulls into the picture the attributes and values of folk and popular music. While Kinga says that songs and music are integral parts of Bhutanese culture – "not only as mere forms of entertainment, but also as highly refined works of art reflecting the values and standards of society," he also says that rigsar or popular songs and music lack the artistic depth and seriousness of traditional songs. Kinga concludes, "In their similarity and association with English pop songs and songs of Hindi films, rigsar songs no longer function as a repository of and a medium for transmitting social values. " I don't know if this means that they did at one time but no longer serve in transmitting social values or not, but they certainly could and can! There are numerous case studies from around the world that show how popular music has been a powerful tool in transmitting social and moral values. Kinga has a concern, though, and rightfully so, that "the popularity of rigsar songs and the specialization of music studios in producing them are gradually challenging the sustainability of the culture of traditional folk songs and music. " Concerning education, we asked if new content could be put into old forms. With music, might we ask if old content can be put into new forms! In addition, we can be assured that traditional and folk music will see an

unbelievable rebirth with the advent of national storytellers advocating Gross National Happiness, since song and story go hand-in-hand!

Rapten takes us into an even different direction. "The media in Bhutan have progressively enhanced individual awareness by widening the scope of information transmission beyond the traditional face-to-face oral interaction to literacy-oriented communication and now to electronic media," he said. "They have helped to share information about the past and present, depict social, cultural and historical aspects of Bhutan that helped to create a common culture, tradition and system of values." He said that the mass media and information technology are increasingly becoming powerful instruments for the penetration of global culture and the values of a global market into Bhutan. "This presents one of the greatest challenges to Bhutan as it transitions from a traditional society into the age of information and technology," he said. "While the aim is to reap the benefits of mass media, its excessive influence threatens to undermine indigenous culture and value system." In his study, Rapten observes, "It is also a fact that advertisements create desires, which cannot be satisfied by people's current economic situation. Crimes and corruption are often born out of economic desires." He concludes: "The greatest challenge that Bhutan is facing at the moment is to make a conscious and informed choice in order to benefit from mass media and information technology, and at the same time keep its negative forces at bay."

Phuntso wonderfully and memorably paints a vivid picture of the dilemma portrayed in the various articles and papers, and the dilemma before us as we consider how it is best to integrate Gross National happiness among Bhutan's people:

Bhutanese folklore has it that the bat would show its teeth to the birds in order to avoid the bird tax and show its wings to the beasts in order to avoid the beast tax. But come winter, when the food supplies are distributed, the bat would show its wings to the birds and teeth to the beasts to claim its share from both...

This story forces me to not only ask the question of what to do, but to also ask, "What is right?" As long as we focus on the external, we can never fully impact or influence the internal. "Let's change the environment or the circumstances of our communities," some say. "That will give us better, happier people!" Others say, "Let's change their actions – changed actions lead to changed people!" Still others say, "Change his belief system, then we can fully change the person!" Changing how people live, what they do, how they think, and what they believe, can't guarantee a happier, more content and satisfied people. These issues are complex, but thankfully, some solutions are not. You see, our lives are shaped by the stories and events of our individual selves, our families, communities, nation, etc., as they are conveyed to us and/or lived by us. These stories and events become threads woven together to form the tapestries of our lives. In the academic world,

this is called worldview, and it is, illustratively, the particular pair of glasses one wears that determines how he or she sees the world. To completely integrate Gross National Happiness into the lives and very core of the people of Bhutan, we must insert new threads into the tapestries or lives of Bhutan's people. With the introduction of new stories and narrative events, the tapestry – or worldview – changes, and the mind's eye sees the world from a different perspective, with a new pair of glasses, so to speak. A changed worldview, does in fact, create a changed person.

Interestingly enough, Jesus recognized this principle. Holy writings say that Jesus never taught without using stories, fitting a story to people's experiences and maturity. "He was never without a story when he spoke," the writings say. Concerning the life-changing power of his stories, he himself said, "These words I speak to you are not incidental additions to your life...They are foundational words, words to build a life on. If you work these words into your life, you are like a smart carpenter who built his house on solid rock. Rain poured down, the river flooded, a [strong wind] hit – but nothing moved that house. It was fixed to the rock. But if you just use my words in...studies and don't work them into your life, you are like a stupid carpenter who builds his house on the sandy [shore]. When a storm rolled in and the waves came up, it collapsed like a house of cards. "

An old story from Japan, called "Empty-Cup Mind," illustrates the value and sometimes necessity of changing worldview, that of replacing the old with the new:

A wise old monk once lived in an ancient temple... One day the monk heard an impatient pounding on the temple door. He opened it and greeted a young student, who said, "I have studied with great and wise masters. I consider myself quite accomplished in [Buddhist] philosophy. However, just in case there is anything more I need to know, I have come to see if you can add to my knowledge. "

"Very well," said the wise old master. "Come and have tea with me, and we will discuss your studies. " The two seated themselves opposite each other, and the old monk prepared tea. When it was ready, the old monk began to pour the tea carefully into the visitor's cup. When the cup was full, the old man continued pouring until the tea spilled over the side of the cup and onto the young man's lap. The startled visitor jumped back and indignantly shouted, " Some wise master you are! You are a fool who does not even know when a cup is full!"

The old man calmly replied, "Just like this cup, your mind is so full of ideas that there is no room for any more. Come to me with an empty-cup mind, and then you will learn something. "

It is important to realize that the "end" is happiness, and the "means" are what it takes to get there, whether it's "old form" with "new content" or "new form" with "old content. " The use of storytelling to promote Gross National Happiness can serve as a bridge among all viewpoints, spanning

the traditional and the modern, the new and the old. Story (and song) conveys the message and quickens the heart. Stories make up the fabric of changed lives. Whether it's stories from an old man sitting around a campfire in a village, conveyed through rigsar or popular music, seen and heard on television, learned in school, or read in the newspaper, the point is to touch lives with the morals and values of Bhutan, leading to a happier and more satisfied people!

Here's a story by Sundar Singh from the book *Wisdom of the Sadhu*. Singh was a sadhu of the late 1800s – early 1900s, who left the wealth of his home at age sixteen to live as a sadhu. His life and stories became legendary across Asia, Europe and even the United States. This story, one he adapted from the Bible, is on the wisdom of King Solomon.

Once two women appeared before the wise king Solomon. One said, "Your Majesty! This woman and I live in the same house. I gave birth to a son, and three days later she also gave birth to a baby boy. But in that same night, her baby died. So she sneaked up to my bed while I was still asleep, took my child from my side and left the body of the dead son in his place. In the morning, I could she that it was her baby and not mine. "

At that, the second woman interrupted, saying it was not so. Then the two women began arguing in the presence of the king. The king called for silence and, to the astonishment of all present, he called for a guard to come with a sword, cut the living child in two, and give each woman half of the child's body. The second woman said, "So be it then!" But the first woman fell on her knees before the king and cried: "No, your Majesty! Have mercy and spare the child's life. Rather give him to the other woman. " In those words, King Solomon recognized the true mother's heart and ordered that the child be given to her.

We need the wisdom of Solomon to carefully maneuver our way through the conflict, contrasts, and confusion before us, ensuring that that the implementation of Gross National Happiness at the grassroots level truly taking place.

The Role of the Story in Bhutan

"In the memory of the people dwell the folktales ready to be 'untied' at an appropriate time. " (Tandin Dorji)

In Bhutan the literary genre of khaju or "oral transmission" serves as an important tool of communication between one generation and another. Tandin Dorji, lecturer of history at Sherubtse College in Kanglung, said, "The role that it plays in the transmission of moral values, philosophy, beliefs, humour, etiquette, and many other traits specific to the Bhutanese society holds an increasingly eminent place...What is special about Bhutanese folktales is that it is still a living tradition in many pockets of

rural Bhutan. In the villages which are far flung from motor roads, the narration of folktales in the pastures and in the evenings is today very much alive. ” He questions, however, “How long will it continue to survive? Will the development process engulf this beautiful tradition? What can be done to keep this heritage alive?”

Kunzang Choden, author of the classic book *Folktales of Bhutan*, indicates that stories in the Mountain Kingdom are not narrated, but “released” or “set free” (*tangshi*). “This could then imply that the Bhutanese and the folktales are inextricably interwoven,” Dorji said. “It wouldn’t be wrong to comment that they are found one inside the other. The folktales contain the traits and aspects of the Bhutanese. In the memory of the people dwell the folktales ready to be ‘untied’ at an appropriate time. ” Excluding the narration of epics and the biographies of saints, Dorji observes that there are no professional storytellers and no particular way or place of narrating stories in Bhutan. “However, there seems to be two ways of telling stories,” he said. The first way is solemn and is done in the house of a sick person, focusing primarily on the victory of good over evil. “The other type is a freestyle narration,” said Dorji, “as the narrator can be from any age group. ” This is the most common and popular type of narrative storytelling, according to Dorji.

By beginning a story with *dangbo, dingbo* (“long, long ago”), the Bhutanese audience detaches itself from the world and enters into the fascinating land of folktales where they identify themselves with the heroes and the good. “People rejoice when the hero very cleverly steals the cubs of a tigress and laughs when he is able to make fools of the villains,” Dorji said. “They are worried when the monsters kidnap the beautiful maiden, and they are sad when the marriage of the charming Prince and the Princess fails. ” Thus by beginning the story with *dangbo, dingbo*, the audience is navigated into a marvelous world that takes place during an unspecified time and is temporarily disconnected from the mundane, everyday world around it. The other ritualistic formula for opening a Bhutanese folktale is *henma, henma* (“once upon a time”). “Little by little and bit by bit the narrator releases the folktale,” Dorji said, “punctuating his narration with *dele*, which equates to ‘and then.’ ”

Dangbo, Dingbo

“Dangbo, dingbo”, the old man slowly uttered. “Henma, henma. ” “Long, long ago and once upon a time. ” The circle of crowding villagers around him grew quiet and still. Stars twinkled above in the crisp cold air of the surrounding mountains. Sparks from the burning fire drifted upwards, creating a magic of their own, competing with the impending magic of the story about to come. For a few moments the storyteller drew incomprehensible designs in the dirt with his walking stick, then pulled his *kabney* tighter around him to ward off the chill of the night. Eventually he

looked up, his eyes piercing, reflecting the burning fire and projecting the wisdom of generations before him. "When few stones and pebbles could be seen," he said. "When the saplings and grasses began to sprout out in greenness. When a few drops of water began to drip...in the upper direction; in the lower direction; in that, that direction; in this, this direction. " On and on he went, with a tale captivating and enchanting, punctuating various parts of the story with "dele" ("and then"), leading his audience from one event to another. Not a word was said by those around him; not an eye strayed from the figure huddled by the fire – until he was finished. Then there was a collective sigh, with smiles on their faces and murmurs of approval. One said, "We can be like those of this story! Are we not as good as they are?" The others responded in agreement, "Yes! Yes! We are as good as they! We can be like them!" Then there were pleas for another story from the wandering storyteller who stopped by their village to entertain them for the night. They would stay up late, absorbing the stories of the old man like dry parched ground absorbs the drops of freshly fallen rain. And long after he's gone they would recall his words, the details of his stories, telling them to others, who in turn would pass them on to even others. "All is right with the world," they would say upon hearing the tales. "We are content; we are happy. "

"Stories are not simply narrated for the pleasure of exhibiting the knowledge of the storyteller," Dorji said. "Putting it the other way, the stories are not deprived and barren of functions. On the contrary, the folktales and its narration hold a very important place and play an indispensable role in the life of the Bhutanese society in general...On closer observation, we realize that the folktales are pregnant with variety of roles that influences the very core of activity of the Bhutanese. "

For the ancient mystic Drukpa Kunley, fondly called the Divine Madman by the Bhutanese, life was not measured by eight hours of sleep per night or three good meals a day on the table. There was more to life than this, he would say. Though we may laugh at some of his stories and be shy about some of his antics, Drukpa Kunley fully understood the power of story and song and the emotions they evoked. He knew that people – ordinary, everyday people who worked hard, believed in God, and supported the royal family – needed to laugh, cry, be shocked, and even be outraged sometimes, to give them a broader, better understanding of life and themselves, leaving them content with what they had around them and within them, rather than seeking after things that would never be. Today the Divine Madman has become more than an historical figure. In Bhutan he is a cultural hero around whom a web of stories and legends have been spun. An example follows how the very life of Drukpa Kunley (also named Kunga Legpa) was a story:

By the age of twenty-five, Kunga Legpa had gained mastery of both mundane and spiritual arts. He was accomplished in the arts of prescience,

shape-shifting, and magical display. Returning home to visit his mother in Ralung, she failed to recognize his achievement and judged him merely by his outward behaviour. "You must decide exactly who you are," she complained. "If you decide to devote yourself to the religious life, you must work constantly for the good of others. If you are going to be a lay householder, you should take a wife who can help your old mother in the house."

Now the Naljorpa was instinctively guided at all times by his vow to dedicate his sight, his ears, his mind, and his sensibility, to others on the path, and knowing that the time was ripe to demonstrate his crazy yet compassionate wisdom, he replied immediately, "If you want a daughter-in-law, I'll go and find one." He went straight to the market place where he found a hundred-year-old hag with white hair and blue eyes, who was bent at the waist and had not so much a single tooth in her head. "Old lady," he said, "today you must be my bride. Come with me!"

The old woman was unable to rise, but Kunley put her on his back, and carried her home to his mother. "O Ama! Ama!" he called to her. "You wanted me to take a wife, so I have just brought one home." "If that's the best that you can do, forget it," moaned his mother. "Take her back where she came from or you'll find yourself looking after her. I could do her work better than she." "All right," Kunley said with studied resignation, "if you can do her work for her, I'll take her back." And he returned her to the market place.

According to Dugu Choegyal Gyamtso in the book *The Divine Madman*, "His style, his humour, his earthiness, his compassion, his manner of relating to people, won him a place in the hearts of all the Himalayan peoples...He may not have been the greatest of scholars or metaphysicians, although he left some beautiful literature behind him, but he is a saint closest to the hearts of the common people...For the common people it was Drupka Kunley who brought fire down from heaven, and who touched them closest to the bone." The life, stories, and songs of Drupka Kunley touched, stirred and even changed the lives of the common people in a time when they so desperately needed it. He is a successful example of what the storyteller and his tales can do.

Dorji said that folktales represent the collective memory of society. "Despite the nuances in the art of narration and the use of varying vocabulary, the central theme and principle facts remain unaltered no matter who narrates the stories," he said. "If the folktales talk of the society, it is in the minds of the people that the stories lie ready to be released at an appropriate moment...Many beliefs, sentiments, as well as values concerning a society is evoked in the day to day life of the Bhutanese directly or indirectly through the vehicle of folktales." Dorji emphasized that the telling and hearing of folktales in Bhutan is a grassroots event, taking place at the level of the people, no matter where they are or who they

are. "The old and the young alike listen and narrate the same story repeatedly in their own way and always with the same enthusiasm and zeal. The simplicity of the theme and plot of folktales offer itself as a literary genre that is comprehensible to all...Thus, the mythical characters which marches across the memories of the narrator allows the audience to explore the land of dreams and return to the mundane world equipped with the philosophy of life, beliefs, code of traditional etiquette, values and many other traits proper to the Bhutanese society," Dorji said.

"Take for instance, in the story titled 'The Lame Monkey,' the poor boy is taught the manners of eating, self-presentation and walking by the monkey," Dorji continued. "Through this story, the Bhutanese are reminded of their indispensable beautiful etiquettes popularly known as *dza cha dro sum* which can be freely translated as 'the three manners of eating, self-presentation and walking.' " Dorji said that there were stories on the values of honor and the "causes and effects" of actions as well. "These two principles are very important and act as a cementing force of a society and its absence would result in the encountering of unprecedented calamities and sufferings, as it means contradicting what accords with morality," he said. "Many other values which are the basis of peaceful and harmonious coexistence between man and environment and among human being themselves are exhibited through the folktales. In addition, obviously, values, which teach how one can become a real member of his or her society, are also revealed through the folktales. " In conclusion, Dorji said, "We have to all agree that the immense reservoir of stories are all created by man for the benefit of the upcoming generations, not only as the entertainment but also as a vehicle of transmission of religious, social, and moral values, philosophies and many unique traits of society. Then, it is not only important to document and create a treasury of folktales but also to keep them alive. "

Conclusion

"It is not only important to document and create a treasury of folktales but also to keep them alive. " (Tandin Dorji)

Telling stories is one of the most basic forms of communication. Across the ages, stories entertained people around a campfire at night, sitting with our mother or a favorite uncle, and in front of a fireplace, but really stories didn't just entertain. Stories connect the deep things of life, the deep things of God, and the values and morals of society, to our everyday lives. On one side they make us content with life and the everyday world around us, and on the other side they invite us into a larger world than we presently inhabit -- pulling us in as participants and not mere spectators. More often than not, though, one or another of these stories becomes imbedded unnoticed in our consciousness and then, unexpectedly, begins to release new insights and

new perspectives. They often shake our very foundations so that we find ourselves reaching out for wisdom and better understanding. In many ways, telling stories is an act of oral hospitality. Good storytellers invite us into a world that is different and wider than the one we ordinarily live in. Stories draw us into a reality where we find ourselves in touch with not only the world as it is, but also with the world as it should or could be. Through stories we discover that there is something more to life, something that we didn't quite see or understand before.

As statistics on orality and literacy imply, we live in a world desperately in need of stories and storytellers. Unfortunately, we also live in a world impoverished of stories and storytellers. "Words in our culture are a form of currency used mostly to provide information. Contemporary schooling is primarily an exercise in piling up information. By the time we have completed our assigned years in the classroom, we have far more information than we will ever be able to put to use. Motivational speech runs a close second to the informational kind – words used to persuade us to buy something, achieve something, vote for someone, become someone. As important, even essential, as informational and motivational words may be, they are conspicuously impersonal. There is no discovery, no relationship, no personal attentiveness in them. For that we need story and storytellers. "

Stories can be brief, ranging from a simple metaphor embedded in a sentence to a broadly sketched portrayal of a person, quest, dilemma, or situation. Normally they employ ordinary things, people, and events as subject matter: farmers and merchants, travelers and partygoers, money and seeds, parents and children, salt and light. What is interesting though is that these stories can be thrown into our ordinary lives, and we wonder, "What are these doing here?" When they are allowed to complete their work, however, we find that our lives are changed. "Jesus was once asked by one of his friends why he told stories. He responded that he told stories 'to create readiness, to nudge people toward receptive insight...' Without leaving the world we work and sleep and play in daily, we find ourselves in a far larger world. We embrace connections and meanings and significance on our lives far beyond what our employers and teachers, our parents and children, our friends and neighbors, and all the so-called experts and celebrities have told us for so long. "

In an effort to add to the cross-fertilization of ideas on and assist in the implementation of His Majesty's policy of Gross National Happiness, may I make the following suggestions:

Develop a national plan on promoting Gross National Happiness within the Kingdom by way of the rich oral traditions and heritage of Bhutan (in essence storytelling and its related art forms).

Recognize, encourage, promote, train, equip and utilize indigenous national storytellers and musicians.

Make storytelling part of the national education and entertainment systems.

Sponsor, host and promote national and regional storytelling festivals.

Research, collect, compile and disseminate appropriate stories, proverbs and songs.

Seek and encourage a royal patron or patroness to advocate the seriousness of promoting Gross National Happiness through storytelling and provide “legitimacy” to the program and its storytellers.

A Concluding Story: “The Lovers”

Here’s a story, called “The Lovers,” by Sundar Singh. It illustrates well how a story can promote Gross National Happiness.

It is told that there was once a young man who belonged to a respectable family, and who, after finishing his studies and other duties, used to go out for a walk in the [forest] each evening. His parents loved him dearly because of his good character, amiable disposition, orderly habits, and obedience. He was the pride of the family. One day he went further than usual into the [forest]. In fear that darkness might overtake him, he frantically tried to find his way. Just as he reached the road, a wild beast attacked and wounded him. With his last strength, he drove off the beast, cried out for help and then collapsed from shock and exhaustion.

Some distance away a beautiful girl was gathering firewood. When this horrible cry reached her ears, she was at first frightened, but she took courage and went to see who had cried out so desperately. She found the handsome young man lying half-conscious with no one nearby to help him. He was badly wounded and bleeding heavily. She pitied him and led him by the hand to the nearby river. She washed his wounds, and tearing her own dress, she bandaged them. Then she struggled to help him reach his own village.

Finally, they reached the house of the young man. His parents and relatives were shocked to see him in such a frightful state. They were also distressed to see him in the company of the girl who was obviously poor, and, in their eyes, quite beneath his social position. When the young man and the girl told their story, the lad’s parents thanked the girl for her help and invited her to stay with them for the night, but they were actually eager to see her on her way. Early in the morning, the young man sent for her to express his deep gratitude. As soon as he saw her bright and beautiful face glowing in the morning light he was overwhelmed by her innocence, tenderness, and beauty. He fell in love with her in that instant and made up his mind to marry her at all costs. But the girl belonged to a very poor and low caste, and he knew this would be a great obstacle to overcome.

After hearing the young man’s words of gratitude, the girl headed home. On her way through the [forest], she picked up the bundle of firewood she had left behind the day before and reached her village about

midday. About the same time, her parents and relatives returned exhausted and desperate from their fruitless search through the night. Needless to say, they were greatly astonished to find the girl at home. The girl told the whole story in all simplicity and honesty, but nobody believed her. Her elder brother doubted her character and chastity and thought she had run away and disgraced the name of the whole family. Her father beat the innocent girl black and blue and forbade her to step out of the house.

In time, the young man heard about how she had been treated, so he decided to visit her. He went to her village and told her parents the whole story, but they did not believe him either, for there was no witness to verify it. The girl, who was listening eagerly to the young man, remained silent. The sweetness of his words and the brightness of his face mesmerized her. When he had left, she told her parents, "If you doubt my chastity, then let me marry this young man." But her parents were very angry and refused. On his return home, the young man told his parents that he loved the girl who had rescued him and wanted to marry her. They became red with rage, punished him severely, and said: "Can't you find any better girl than this one of low and poor caste? Why do you want to disgrace our respectable family?" Eventually, the young man slipped away unobserved, and went to the village of his beloved. By chance, she was alone in the house that day. So they talked together freely and frankly. They were able to meet a number of times in this way and their love grew even deeper. But their parents were angry and bitterly spoke against their children's wishes. It thus became increasingly difficult for them to see each other. So they arranged to meet late at night when the others were asleep. Sometimes the young man waited outside the girl's village and sometimes the girl waited near her lover's room.

One night there was an accident. The girl fell down a steep bank behind the boy's house and injured her leg. The young man heard the noise and came out at once. He discovered that her leg was broken, took her to the hospital, and made all the necessary arrangements for her care. He went daily to see her. After some days she felt much better. When her parents finally found out where she was, they took her away from the hospital and hid her with some relatives in a distant village. The next day the young man went to the hospital as usual, but was confused when he did not find her there. The doctor in charge of the ward told him that she had recovered and that her parents had taken her home. The young man ran at once to her village, but she was not there. He feared that she had deceived him and had run away with some other man. Nevertheless, he missed her terribly and worried constantly. He could not find any clue where she might be. The girl also worried and wept bitterly day and night. Days passed but she heard nothing from her lover, so she thought that perhaps he had forgotten her and had fallen in love with some other girl. In addition, her parents were arranging for her to marry another man.

One day, when her family was asleep, the girl slipped out and ran to her lover's house. Calling at his window, she discovered that he was not there. She wept bitterly, saying: "Alas! My parents and relatives are now enemies. The man to whom I gave my heart has also left me. I cannot live another day in this world that is now hell to me." Thinking thus, she turned her steps toward the very river where she had once washed her lover's wounds. There, she jumped into the water, intending to end her life. Nearby, her lover sat behind a large rock, absorbed in his thoughts and entirely unaware of the presence of his beloved. Hearing the sound of someone falling into the water, he leapt in and rescued the girl. It was like a dream. He held the unconscious form of his beloved on his lap. After a few minutes, she revived and looked up into the dear face of her lover. All the bitterness of her life vanished in the twinkling of an eye. They embraced and kissed each other. At first, they were so overcome by joy that neither could speak. For half an hour they embraced each other with the deepest affection. [They then realized that it was God's desire for them to be together as husband and wife and committed themselves to him and each other.] So they went to the man of prayer and explained the whole situation to him. He gladly married them and sent them on their way with his blessing. They returned to the city, rented a small house and worked hard to earn their living. Even the richest people, with their palaces and worldly comforts, would envy the life of peace, love and happiness that those young lovers enjoyed in their poverty. Along with their love for each other, they were also filled with the bliss of divine love. They gave themselves heart and soul in the service of God and he blessed them in every way.

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One Big Happy Family? Gross National Happiness and the Concept of Family in Bhutan

BY LINDA LEAMING

Introduction

Bhutan is famous for the statement of His Majesty, King Jigme Singye Wangchuck, that, for his people, he would rather have gross national happiness than gross national product. Far from being merely words or cliché, this feeling, entity, or political concept of Gross National Happiness (GNH) is palpable in Bhutan and maximizing Gross National Happiness has become a 'central development concept' of the government.

In this paper, I will focus attention on the Bhutanese family and propose that, as an institution, it forms the bedrock for GNH in Bhutan. I want to show how our attitudes about family are a primary source for happiness and are interwoven in the four platforms of GNH for of Lyonpo Jigmi Thinley: namely equitable economic development, environmental preservation, cultural promotion and good governance. I want to explore the concept of Gross National Happiness and what part the Bhutanese notion of the family plays in fostering happiness and well being in our country. I think our notion of family plays an enormous, pivotal role.

Happiness and the Family

It is important to make a distinction here between the 'innate, natural' propensity for happiness of many Bhutanese people and Gross National Happiness, which is a deliberate governance policy.

Happiness in Bhutan, I will define as an ease of living and a feeling of security, autonomy and continuity, a life that is full of relative freedom of choice to do what we like. Added to this we have a sense of intransigence and status quo, a reasonable expectation that we will have enough of the essentials like food, healthcare and education for our children-and maybe even a new rice cooker or television. Further, an essential ingredient for happiness is hope for the future. In Bhutan, we still have the belief, as purported by late His Majesty the Third King of Bhutan, that our children will have better lives than we have.

We have many reasons to be happy in Bhutan. Our environment is pristine and we share our habitat with over 150 species of mammals, many of them endangered. Bhutan is one of the 10 global hotspots in the world and in 1995, the government passed the Land Act, which says that 60% of the country must remain forest.

Bhutan's rugged geography and isolated, land-locked status makes infrastructure difficult and costly. However, according to Vision 2020: A Vision for Peace, Prosperity and Happiness, Bhutan has, for the past 3

decades made tremendous strides in development. "A child born today can expect to live 20 years longer than someone born only a decade ago." It is true that before late His Majesty's reforms in 1961, the average Bhutanese lived a life that was, to quote Thomas Hobbes, "solitary, poor, nasty, brutish and short." But things have changed. Progress recorded in the past three decades is "unmatched by most developing countries." The people of Bhutan are able to enjoy an impressive prosperity.

Add to this the fact that we have free healthcare and education and the government spends roughly 20% of its budget on social services (the global average for countries to spend on social services is about three percent). Women fare well in Bhutan, especially compared to other countries in Asia, and there is equal opportunity. The inhabitants of many villages in the country have traditionally passed on property matrilineally, and girls make up 47% of children attending school.

From the aforementioned examples of happiness, it is clear that natural propensity for happiness in Bhutan is difficult to extract from GNH, the development concept. As to which came first, the chicken or the egg, it is perhaps the Bhutanese people's natural inclination to be happy. The family contributes to overall 'natural' happiness in Bhutan and the governments multi-dimensional approach to development, "aimed at spiritual and material balance and harmony" perpetuates and expands on our natural happiness.

GNH aside, happiness cannot be inflicted upon us. We must all seek happiness in our own minds. It is not spontaneous nor can it be bestowed. We are happy when we are secure. It is interesting to note that in Bhutan there is tremendous nationalism and a feeling of security newly refurbished after the military action in the south. Even though Bhutan is often characterized as a fragile, precarious nation geopolitically, environmentally and economically, the feeling of autonomy seems to override any trepidation about being a vulnerable country in the national psyche. To quote Vision 2020 again, "There was no 'mother country' that was ready to insist that it knew what was best for us or that was ready or even keen to absorb our most talented people. We realized and accepted early that, while others may have considered us poor and backwards, our future was firmly in our own hands, and that whatever future we built would be the result of our own efforts. This independence of spirit and mind contributed to the formation of our distinctive Bhutanese identity. It has given us dignity as a nation and helped to shape a common sense of purpose."

Bhutanese enjoy what Karma Ura calls an "assertive culture", having defeated the Tibetans in the 17th century and escaped the British in the 19th. This helped shape the national character. This sense of nationhood, and this pride in independence so evident in Bhutan is echoed in the writings of the fathers of the American constitution.

The notion of choice is also an important element of the national psyche that tends to add to our sense of happiness. Bhutan has never worn the yoke of colonialism, and therefore, the Bhutanese have always had a choice in our own destiny. Further, the notion of choice is tied to the idea of karma, a basic tenant of Buddhism. If we can do good works, we can improve our karma and eventually break the cycle of rebirth. Also within Buddhism is the notion of following one's own path for salvation. Likewise, a policy of GNH, the ongoing decentralization of the government by His Majesty, is conducive to our happiness because it gives us more control of our destiny at a local level of government.

Finally, the ingredient that underpins our sense of well being and complements our happiness is our faith in the family and abiding closeness that knits our social structure together, what Lyonpo Jigmi has referred to as 'the rich bonding of individuals as members of extended families and communities'. The notion of the family -from the top down- that is to say from our 'benign patriarch' to the most unlauded street sweeper, cocoons us in Bhutan with a sense of security and well being and is a major factor in our enjoyment of happiness. Add to this our strong sense of history, culture and religion, which are all closely aligned to family and our way of thinking about family, and we have a 'happy nation'. Especially in times of uncertainty, we turn to our loved ones for solace and for reassurance. The structure of the family and our dependence on it is still intact in Bhutan. We have not yet gone the way of the nuclear family, and isolation and the family is thriving in Bhutan; it is the most important social structure that we have because it is tied to culture, governance and the environment.

The definition of family will be a broad characterization that takes in the concept of community, village and neighborhood and, in fact, the entire country. In Bhutan we are accustomed to relating to our friends and neighbors with care and interest and a family-like intimacy. This permeates every facet of Bhutanese society and is nowhere felt more strongly than with the Royal Family, an active working unit that reinforces the concept of family and is a major factor in the country's stability. Further, this notion of family in Bhutan is much more subtle than merely a family unit or nuclear family. It includes a spirit of helping, and the notion described in the west as extended family, that is to say our neighbours, community, even our fellow country men and women. In Bhutan, we have a single-minded national identity that is part of our sense of 'family' and this I will also include when discussing our notion of family.

The typical Bhutanese family is large and our social structure and religion deem that we take care of each other as if we were all related. How else could we in Bhutan survive the rugged terrain and isolation unless we look after each other? We all have rather large, interdependent extended families and even the names 'brother', 'father', 'auntie', 'uncle', 'little brother', 'elder sister' etc. extend to people who are not our blood relatives. Bhutanese

have a natural inclination to treat others with an intimacy and familiarity as if they were family. This inclination seems to be endemic in all of the ethnic groups within Bhutan: Sharchhopa, Khengpa, Lhotshampa, Layap, Ngalopa etc. Because Bhutan is still 80% agrarian, and agrarian societies have intergenerational, extended families, it would not be incorrect to say that at least 80 to 90% of families nationwide are extended. Of course, with rural to urban migration the families become nuclear, but the populations of the urban centres in Bhutan appear to be made up of many extended families and a few nuclear families.

Is Happiness Fleeting?

Other countries have attempted to write happiness into their laws or make the pursuit of happiness a part of the national psyche. So although the concept of happiness written into the laws of a country is not new, certainly the Bhutanese slant on it is. For the United States, whose constitution provides the inalienable rights of "life liberty and the pursuit of happiness" the pursuit is inexorably linked with consumption, with the accumulation of material possessions and capitalism at all costs.

The Bhutanese notion of happiness, in theory, is not. There is concerted, even excruciating effort on the part of the Bhutanese government to balance economic growth and development with environmental protection, cultural preservation and enrichment and good governance. In fact, the government will often forego economic development if it hampers environmental or cultural concerns. As stated in Vision 2020, "The concept of Gross National Happiness was articulated by His Majesty to indicate that development has many more dimensions than those associated with Gross Domestic Product, and that development should be understood as a process that seeks to maximize happiness rather than economic growth. The concept places the individual at the center of all development efforts, and it recognizes that the individual has material, spiritual and emotional needs. It asserts that spiritual development cannot and should not be defined exclusively in material terms of the increased consumption of goods and services."

There is no better source for illuminating the various issues of GNH than our Prime Minister, His Excellency, Lyonpo Jigmi Thinley, one of the framers of this illustrious policy. Lyonpo writes in *Values and Development: Gross National Happiness*, that 'sharpening materialistic appetite, and pursuing economic prosperity has come to be the purpose of development planning everywhere.' This is as it should be, says Lyonpo, as material conveniences make our lives better. But beyond a certain level, when we have accrued a certain amount of things, material consumption "is not accompanied by a concomitant rise in happiness." Or to quote Henry David Thoreau, the American transcendentalist, "things are in the saddle and ride mankind."

What we want to do in Bhutan is to continue to do the things that make us happy, which means we want to try to identify them and make them part of the GNH development policy, and we want to avoid falling into the trap of equating happiness with wealth. No matter how much we see that money and material possessions do not instantly make us happy, there is this persistent notion, especially in the developed countries. 'How can a person be happy if he or she is poor?' Money doesn't buy happiness, but it helps. While material comfort is certainly linked to happiness and well being, it is a misstep to put all of our eggs in a capitalist basket, so to speak. For we have merely to look at the United States, my homeland, to see that while it is the richest country in the world, it also has one of the highest per capita consumption of anti depressant drugs in the world. According to a WHO report on the global burden of disease, in 1990 major depression was the fourth leading cause of disease in the developed world. The report predicted that by 2020 it would rise to second. This does not indicate happiness or well being.

Yet even if we who live here have grown to take our own happiness for granted, and continue collecting newly available commodities, we merely have to look at the world around us to see that our lives and our lots are still relatively simple and happy in Bhutan. By some accounts, we are marching toward rampant materialism. I do not think this is the case. There is contentment, and, at the time of this writing, peace. Perhaps with the GNH development policy we will be able to escape the same fate of developed countries that had, in a bygone era, what Bhutan now has. With inevitable further urbanization and modernization, a GNH development policy that helps protect and safeguard the family is perhaps our best hope.

My tendency in this paper is less toward quantitative analysis of happiness and the family and more toward qualitative analysis, which is very much in line with the government's development goals, as the government stresses culture, spiritual values and tradition, such things that resist being quantified.

For the past several months, I have been observing families here and exploring the notion of the family as the 'prime mover' for GNH. I will examine attitudes and incidents from oral histories to document my paper. Devotion to ancestry and respect for elders, the importance of Bhutanese history, patronage in the government, and of course Buddhism, are all peripheral factors I will examine.

Things like television, rural to urban migration, education and drugs are, of course, eroding this tight family structure. Likewise, it is difficult to sustain family commitments if we are driven by economic concerns. Work outside the home tends to destabilize family life. But these incursions also bring other factors to the mix. The much-maligned television, which has recently come full force into our homes, also brings us the means and ways to measure where we're going and where we've been. It brings better

communication and the natural forum of an open media, which is not all bad; it can be cautionary and instructive. The Bhutanese have always been adept at appropriating trends and adapting new ideas to meet their needs. We in Bhutan have a very long way to go before we reach the fractured state of the family in the West. Given our history and the "strong hearts and sound constitutions" of the Bhutanese that George Bogle wrote about, we have every reason to be optimistic.

Observations on the Family in Bhutan

Urban Families

Because there is very little research about the family in Bhutan, I have embarked on my own abbreviated study. I will begin with a family I have had acquaintance with for over five years. I have observed them and have been a close friend of this family and have been a part of many of their daily activities. What I observe is an efficient, close knit, interdependent structure, which is in marked contrast to the families of my American upbringing. For example, the U.S. in the 60's and 70's the notion of the nuclear family was popular. That is to say, the family unit was defined as mother, father and progeny. The grandparents, if alive, kept their own households or went or were sent to nursing homes if they were not able to care for themselves. This was also true of aunts, uncles and various cousins, who tended to live far away in other cities. If we had contact with them, it was on vacations or during holidays. Because of the post war affluence of the country and the G.I. bill, the American style 'ranch house' was within almost everyone's grasp. And we were a nation on the move. We moved frequently for work or for better opportunities. Our ties, the primary reasons we moved residences and sought more and better jobs, were economic. This tendency toward movement and economic gain and away from family continues full force in the U.S. It would be very unusual in the U.S. for someone to relocate, leave a job and other ties, to be near their extended family.

Here in Bhutan things aren't delineated as such. The family is anything but nuclear. In fact, attitudes about the family and its interactions are the reverse of my upbringing. There are five siblings in the family to whom I am acquainted, four of whom are still living: two sisters who are elder and two younger brothers. All of the family migrated in stages to Thimphu about 20 years ago, after the death of the patriarch father, who was a tsip in Trongsa, and after the death of the eldest sister's husband. It is interesting to note that this is the first generation to move, en mass, from the village. In fact it is the first generation that anyone moved from the village, except in a few marriage cases. The eldest son became the patriarch or provider for his two sisters and younger brother, who were still in school. The eldest son once said to me that if his father and his brother-in-law hadn't died in rapid succession, the family would probably have stayed in their village in

Trongsa and continued their lives there. But they sold many of their possessions and property to pay for the cremations.

Now all of the immediate family lives in Thimphu, except for the youngest brother who works for the government in Mongar. The father who died on Trongsa had nine brothers, so the family is awash in cousins, aunts, uncles, nieces and nephews, who live all over the country. The family seems to have covered all bases. I believe they are like many families in Bhutan, with extended family who are monks, lamas, gomchens, anims, bureaucrats, farmers and students. This family infrastructure provides a fairly complex give and take of goods and services. Relatives in the villages, either directly related or related by marriage, supply rice, potatoes, cheese and other staples and have a place to stay when they visit Thimphu as well as other resources of the family. There are cousins who are weavers, tailors, woodcarvers and painters. There are engineers, contactors, teachers and one branch of the family has a tour company. And although the trend is for people to specialize in a profession, there are enough members of the family who are generalists, that is to say who have useful skills in several areas of expertise, so the family is never lacking in help in any given area.

In addition, the family supports specific monasteries and shedras, and individual family members who are in the clergy with monetary offerings and donations and in kind subsidies such as oil, rice and labour. They give money and labour for maintenance and renovation of the family temple in the village. There are periodic pujas to placate local deities and help ensure the family remains safe and prosperous. This connection with families to local deities is ubiquitous in Bhutan and a contributes a great sense of well being and protection as well as a sense of improving the lot of the family. It is believed to secure a better future for each member of the family. These periodic pujas for health and well being are tremendously important to the average family in Bhutan and their importance can not be over stressed. They give individual families a sense that they are doing their utmost to protect their members. A specific families affiliation with a particular deity can go back for generations and the vitality and frequency of these rituals is a sign the culture is alive. Pujas carry on ancient family traditions, and underscore their connections to the village they came from. They are a visible signal of stability and well being for all the family members. Besides, the yearly puja for a family is a good way to get all of the family members together to celebrate and enjoy time together.

In this way, the family is a repository for the Bhutanese cultural identity. In the family of my acquaintance, there are many other small and subtle ways that the family carries the cultural tradition of Bhutan. The children speak Trongsap, the village language, in addition to English and Dzongkha at home. They are taught the habits, customs, songs, food, dress and manners that were handed down for generations in their community, as the family is extremely traditional, as well as being upwardly mobile. This

very elaborate adherence to customs and the mutually supporting family provides enormous physical and spiritual support to every member.

Within this family, there are good times and bad times: people die, children are born, people marry, they fight and come to agreements. Life continues much as it does for people all over the world. There are no real worries of not having enough food or not having shelter. There is an unspoken understanding that the family will provide. This amount of back up and support in one's life is formidable. It contributes greatly to an overall sense of well being and, dare I say, happiness.

Having this close knit, interdependent, multigenerational family as we do in Bhutan, and here I am speaking generally about families and not about any particular family, is of course good and bad. And this is a small chink in my theory that the family is fundamental to our happiness in Bhutan. Because it is a universal truth that the thing that causes us the most happiness is also the thing that can cause the most grief. When a family is large and extended, as are most Bhutanese families, it is hard to make a move without causing a ripple effect. There can be, depending on the make up of the family and its temperament, a profusion of commentary or meddling in other family member's activities. There is also universal need in Bhutan, and family members are responsible for each other. This sense of entitlement can be difficult and can make us unhappy. However, in my own case as well as in the majority of families in Bhutan, I believe the perceived long term benefits and the perceived potential for happiness within the Bhutanese family, outweigh the perceived negatives. Moreover, compared to some other cultures in Southeast Asia the Bhutanese family is relatively undemanding of its members.

The center of activity for the family of my acquaintance in Thimphu is the second sister's house. It is a large, rambling traditional house where she lives with her husband, their six children and her mother. For about half a year the husband's father comes from his village to live with them, and there are other visitors both long and short term. Before the eldest sister lost her husband, they had two young children, a boy and girl. These children have been raised by various members of the immediate family, and have moved households at different times in their lives. The sister was living in the village when her husband died and was unable to care for her two small children. She made her living as a weaver and kept what she could of the family farm until she moved to Thimphu, where she lived with relatives, moving from house to house, while her children remained with her siblings. It was a symbiotic relationship: she wove for the relatives, cooked, cleaned and took care of their children, and they fed and housed her. Her daughter, who is now 13, visits her mother, but lives with the eldest son and his family. The eldest sister's son is living with her youngest brother, his uncle and family in Mongar. Although the eldest sister has recently remarried, the unspoken arrangement with her children and her relatives stays the same.

An element of the Bhutanese family that has virtually disappeared in the American family, if it ever was a feature, is the concept of one sibling or family member taking on another's to raise and I am making a special point of this case because I believe it is also rare in other developed countries for this informal arrangement to take place. In the U.S., parents will most often make provisions for their children in their wills, and designate a guardian, perhaps a family member, in the event they are unable to care for their children. But informally taking the children of relatives to raise is not the norm, at least not without some kind of legal agreement. In Bhutan, it is very common for people to take the responsibility of raising relatives' children for long or short periods, and they seem to do it with a certain amount of ease and *laissez faire*. The structure of the family is more fluid. Another important reason that relatives take other relative's children to raise is so that they can be closer to schools. For whatever reason, there is a great deal of 'sharing' among the families. This certainly takes the burden off those members of the family who are less able to care for their progeny, and redistributes it on those who are able. This makes us all happier.

Along similar lines, children seem to have a great deal of personal freedom here. When the eldest sister's daughter was ten, her mother remarried and took her to live with her and her new husband. But the girl said she wanted to remain with her uncle and his wife, and so she was allowed to return to their home. This is not anywhere near the norm in the United States. To give a ten year-old child such personal freedom is rare. For all the personal freedom we seem to have in the United States, the children have very little say in their own destinies. I find that in Bhutan the opposite is true. The amount of personal freedom for children within a family is greater here than in the West.

In 1995, I stayed a week with a family in Kanglung. There was a four year-old daughter in the family who stayed with the mother while the father taught every day at the college. One day I asked the mother where her daughter was. 'Oh,' she said, 'she wanted to visit the neighbors.' 'Did she go alone,' I asked? 'Yes,' the mother said. The neighbor lived down the hill, about half a kilometer away via the motor road. I was shocked that a tiny child would be allowed to go, unaccompanied to a neighbour's house so far away. But the child survived, even thrived, and lived to do it several more times in the week I was there with the family. Again, this amount of personal freedom for children is not the norm in the West and readers of this paper who are from western countries will share my surprise that the small child was allowed to move about the countryside with such autonomy. Bhutanese readers won't be surprised. In the West, we have many more issues with a child's safety, autonomy and mobility. More personal freedom at an early age is conducive to a child's sense of choice, ergo freedom and happiness. If the child grows up believing he or she has

choices and can make those choices in a safe and loving environment, then it helps to mold the child's character in a positive way.

These descriptions of the family of my acquaintance and Bhutanese families in general serve to point out several other very specific characteristics of the Bhutanese middle class family or semi urban family that I feel contribute to a sense of well being, happiness and stability for the family. Like most Bhutanese families, the family of my acquaintance is a fluid, intergenerational family. In the second sister's house, there are three generations living under one roof: the widowed grandmother, her daughter and her daughter's husband and their children. In the U.S., this is rare. Parents, when they become old and infirm are either left to fend for themselves with no close relative nearby, or perhaps they get some part time institutional support such as delivery of their meals by volunteers. If there is no close relative nearby they often go to old age homes. In Bhutan the interaction between grandparents and grandchildren is pivotal as the grandparent is able to be a part in the upbringing, discipline, feeding and enjoyment of his or her grandchildren. In this family, the grandmother can watch the baby when her daughter is otherwise occupied, help with the cooking and cleaning, comfort the small children and generally add to the sense of stability and security the children feel.

The grandmother goes every day to the Memorial Chorten to make perambulations around the chorten, do 108 prostrations and sit with other elderly friends and pray and spin the prayer wheels. She has a very strong sense of purpose and hardly misses a day. Although she has had a difficult life in the village, now her life is relatively easy (except for the prostrations) and she is 79 years old.

Bhutanese families tend to take the line of least resistance, and are very pragmatic in how they operate. If there is a need within the family, then it will be filled by someone in the family who has the means to fill it. If money is needed, someone with money will help or he or she will borrow money and give it to the needy relative. If a family member doesn't have enough to eat, then someone with an excess of rice will most often supply. If a family's house is too far from a school then its children will be absorbed into other households within the family that are closer to schools.

In the part of Thimphu where I live, one of our neighbors is a civil servant with a wife who also works in a private business. They have three children, ranging in ages from 18 to 10. The middle child lives with a sister in Wangdi and goes to school there. In addition to their two children, two cousin brothers from the village live with them and the wife's mother lives with them for part of the year. These cousins are out of school; two work, and one is looking for work. At any given time, there are three or four other relatives, either monks or lamas making a trip to Thimphu, or relatives from the village, who stay in the house. A woman friend from the village lives with the family as she is divorced and has no immediate family of her own.

The family has a very solid support system in that anyone making money contributes economic support; those not working outside the home take care of the children and cook and do the laundry. The monks and lamas who frequent the home provide spiritual support in the form of prayers and pujas. Perhaps what the family lacks in privacy is made up for sheer numbers of hands to pitch in. Day to day, it can be daunting to have so many bodies about in a very small house, but when there is need or crisis, family is welcome and necessary for well being.

Our friends Dorji and Tobgay, are a married couple living in Paro, and both have government jobs. They have two small children and Tobgay's mother and father live with them and take care of the children who are three years and one year old. In addition, their household is made up of the daughter of Tobgay's brother who is 10 and attends school. His brother lives in the village with his wife and other children. An aunt and uncle of Tobgay's are also living with the couple for an indefinite period. While it is a crowded house, the inconvenience of so many people is offset by the fact that there are so many helpers.

I describe these case studies to illustrate specifically the number of people living together and the lives of the children, how they are cocooned with responsible, caring adult family members in large, warm extended families. While the households are often crowded, in these informal, unspoken arrangements, there is always someone to tend to the children and keep the home fires burning. The grandparents have a very real and important function to cook, tend to children and literally keep the fires burning. This prolongs their lives because it prolongs their productivity. If nothing else, the very elderly and infirm are often able to simply sit and pray and spin prayer wheels. In this way, they continue to be 'productive' because they are praying for themselves and the well being of their families. It must be a great comfort psychologically for these old people, most of whom have spent their lives raising families and being sustenance farmers, to have an important and respected place in the bosom the family where they are and cared for and they can still contribute, if only marginally, to the family chores and the raising of their children's children.

Large, extended families were of course crucial for survival in the villages, because they made for a strong labor force. While living amongst lots and lots of family is not always conducive to harmony and happiness, there is at least something to be said for enough hands to cook, clean, farm, build houses, and tend to the children and animals. A large family makes for a safety net, and provides security and a sense of well-being to the people in it.

Another attribute of the family in Bhutan, and one I believe contributes greatly to happiness for all is that Bhutanese parents wield absolute authority over their children. Likewise, neighbors and extended family members feel it is their right and duty to tend to Bhutanese children who

are not their own. I observe neighbors, friends, and even complete strangers disciplining or instructing children who are not their own. In the West, we have given up this prerogative. In fact, it is socially unacceptable to do so. But in Bhutan there is a communal environment, and a sense that our children collectively belong to us, and we are still of the same mind about child rearing. And there is the sense in Bhutan that an adult knows best: respect of children towards their parents, grandparents and elders is very much instilled in them. It is, incidentally, gone in the West. A neighbour's interference or reprimand of an American child would perhaps engender a lawsuit. In any case, it would be a rare incidence if the reprimand were welcome. In the West, we have given up much of our authority over our children. Even touching our children has become an area of scrutiny. Corporal punishment is socially unacceptable. We still have it in Bhutan. It is not my intent to link beating one's children with Gross National Happiness. However, it is a popular notion that as a child grows he or she needs definite boundaries. It is important for children to know where they fit in the universe. A child who has clear delineations of his role in the family and in society is, in short, a happier child than one who does not have this identity. In Bhutan I see it clearly, still functioning within the family units. There is a code of conduct in Bhutan, part of the cultural tradition, called *drinlen*, which is a respect for elders, or a sense of duty to repay deeds, especially to elders such as parents, aunts, uncles, teachers and neighbors. It echoes, on a smaller scale, the notion of *driglam namcha*.

This notion of boundaries and clearly defined choices for Bhutanese children is a crucial element for of happiness on several levels. Jung said

The little world of childhood with its familiar surroundings is a model of the greater world. The more intensively the family has stamped its character upon the child, the more it will tend to feel and see its earlier miniature world again in the bigger world of adult life. Naturally, this is not a conscious, intellectual process.

Or to put it in less mythological terminology, "Where you can get to depends of where you're coming from."

I cannot image a culture where the family stamps its character upon a child more than in the Bhutanese culture. The family is the be all end all for the child. The minutia of daily living in Bhutan is so entirely focused on family life. As an example, I call attention to the way in which Bhutanese women carry their children. The Bhutanese joke that their children's feet don't touch the ground until they are perhaps two years old. We have all seen women in the villages sewing paddy with children on their backs. Their mothers or siblings carry the children; they are content. If the children cry, they are taken off the back and put on the breast and fed. Compare this to the Dr. Spock influenced generation of the United States, where children are put on a schedule to be fed, held and put to sleep. Common sense tells us that this is for the convenience of the parent. Here we still have time in

our lives to focus on the needs of our children, their well being and contentment.

And there are many contented children in Bhutan. They are free to play in along the streets of Thimphu and in their villages. Their lives, although perhaps short of material things, are abundant in love, caring and attention, not only by their parents but also by friends and neighbors.

A recent visitor to Bhutan from the U.S., who had been here five years ago, commented on how much the streets of Thimphu had changed in that time. I asked him to elaborate. He said things had become much more 'commercial' and materialistic. To prove his point he called my attention of the several toy stores on Norzim Lam. Obviously there are more goods available here than five years ago but to me the commercialization is secondary. What the profusion of toy stores on Norzim Lam means is that we dearly love our children.

If we grow up in happy, contented households and have happy childhoods, we tend to see the world as happy and non threatening. Our adjustment to the world and our responses to things are connected, loving and engaged. Like everywhere, divorce is an issue in Bhutan, but even if the parents of the child are divorced, he or she is more likely than, say, a child in a developed country, to live among other relatives, as often the wife and mother takes the children to live with relatives after a divorce. If they're not immediate relatives then there are friends and neighbours. Bhutanese children are rarely lacking in adult role models as are the American children of divorced parents.

This is not to say that all children in Bhutan are free from exploitation, abuse and other evils, but a loving, caring household is more norm than an abusive one.

Village Life

In his article in the *Journal of Democracy* and subsequent book called *Bowling Alone*, Robert D. Putnam, a professor at Harvard University, influenced the American public in 1995 when he theorized that American society was breaking down because people had become more disconnected from their families, neighbors, communities and the republic itself. He borrows the term 'social capital' from Jane Jacobs in an attempt to define the intangible essence of what is valuable in society and what we get from our societal connections. Social capital is the premise that social networks have value. Here it is not so helpful to delve into Putnam's theories that American civil society is breaking down. Bhutanese society, like all societies have some of the same features, (i.e.; organizations, religion, government) or structures that keep the society together. But it is helpful to remember that the societal situation in Bhutan is very different because it is smaller, more homogeneous, Asian, Buddhist, agrarian, developing, it has a different history, and has other factors that make comparisons with the U.S. difficult

and that could possibly lead us down a path of erroneous conclusions or evaluations. What is helpful in our examination of Gross National Happiness and the family in Bhutan is Putnam's terminology. Thus, social capital in Bhutan means social networks, and I have already described the social networks within extended families (i.e.; religion, financial support)

The term social capital emphasizes not just warm and cuddly feelings, but a wide variety of quite specific benefits that flow from the trust, reciprocity, information, and cooperation associated with social networks. Social capital creates value for the people who are connected and - at least sometimes - for bystanders as well.

Social capital is enhanced through information flows and the dissemination of information. It is characterized by norms of reciprocity or mutual aid-that is neighbours helping neighbours, collective action (i.e.; militia) and thinking of ourselves as members of a collective "we" where the individual will is subjugated to the good of the community. These areas of social capital that Putnam describes seem to be abundant qualities and readily apparent in village life in Bhutan.

Because the terrain is so rugged and harsh and life is isolated, the people living in the thousands of villages within Bhutan would literally not have survived throughout the centuries if they had not help their neighbors, fed them when they had no food, helped plant and harvest crops, lived reciprocally and acted in a generally familial way. They learned creative ways to diversify their farming and ranching techniques and they shared the information in a collective environment.

Within society or a village, the logical extension of family life is what Machiavelli calls *virtu civile* or civic virtue, an "ingrained tendency to form small scale associations that create a fertile ground for political and economic development". These associations can be institutional like the Boy Scouts, or they can be less structured as in volunteerism, say if a neighbour is in need of rice to feed his family, or he need help repairing his roof after monsoon season, or if there is a death in his or her family. In Bhutan, we have a strong, if not unshakable sense of civic virtue, especially within the villages. Even in my short stay in this country, I have been not only a source for documentation of civic virtue within Bhutanese villages, but I have also been a participant.

I regularly participate in the annual puja in my husband's village. There are 200 to 300 locals who descend on the village for three days of eating, drinking, dancing and prayer. Civic virtue is very noticeable as is social capital. To feed that many people and host them for three days requires a formidable amount of planning and team work. And this happens frequently in most every village in Bhutan.

Members of Bhutanese villages regularly participate in the building of their neighbours' houses, another good example of civic virtue. Early in 1998, I participated in a day-long house building, where members of a

village near Semtokha assembled the new house of a local teacher. Mud bricks were cut from the earth several weeks before and had been drying, in preparation for the day about 50 of us would come together and assemble the house. Women sang songs as they pounded the mud to strengthen walls. There was a large amount of food and drink involved, as usual. The atmosphere was festive, although everyone worked hard until after sundown. It was reminiscent of a 'barn raising' in the United States, where, in the early years of the country, families came together to build their neighbours' barns. Now helping neighbours build barns is part of the country's history. It is no longer done.

In any given village in Bhutan, there is a tremendous amount of interdependence. Milk is traded for rice, cheese is given for vegetables, and people help each other in hundreds of different ways.

Even the informal codes of law that make mediation the basis for settling disagreements, from divorces to property disputes, in Bhutanese villages, greatly adds to the notion of a family unit, or a people intimately connected to each other. In mediations, whole families are involved in the process.

As Karma Ura points out in *The Herdsman's Dilemma*, ancient grazing rights for cattle and yak are still in effect in the remote areas of Bhutan. This means that there is a consensus and unwritten code of how and when the numerous yak herders should graze their animals. There are elaborate management schemes for sharing pastures, rotating herds between different households and determining access to pastures, all prime examples of civic virtue and 'familial' behaviour.

This familial attitude extends beyond relatives. On my first visit to Bhutan, on a trek, I and the other members of my party would pass villagers on the trail, going to or from their homes. Without fail, they would ask our guide or some Bhutanese member of our party *ca le om?* (Where are you coming from), or *ca te joni mo?* (Where are you going?) It is the Bhutanese way to keep track of fellow travelers. We never know when our help might be needed or if we will need help. In more developed cultures, and of course with larger populations, there is a fundamental distrust of strangers. We would never ask where someone was going, nor would we divulge much about where we were going or coming from. It is simply risky to do so.

There is an abundance of civic virtue in the villages of Bhutan and this creates a sense of belonging, well being and security. So what the inhabitants of Bhutanese villages lack in material comfort they make up for in being a part of a close knit tribe.

Moreover, these ancient ways of conduct within the village haven't changed markedly over the years. Nicolas Lemann in the *Atlantic Monthly* points out, "Once civic virtue is in place it is incredibly durable over the centuries." (Lemann) In the average village in Bhutan people routinely visit

each other, help each other, and have intimate knowledge of what's going on in their neighbours' lives. They are bound by traditions, histories, mythologies and family life and the interdependence of people is still the basis for their existence. Even as the Bhutanese move from extended to nuclear families and from rural to urban settings, they still have a sense of civic virtue, which creates good will, stability and happiness.

As mentioned earlier, a formidable example of civic virtue in Bhutan and one that creates a great deal of social currency is religion: Mahayana Buddhism. Most every village in Bhutan whether large or small, has some tangible form of Buddhist culture-whether it is a temple, monastery, chorten, shedra or prayer wall, tree, knoll or rock imbued with a spirit or local deity, somewhere nearby. Daily life and culture is permeated with this particular form of Buddhism. Religion shapes how we interact with each other and the environment, and how we run the government. And it is a big part of family life. A recent article in the *Kuensel* described the disappearance of the Mewang gup, who, according to his wife "was perfectly all right and he didn't have any enemies." What the family suspects as the cause of the gup's disappearance is the wrath of local deities, because the family had "ceased to practice an annual ritual about five years ago."

Incidents such as this indicate an enormous, ongoing tradition, constancy, stability, a way of belief and a culture that is the bedrock of the society. They create a sense of continuity and well being and provide the core of Gross National Happiness.

Going back and reviewing philosophy books and papers from college, I am struck by how much of what many western philosophers wrote is echoed in Bhutan. John Stuart Mill wrote in *Utilitarianism*, "The creed, which accepts as the foundation of morals Utility, or the Greatest Happiness Principle, holds that actions are right in proportion as they tend to promote happiness, wrong as they tend to produce the reverse of happiness." This could be the underlying, unspoken creed of any village in Bhutan.

Religion and the family, because in Bhutan we can't have one without the other, seem to be a factor in the preservation of the environment, as the ancient Bon religion, the precursor of Buddhism, held that nature is alive and must be respected and protected. Likewise being a good Buddhist means protecting the lives and habitats of all sentient beings.

The Monarchy

It cannot be emphasized enough how important a role the Monarchy plays in Gross National Happiness and the unity and the sense of cohesion and consistency His Majesty's policies lend to the nation's psyche. He is the benign patriarch and "an active agency of development as well as tradition." As His Majesty frequently says, "the future of Bhutan is in the hands of its people." He most certainly understands that by giving the Bhutanese people

choice and autonomy he is continuing the legacy of happiness they enjoy. And his strong leadership brings us together as a family.

The King seems to hold to the principle that "the office of government is not to confer happiness, but to give men opportunity to work out happiness for themselves". The Royal Family looms large in the every day life of the average Bhutanese citizen. The adjective 'royal' in Bhutan does not exist without the noun 'family' after it. It is a rare evening on BBS news when we do not see one of the queens or another member of the Royal Family visiting schools or offices or promoting this or that cause, whether it is family reproductive health and HIV/AIDS or youth development.

The Royal Family is, like most families in Bhutan, an admirably tight knit unit. And unlike most royal families, they are not merely figureheads, but are working and active in the government. It would be difficult to identify a world leader who was more 'hands on' than His Majesty the King, Jigme Singye Wangchuck.

His Majesty, our 'benign patriarch', and the First Family of Bhutan set the tone for national unity and are a constant reminder to the people of Bhutan of the ties that bind us to each other. As I began to write this paper, His Majesty travelled to the south, to lead and command the Royal Bhutan Army, the Royal Body Guards, the Royal Police and 741 Militiamen and women, in the fight to rid the country of Indian militants.

We watched His Majesty's addresses on BBS on the 14th and 15th of December, when he called the soldiers in Geleyphu and Deothang his sons. He referred to them as 'like family' and expressed his fear for their safety. It was extremely moving. His Majesty admonished all of us in Bhutan to work together as a family. And in this national emergency, it seemed we all did work as a family and continue to do so.

We in the West have become jaded to the notion of royalty, and I would go so far to say that westerners such as me are wary of royalty in general and have doubts about the efficacy of a government headed by a king. We have grown accustomed to the quasi-ceremonial roles of the European royals, not to mention their lavish but troubled personal lives. Moreover, during this epoch, which some have called the end of history, we like to think of governments marching (or goose stepping) to a more democratic beat. But even Thomas Jefferson was a "founding father". To have an intelligent, strong, competent, just, creative 'Father', a Jungian archetype if you will, as head of the government is extremely reassuring and conducive to happiness. To have a benign patriarch who is leading his subjects slowly and methodically towards democracy as they become educated, aware and discerning, is the optimal path for a developing country.

In Bhutan we are not always looking over our shoulder to see if the government is still in place. There is no threat of civil war because of a corrupt government. There are no serious calls for changing the

government. We trust the leaders because they do what they say they will and because they seem to have our best interest at heart. This is immensely reassuring, like being part of a large happy family.

His Majesty, the author of Gross National Happiness, sets the tone for all we know or think about family in Bhutan. He is so all pervasive and his 'parental' love for the Bhutanese is perfectly and clearly felt by each Bhutanese. It is no wonder we are happy.

Conclusion

It is clear that I greatly admire the Bhutanese way of life and how the Bhutanese have been able to prosper and thrive in this inhospitable and fragile, albeit beautiful environment. Likewise, I am a great admirer of the monarchy here and the government in general. Bhutan is one of the fractional percentages of countries on earth that has free health care and free education. This obvious but often overlooked factor contributes greatly to our sense of well being in Bhutan.

The people who inhabit Bhutan: Lopshang, Sharchop, Ngalong, Lhotshampa, etc., have all learned to adapt to their environment and this is their saving grace. Their adaptability is a strong factor in the peoples' happiness and sense of well being as are their attitudes and feelings for their families. The government is equally adaptable.

Much of my paper has described 'happiness' and the family in Bhutan as opposed to GNH as a deliberate governing policy. But we have reached a point in the nation's history where there can't be one without the other. We hope that the government will continue to make wise choices and retain the protection of the deities, and that the development policy of Bhutan will be sufficiently diverse and can continue to steer the country toward preservation of the environment, cultural promotion and good governance as well as equitable economic development.

As Bhutan develops, can it escape the fate of the more developed countries of having their lives ruled by more, bigger and better things? As the American family historian Stephanie Coontz points out, "there is something empty in a world that is ruled by consumer values." The answer to the question is yes, if GNH continues to guide the country and keep this precarious balance between materialism and spiritualism.

No doubt things will change in Bhutan as it is the nature of things to be dynamic. It is my greatest wish that we are never in a position to be looking back on our lives and our pasts and say 'we were happy then.' I hope that the Bhutanese will continue to love their children and to provide for them. As more people move to the towns, childcare will be increasingly an issue that could help to erode the family unit in Bhutan. Because of the higher cost of living, high rents and the availability of more goods and services both the husband and wife of the family more often have jobs that take them

outside the home. It is difficult to sustain family commitments if you are economically driven.

It seems to be the obvious trend that, as people migrate from their villages to Thimphu and other towns in Bhutan, the size of their households is reduced to mother, father and unmarried children, and perhaps a grandparent or two. If there is another family member who can stay home to help the children get ready for school, prepare their pack lunches, and receive them when they finish school, then the family unit is not so destabilized. Children with working mothers are not so affected by the absence of their mothers if a grandmother, grandfather, aunt, uncle, cousin or some member of the extended family is there to fill the gap. Thankfully, we still have this network in Bhutan. But in some cases in Thimphu, perhaps because there are no relatives to take care of children with working mothers, there are child baby sitters taking care of children. This is where the system is beginning to break down. If the baby sitters are not children and they are older, then who is taking care of their children?

By breaking this cycle of what American sociologists call 'the nanny chain' we can forestall, or even escape the fate of families in some developed countries. The leaders of Bhutan have their eyes firmly on issues such as this one and other problems faced by families as we urbanise and modernise. As Lyonpo Jigmi said, "We wish to preserve social structures in which every one, whether children or elderly, are honoured and respected...The breadth and quality of social relations lie also at the root of happiness of a person throughout his or her life cycle: from childhood to old age."

Currently in Thimphu, there are about 8 facilities for child daycare-schools and other institutions either operating or planned for the near future. Daycare in the workplace would be optimal.

Like almost everything else in Bhutan, the state of the family is fragile and precarious. But in the country's history, the Bhutanese seem to have been able to maintain equilibrium and take the 'middle path' in most everything, from development to child rearing. Coontz says, as we develop faster and faster...[we] have to have the chance to use our work to make better lives-- not just buy more appliances".

I want to end this paper with a general observation about happiness in Bhutan. I did an informal survey in Thimphu during the months of December 2003 and January 2004, and asked 66 friends, relatives and strangers if they were happy. The results were inconclusive, as most people--over 40 of the respondents, just laughed and didn't answer the question. The rest of them nodded their heads or gave nebulous answers. ('What is happiness?' 'What do you mean?' 'Did someone say I'm not happy?') Some might say that the survey was not successful, but from it an idea can be extrapolated, which I have paraphrased from Gertrude Stein: "Happiness should not mean, but be."

If you are lucky enough to be in Bhutan, driving along the lateral road, say between Mongar and Trashigang, and it doesn't look like there will be another village for hours and hours, and although you are concentrating on the road as it winds before you, you can take in the magnificent mountain scenery and the way the landscape becomes a narrative of nature, lyrical yet surprising. You see someone in the distance sitting by the side of the road. When you get closer, you can see it is an old man. He's wearing a ragged, faded gho and no shoes. You don't see a house or a shop or anything else around, and that old man, who is perhaps sitting on a rock or a tree stump is just staring of into space. Who knows how long he has been there: hours, days, maybe even longer. Perhaps he barely notices you, or doesn't even register that he acknowledges you as you drive by in your car. I want to leave you with this image because I am certain that this old man is happy and is genuinely free. But it is for another paper to tell you why.

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Building The Fire: Preserving Local Knowledge and Traditions in the Face of Globalization

TRUDY SABLE

Thank you for the honor of being here and for the opportunity to share in this important dialogue. Specifically, thank you to the government of Bhutan for hosting such a visionary event, and to the Centre for Bhutan Studies for bringing this gathering into reality. For me, stepping into Bhutan was like entering a sacred landscape or shrine room because our teacher, Chogyam Trungpa, Rinpoche wrote the Sadhana of Mahamudra when he was here at Taksang in 1969. Our Buddhist community in the west still practices that liturgy, which describes the trees and the greenery, the animals and sounds, the mountains and the joy of Dharma practice, and here we are in the middle of it. Thank you as well for preserving this sacred environment.

When people have a sense of genuine well-being, they can share their own goodness, work well with others, and maintain a healthy, sustainable relationship with their environment. How to bring about this kind of reality for everyone and create a compassionate society is the challenge facing all communities and governments. What brings out this sense of well-being is not necessarily having material wealth. Rather, people find a sense of well-being when their basic needs are met, their lives are in harmony with their fundamental values, and are connected to a larger social vision.

In terms of this conference, what are the indicators of this larger sense of well-being?

What happens to the values and the indicators of well-being when we move beyond familiar cultural boundaries? If there are universal indicators, they will not only reflect the values of one cultural or religious view, but of people from diverse cultures.

I have had the good fortune to work with many indigenous people and the Innu and Inuit people of northern Canada in particular. In that context, I have had to look into the painful realities of people who have been colonized and subsequently marginalized, many of whom are just trying to survive day to day and have some fundamental sense of dignity in their lives. The obstacles to simply living are often daunting. Teen suicide among the indigenous population of Canada is five times that of other Canadians, and the drop out rate from school averages 50%. But, it is also important to look at what is happening in communities that is changing this situation and creating a positive future vision.

I would like to discuss one project, which I feel is a potential model for creating a sense of well being within a community, along with the indicators of success that have emerged from that work. I will speak from the point of

view of being from a developed nation, and being associated with those who do “development work,” terms I have always found discomfoting.

Since 1997, Environment Canada, a federal department of the Canadian government, has collaborated with the Innu Nation of Labrador and social scientists from the Gorsebrook Research Institute (GRI) at Saint Mary’s University in Halifax, Nova Scotia. The initial goal was to develop comprehensive baseline ecological data of the Labrador landscape from both Innu and Western scientific perspectives. This foundational work has evolved into a community capacity building project referred to as the Innu Environmental Guardians Program (IEGP). The function of the program is to develop an educational path to train Innu in the management and protection of their ancestral lands based on Innu traditional values and current community needs. The program requires education not just as it is defined by Western scientists, but as it is defined by Innu tshishennuat (Innu elders) who are the holders of Innu environmental knowledge and a distinct world view.

As director of the project for the GRI, I have listened to tshishennuat speak of their ancestral lands, Nitassinan, as medicine. The tshishennuat often complained of the mental and physical sickness that afflicted them after government settlement programs in the 1940’s isolated them from their traditional lands. They could no longer communicate with their youth, who were being educated in unfamiliar ways and in a foreign language. The food they ate, they said, was no longer “medicine” because it did not come from the land. Even the animals they used to hunt were confused and sick, and no longer followed predictable migration routes.

Metaphorically speaking, finding the “medicine” again has been our challenge over the last six years. How do you bring a fragmented culture back into balance and find that source of well-being again? By fragmented culture, I don’t just mean the Innu, but all of us together, the global, pluralistic society.

The first step in capacity building is the recognition that everyone involved has to determine indicators that contribute toward wholeness and well-being. I refer to this first stage as “building the fire.” This is the aspect of capacity building that requires creating the conditions for communication and finding a mutual vision. I use the image of a fire because it is where people come together for warmth, food, and company. In this case, Environment Canada had to build an ecological knowledge base to support an environmental assessment process that integrated Western science and the traditional Indigenous Ecological Knowledge (IEK) of the Innu. To do this the Environment Canada team members needed to build their internal capacity for cultural awareness and gain the support of the Innu community. In looking internally, EC staff recognized the need for social scientists to assist in the mediation effort. They also recognized they needed to be “on the land” with people from the Innu community. This “being on

the land” both literally and metaphorically, meant that Innu could speak from their source of medicine and strength, and from what they knew. For EC and GRI researchers, this involved learning to listen to what Innu needed and wanted in order to participate in any collaborative project, and not just getting the information about the land.

This was the first step in building the foundation of trust (the fire) necessary to every project. During this stage, there are four key elements that need clear agreement:

What is the motivation for any organization or stakeholder to undertake a project?

Who will be served by the research?

Who is defining what knowledge is?

Who is making the decisions about how that knowledge is used?

Working closely with the community and meeting with tshishennuat and Innu representatives on the land, we have listened to the narratives of their existence, and what made them feel strong and well. And, they have listened to us. We found that increasing material wealth was not the central issue, but rather finding a bridge between Innu cultural values and resource use practices in relation to the demands of the changing world around them. Tshishennuat also wanted to be treated equitably, speak of what they knew and pass this on to the younger generation.

One indicator of well being, then, is listening and trust building. Evidence that this was taking place is captured in the following statement made by Peter Penashue, the President of the Innu Nation.

“Over the next few days, you’ll hear from scientists who have stopped pretending to be experts with answers, who are becoming students, assistants and allies of the communities”

A further step in building the fire is finding a research project suitable to the Innu Nation’s goals, as well as each stakeholder’s mandate. In this project, a research area was defined that directly involved the Innu community and addressed their needs—the protection of Innu lands and the preservation of their environmental knowledge. This could be regarded as another indicator of indigenous people’s well being.

Initially, this focal point was a culturally valued landscape called ashkui, areas of open water in the ice where Innu camped every spring to exploit a plethora of resources. Although the Innu refer to them as supermarkets, ashkui sites are far more than that. All of the landscape around them is embedded with their history and world view. As one elder, Shimun Michel, stated, “Ashkui is Innu livelihood which cannot be separated from the trees, animals and everything else in nature – we must give every ounce of respect to the ashkui.”

This relationship the Innu have with their ancestral landscape points to a more profound level of the research—being conscientious and respectful about how we approach what we are researching and the values we are

bringing into the work. A friend from another indigenous group, the Mi'kmaq, once said that sacred sites are places you go to feel whole. For me, this mark of wholeness is equivalent to how we enter any sacred place. We learn to acknowledge whatever ancestry or lineage is present, and then respect how it manifests in the present. Recognizing this sacred aspect also requires a system of etiquette and values that act as guidelines for all research. Again, the president of the Innu Nation, Peter Penashue, articulated what were considered respectful rules for anyone coming to work within the community. For us at this conference, this has meaning if we wish to develop indicators of well-being across cultures.

- Base research on Innu values and perspectives;
- Incorporate Innu knowledge directed towards understanding ecological limits;
- Help to restore health to help communities;
- Help to develop sustainable economics;
- Respect Innu rights to make decisions about Innu future;
- Build confidence and capacity and transfer new skills to Innu communities; and
- Request Innu approval of research conducted in their territory as a fundamental principle.

As the first of the social scientists for this project to go on the land to interview tshishennuat, camp at an ashkui site, and document the Innu's extensive knowledge of the landscape, I realized how we have to shift the point of reference to the Innu community. No matter how much people might describe their life on the land, it is only by walking on it and moving through it with them that we can experience the rhythm of who they are as people, and what truly matters to them in their lives.

As a result of this and subsequent research, Environment Canada set up a network of sixteen ashkui sites for testing water chemistry. An Innu co-worker was hired to assist in this research and testing. Putting the Western scientific and Innu knowledge together provided a much more comprehensive understanding of the Labrador landscape, and these culturally valued areas. These two sources of information have been plotted and printed on digitized maps to assist in future environmental impact assessments. As an unexpected spin off, this research assisted the Innu in their much publicized battle to change low-level NATO air force flight testing corridors that passed over these ashkui sites, upsetting the life below.

This research is still ongoing but has shifted to looking at other cultural landscapes. Most importantly, the project has evolved into an in-community educational program referred to as the Innu Environmental Guardians Program. Beginning in 2000, by pooling resources from a

number of partnerships and undertaking new initiatives, the Innu Nation secured sufficient resources to employ a number of Environmental Guardians in the areas of fisheries, forestry, wildlife, mining, and environmental research. There are presently fourteen Innu Environmental Guardians employed by the Innu Nation. The Guardians are involved in the co-management of forestry resources with the provincial government, monitoring environmental compliance at Voisey's Bay Nickel Mine, monitoring fisheries and protecting fish habitats, determining threatened wildlife species and habitats, and water sampling to determine water chemistry base line data. As well, the Guardians participate in primary environmental research and in the monitoring and assessment of environmental impacts through research partnerships with government and university-based researchers.

Over the last two and one half years, we have been working with the Innu Nation to design the Guardians' program. The Environmental Guardians concept recognizes the importance of both the longstanding and substantial body of environmental knowledge held by the Innu, and the need for the Guardians to develop competency within Western scientific and technical disciplines concerned with environmental protection, management, and resource use. Incorporating these two ways of knowing requires Innu Environmental Guardians to acquire a unique set of skills and competencies that can reflect both Innu knowledge traditions, and the disciplines and skills that are recognized by formal Western educational institutions. At its core, however, the program is based on Innu values, needs, and concepts of well-being rather than being solely market driven.

The key to the program's success is in the delivery of the program and the incorporation of on going community concerns, which the Guardians are involved with daily. Some of the key components of the program are:

Courses are offered in 2-3 week modules and delivered within community or at field sites where projects are underway.

Learning is related to on-going projects, e.g., a forestry co-management agreement with the provincial government, a co-research project with the Department of Fisheries and Oceans on levels of mercury, monitoring the Voisey's Bay nickel mining activities, etc.

Modules are scheduled around "real" life situations, e.g., seasonal work, family obligations, in-county time.

Training crosses disciplines. Each Guardian needs training to deal with all the different parts of environmental monitoring.

Programs are bi-lingual (Innu Aimun and English) when *Tshishennuat* are present.

The program is Innu driven, which means the community decides the priorities, and learning is geared toward the preservation of their own land use and cultural practices. This knowledge is then used as the basis of decision making processes in any development project.

Tshishennuat are involved as advisors and as teachers.

The Guardians play a key role as translators and communicators to and from their communities, and within their own communities between different generations. Many government agencies, educational institutions, businesses, and non-profit organizations are approaching the Innu for a variety of research and development projects. The Guardians are responsible for communicating their cultural beliefs and values to these various outsiders, and then relate what is discussed back to their community in a meaningful and comprehensible way. This translation process back to the community involves the creation of new terminology for scientific concepts that have no equivalent in Innu Aimun (Innu language) since many of the *tshishennuat* speak only Innu Aimun. How do you describe mercury poisoning to people who have never studied chemistry or biology?

Within their communities, there is concern that the Innu youth no longer have the same relationship to the land as the *tshishennuat*, and therefore are losing the language of the land. Why is this so important? *Tshishennuat* have a complex and specialized knowledge. What they know and how they express that knowledge is like a library that is in their heads and will be lost with their passing. The *tshishennuat* are the speakers for and holders of the language of the land. Because of their living on the land, they are the best to advise and define the needs of any environmental development.

The Innu are also challenged to meet a need for developing a common written language of the landscape that transcends the local dialects, some of which are unintelligible to one another. Language itself is so politically infused that it sometimes can be the road block to any innovation. For instance, agreeing on the name or color of a tree can stall the development of a bi-lingual curriculum, not to mention become a political agenda between different communities. Using the model of the IEGP, we can begin to develop the vocabulary necessary to transcend the politics of local situations, and come to the common goal of preserving both the land and the language of a shared ancestral landscape.

In short, the Guardians provide access to information often inaccessible to community members, particularly *tshishennuat*, and also create inter-generational bridges. This type of communication, building a common language acceptable to all stakeholders, could be considered another indicator of indigenous people's well-being. It helps unify the community as well as address the loss of knowledge that will occur with the passing of the *tshishennuat*.

This is where the "fire" I spoke of at the beginning begins to spread, which means that a sense of identity among the Guardians as a "team" begins to take place as they come together to learn, discuss and conduct

projects together. As a team, they have more impact in supporting one another, sharing knowledge, offering different strengths to problem solve, and so forth. In turn, the community begins to regard them as a team of experts with a mandate to manage and protect their lands and cultural heritage. This includes the *tshishenuat*, who through their involvement are respected as teachers, but who are also learning the new way of looking at the landscape through a Western scientific model.

This past year, Saint Mary's University faculty joined in the effort to develop curriculum, offering formal academic accreditation to the training modules as a way to open up a university path to the Guardians. There was no requirement for any Guardian to take the two modules offered for credit—the intent was to train the Guardians, whether or not credit was offered. However, during the first of a two-module accredited course, all fourteen participants signed up with the University. This is a unique and historic move. Saint Mary's University faculty acknowledged the role of the *tshishenuat* as the legitimate authority on their own knowledge and teachers of equal stature in the modules. During the first accredited course, the *tshishenuat* were involved in the evaluation of the Guardians. Recognizing this, especially by traditionally established educational institutions, is part of the fire keeping process to develop the trust across cultures. Thus, another broader indicator of well-being for indigenous people is external recognition of their inherent knowledge base.

Further, the *tshishenuat* are co-evaluators with the module instructors. The Guardians are required to present their learning to them, which the *tshishenuat* then evaluate based on their criteria. In so doing, the *tshishenuat* begin to learn about such concepts as ecosystems, watersheds, urbanization, and pollution as well as the use of instruments such as the GPS, clinometers, and compasses. Anecdotally, during an evaluation where the Guardians were displaying the use of various instruments they use on the land, one *tshishenu* said, "We carry GPS in our heads to find locations." This was a poignant remark because it showed both his understanding of how the GPS worked as well as the change in how environmental knowledge is studied and stored.

The faculty at Saint Mary's University also recognizes the validity of a culture's need to be able to write and present in their first language within the Western educational system. Faculty working with the IEGP are attempting to broaden the definition of literacy to recognize the different languages of the world as unique and enriching to the educational process. Doing so does not overlook the necessity to learn English as a requirement for dealing with contemporary issues, but English does not have to be exclusive of other languages.

Capacity building has to involve all stakeholders. In a preliminary way, I would suggest that six indicators for wholeness or wellness of the

people and the project in relation to any project. Each of these questions could be developed into an indicator, or a measurable value.

Have all the people been engaged in defining the motivation to undertake the project?

Does the research serve the community as well as the investors? Who is the ultimate beneficiary of change?

Who is defining the knowledge that is being gathered and documented? Is it inclusive of all stakeholders?

Who is governing the decision making process and to what ends?

To what extent have avenues of communication, e.g., different languages, been included and respected?

To what extent have cultural land use practices and values been included in co-management agreements?

The Environmental Guardians Program has been cited as a model for capacity building across the north. It has broadened the definition of capacity building to include different perspectives and knowledge about the environment, as well as worked collaboratively with communities. This project, if fully realized, provides the foundations for indicators of well being for indigenous communities throughout the world.

Be Decent Be Happy: Apprehending the Truth of Sustainable Happiness

WIBOON KEMCHALERM

Summary

Headman Wiboon, an intellectual leader of Eastern Forest Conservation, has collectively learnt from the reality for several decades. Trial and error interventions were done through his practices. His life was at stake between win and loose. He did everything the others done for instance cash crop farming, airline laborforce, military officer, herbal healer or even ordained to a Buddhist monkhood. However he loosed. When he has done different by means of learning process. Ultimately he has found the truth of sustainable happiness. It was right understanding to life as a natural ground. Be sufficient bring about sustainable happiness to life.

Background

I was born on the 29th of December 1936 at Koh Kanun Sub-District, Panom Sarakham District, Chachoengsao Province, about 100 km. from Bangkok. My father was an expert on herbs and held a traditional medicine shop. My mother was a farmer and died when I was 5.

I completed my 4-year elementary education at Wat Phongsaram School at the age of 14 and headed for Bangkok to earn my living. I spent my life as an adult and searched my way to continue learning on my own, what often caused my changing occupation, as I wanted to have time to learn. I finally completed secondary school at the age of 20. It was, according to Thai tradition, the age for ordination to monkhood. I went back home to do so, and spent 6 months in the temple. Then I disrobed and went back to Bangkok to work in the catering section of Japan Airline. I had then to go back home for military conscript.

In the military service, I worked in the archive office where I learned about the first national economic development plan, and was interested in the policy of export of agricultural product.

I ended my military service in 1961 and went back home and worked together with my brother Vijit Kemchalerm at Huay Hin Village. We started to cash crop agriculture being at the same time middleman buying agricultural products from farmers and sell them to traders in town. At the beginning the business ran quite well, but due to rain shortage, the harvest was bad, we had more loss than gain.

In 1969 I was elected to be headman of Huay Hin village due to my large acquaintance of people in that area and due to my knowledge and experiences I had obtained from Bangkok which I had more than other people, especially my skills in contacting local officials. I belonged to that

generation of village heads that could retain the office till retirement, but I earlier resigned in 1993.

Trial and Error

Let me go back to my agricultural activities in 1961. At that time I grew soybean, popcorn and cassava as being promoted by the government. The problem started to arise in 1971-1972 when the price dropped. In 1973 was the worst year for cassava. Many farmers moved to rice growing, what nobody in that region had done before.

In 1976 I planted cotton as a joint investment with other villagers. At the beginning we made good profit, but as many farmers did the same thing, the price dropped, and we suffered with heavy loss. I led farmer movement to campaign for better price threatening to go into demonstration. It did not help much though. Local influential people threatened me for life.

Investment in cash crop was a risk as they required high investment, with the main aim of selling the product. I suffered loss and the debt increased, and due to my involvement in the farmer movement, I was forced by the banks to sell more than 30 hectares of my land to repay my debt. In 1981 was left with only 1.2 hectare of land, and had to rethink about how to survive with this amount of land.

Be Different

My life changed. I had to think first of how to survive, and not how to gain profits as I used to. I started with growing what I would need the shortest time so that my family and I could eat, the surplus was then sold so that I could have some cash to buy other things. I did so over a year and learned that if I grew vegetable for consumption, even if I had no cash in the house, I could still survive without so much problems.

As I used to be close to my father, an herbs expert, I have some basic knowledge about herbs, I started to collect herbs in order to take care of the health of my family and myself. Herbs have become another source of my income. Besides, I have income from fruit trees and other plants, which multiplied gradually in my limited space, but with much more variety. Some of the plants are grown to home use, some only to keep balance to the nature, to be food for birds and animals, to keep the ground fertile.

The problems in the past have taught me that if the products were linked with the market, farmers would never succeed in their occupation because they have to respond to the needs of the market more than their own need. I changed my mind from producing for the market to producing for family consumption. The surplus is then sold in the market.

I started experiment new mode of agriculture by imitating the natural forest, growing many plants. My long years of experiments and testing have come out to be a successful model called "Forest Agriculture", which is a

management of land without relying on other people's labour and on the market.

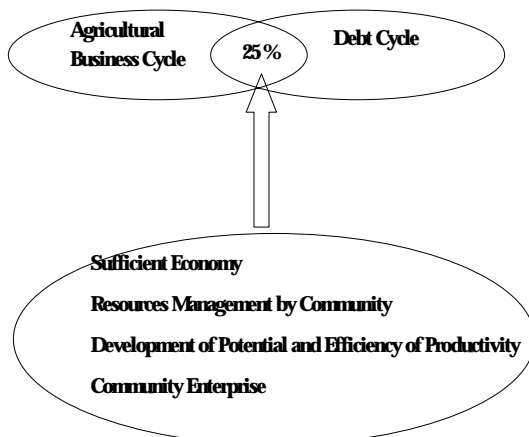
I have been sharing my ideas and experiences with other farmers, using my own Forest Agriculture as a learning place for communities and those who are interested in new mode of agriculture. I am invited to speak in seminars and training also in the universities. I set up a library, a roadside market for our community to sell their local products, learning activities for children and young people to experience sufficiency and being close to the nature. All of this take place in the Forest Agriculture site.

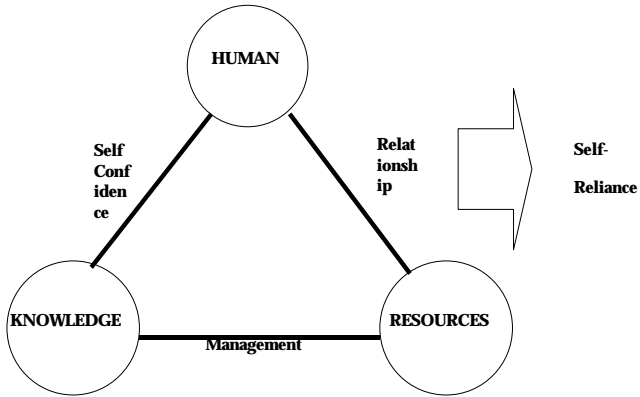
Be Decent Be Happy

To be self-sufficient is not that easy, but it is something that we have to do, starting "from within". The following is what I mean with "self-sufficiency".

Building a self-sufficient base for economy, a balance between life and income. Farmers can survive if they save one-fourth of their land to work out for their own livelihood. I do not reject the market, but I am against depending totally on the market. You need to have something to eat. Once you have enough to eat, the cash from selling products can be saved, and the products from other three quarters of land could still be source of income.

- Get deep understanding of life, spirit, and interest;
- Learn to know yourself - your expenses;
- Learn to know your problems - debt and income;
- Learn to know your natural resources and your potential;
- Regain self-confidence, believe in your own potential;
- Create plan or guidelines for life, based on self awareness;
- Life and family plan for self-sufficient economy;
- Community plan to social security;
- Natural resource and environment management in a sustainable way;
- Develop knowledge and capacity in resource management in order to rely on oneself in at least 5 things:





Learning Process for Self-reliance

Rice: the whole system management;
Food: health building;
Herbs: alleviate illnesses;
Home use issues: you can do it yourself (shampoo, soap etc.); and
Soil rehabilitation with bio-fertilizer.

Relevance of Soils for Gross National Happiness

THOMAS CASPARI

Introduction

“Think how difficult life would be without soil to grow food crops. ” This sentence from a Bhutanese geography schoolbook for class VII students (RGoB 1994) may sound trivial in our ears. But sometimes I believe that it is useful to remind ourselves of the very basic things in life. Each of us has seen soil (at least its surface), smelled and touched it and very physically used it for planting our food. Its presence is so obvious and yet its fertility so essential for all agricultural activities as the main source of our livelihood. The four Buddhist means to avoid dissatisfaction (food, shelter, clothing, medicine) are directly or indirectly related to it.

However, soil is not only part of our household (economy), but also integral part of nature’s household (ecology). Therefore, e. g. talking about soil means looking at environmental conservation as well as agricultural production. And where the spheres of Man and Nature meet, the domains of spirits and local deities are located. Being aware of these few aspects, it may not surprise that there are multiple points of contact between the down-to-earth subject of soil and the high-minded goal of Gross National Happiness (Table 1):

Table 1: Soils and their affinity to Gross National Happiness

GNH constituent	...and how soil is related to it
economic development	soil fertility = “natural capital” RNR sector made up 33% of the GDP in 2002 policy of self-reliance care of the soil contributes to well managed HEP and national wealth
promotion of cultural heritage	“agri-culture” (e. g. land use techniques) belief in deities (<i>kLu</i>)
environmental preservation	integral part of ecosystem
good governance	equivalent of “good farming practice” concept of “sustainability”

Soil is indeed a good example of sunyata, of the way, how things are interrelated to each other in non-hierarchical relationships. In the following, I want to examine three “spheres” where soil is essential, and as this seminar is about conceptualising and implementing the philosophy of Gross National Happiness, make some suggestions about what can be done at various levels to maintain Bhutan’s soil resources.

Sphere 1: Soils as an integral part of the environment

Soil can be seen as a dynamic, living system of organisms reacting with organic and inorganic matter. Major ecological functions include soils as:

- interface between all other parts of the ecosystem (atmosphere, hydrosphere, biosphere and lithosphere)

- warm, well watered and stable habitat for animals, plants and microbes
- recycling of dead and discarded organic material into inorganic nutrients for future life

- integral part of the global element cycles

- storage of nutrients and water from times of plenty for future shortages

- natural water filter

- chemical buffer and reprocessing, turning potentially harmful substances into useful materials for the continuation of life

A first comprehensive paper (Baillie et al. 2004) about Bhutan's soils and their distribution and properties will be published in March 2004, presenting the findings of the Bhutan Nation Soil Survey Project (MoA, Simtokha) lead by Chenchu Norbu. It is impossible to summarise the findings in a few sentences and I therefore only want to point out few aspects:

- soil formation within the Bhutanese landscape is often complex, and one soil profile may contain different parent materials, which complicates the interpretation of analytical results and the classification within international systems.

- there is altitudinal zonation of the soils

- the soils of the southern foothills are less developed than expected from the wet and warm climate; this is maybe due to the geological instability of the area close to the Main Boundary Thrust (MBT)

- up to at least 3000 m, the soils are moderately weathered and leached

- higher up, soils become increasingly acid with growing surface litter and less developed subsoils

Taking into account the adverse conditions for soil development in Bhutan (steep slopes, intensely seasonal monsoonal rainfall, increased pressure through growing population), the current condition of the soil cover is surprisingly satisfying. This fact also finds its expression in the virtual absence of past and present (reported) famines.

Sphere 2: Soils and land use

Little is known about the early history of Bhutan. It seems likely that early settlers - maybe m(o)enpa people - mainly relied on forest resources for their livelihood. During our current cooperation project we discovered and dated charcoal on top of fossil A horizons (former topsoils, now buried) within Phobjikha valley, indicating some kind of slash and burn land use,

maybe in connection with “primitive agriculture” from at least 2000 years before present in full. With the arrival of Pema Lingpa (1450-1521) at the latest, the influx of people into this valley grew rapidly, and grazing and possibly also arable agriculture and deforestation was probably more intensive than before.

With time, different indigenous farming systems evolved all over Bhutan, which must have generally been successful and lead to what we nowadays call sustainable land use, e. g. tseri (shifting) cultivation, pangshing (grass fallow), crop rotation, intercropping, contour ploughing, regular application of organic matter and low plant population densities. Apart from signs of more frequent land slides in the steep eastern areas (especially in terraced rice fields around Radhi) and naturally high soil erosion in the southern belt due to higher rainfall and unstable geology, soil degradation is not common nowadays.

However, the pressure on the soil is increasing. With population growth at around 3. 1% (RGoB 2000), the number of people to be fed is likely to double by 2020. Further fragmentation of land may occur, with the average agricultural land holding currently being at only 1. 5 hectares per household (RGoB 2000).

Declared political aims as defined in the 9th plan include:
enhancing rural income,
achieving national food security (“self-reliance”),
conserving and managing natural resources, and
generating employment activities

The scope to reach these aims is considerably narrow, as the portion of cultivable land is unlikely to exceed 10% of the country’s total area (Baillie et al. 2004), of which already 8% are currently under use. Until today, increased agricultural production as well as productivity have been implemented mainly by enhanced fertiliser input, new and/or improved seeds, farm mechanisation, shortened fallow periods and the construction of irrigation channels.

For the short term, positive effects like increased harvests and additional incomes for farmers have been obtained. It has to be pointed out that besides new opportunities, the present development results in land use changes (e. g. shortening of fallow periods; conversion of gently sloped, fertile tseri land into permanently used dry land) and creates a range of soil-related problems, e. g.

negative chemical impacts: reduction of organic contents leads to reduced stability of soil aggregates; depletion of macro- and micronutrients (e. g. observed Zn and B deficiencies in apple and citrus orchards; Norbu, pers. comm.); acidification due to fertiliser use; pollution through pesticides and fertilisers (e. g. over-fertilisation of maize with urea in eastern Bhutan (Baillie et al 2003);

negative physical impacts: soil compaction negatively effects the soil structure, leading to decreased water permeability, aeration and root growth;

chemical and physical degradation will result in a decrease in soil organisms and their biodiversity; besides soil life, all external organisms may be affected by intensive use of pesticides.

General dangers include the loss of soil fertility as a combination of biological, chemical and physical properties, often also termed soil/land degradation. By extrapolating observations and data from outside Bhutan, Young (1994) estimated 10% of Bhutan's arable land being subjected to some degradation. Norbu et al. (2003) provide the first reliable account of the different types of land degradation within the country with special attention to their occurrence, causes and interactions. In situ degradation due to soil organic matter depletion is identified as the main degradation process.

In autumn 2002, our research team examined the ravines below Tshogompa, a small village situated south of Wamrong (Lumang geog) along the Trashigang-Samdrup Jongkhar highway. During the course of our stay it became clear, that the local soils have developed in steep terrain and unstable geology (Shumar formation) as unfavourable "natural settings", and have been further destabilised by deforestation, poor water management (leakages from water pipe system installed in the 1980s) and failed development efforts (e. g. a trial to start rice farming on slopes lead to new landslides and was soon stopped). Thus, a mixture of natural and man-made causes is responsible for a bad case of soil degradation, the complete loss of soil through land slides and ravines.

Fast and complete loss of soil also occurs during urban growth, which often affects the most fertile areas (e. g. Thimphu expressway).

Sphere 3: Spiritual dimension of soils

Having grown up in the Western world, my understanding of Buddhist philosophy and its implications for everyday life is necessarily restricted. I therefore have to apologise for the shortcomings of this section and hope that the Buddhist reader will be able to add her/his own views and ideas to this important aspect.

From my stays in Bhutan I have been impressed by the strong emotional connection which people of all age seem to have with the soil. I would guess that for nearly all of them, soil is more than a mere production factor and maybe even a medium through which to get in contact with local deities and spirits. Locations for our fieldwork had always to be carefully chosen, and had to be at a certain distance from the next religious building (dzong or lhakang) or other "holy places", which were not as visually obvious, at least not to us European visitors. While digging a profile, the topsoil with its plants was carefully removed (and put on top again afterwards) and all macroscopic animals were brought to safety. When we

wanted to dig a soil profile close to Rukubji, we would have only been allowed to do so if we could have promised not to cause a future crop failure. At that time we did not know about the local crop failure in 1984 which was seen as a consequence of annoying the protecting deity *dramar pelzang* by moving his dwelling (*tsenkhang*) to another place following road construction in 1981 (Schicklgruber & Pommaret 1997).

Karma Ura (2001) has compiled numerous examples of how deities mediate the relationship between people and local resources. Negative human influences like killing animals (in case of land use e. g. by ploughing), polluting the environment (via fertilisers and/or pesticides) or using land which is associated with deities may result in crop loss, landslides or natural disasters. The people's reverence for the soil's fertility and the hope that the next harvest will be similarly successful finds its expression in the habit of pouring some drops of each drink on the ground before drinking. Another form of appeasement offering is seen in the acceptance that parts of the crop will be eaten by wild animals.

Interestingly, Bhutanese farmers do not tend to associate crop failures with the possibly poor fertility state of their soil or their maybe inadequate management. They regard soil fertility as "inherent" feature of the soil and rather identify more "visible" causes such as pests, diseases or bad weather as main causes for bad harvests (Norbu, personal communication).

More than once I wondered what happens now, that humans have increasing capabilities to control and positively influence crop yields through fertilisers and pesticides. Will it render the influence of deities and spirits less important? Will one of the "strongest indigenous social force(s) in nature conservation" (Kinga 2001) simply disappear? Karma Ura notes that "spirits and gods do not hinder people any more from developmental steps being harmful to nature" (quoted in: Hargens 2002). As an example, *zeitgeist* seems to have found a different approach to crop losses by wild animals: according to the 9th plan, the problem shall be addressed by "prescribed and controlled culling of prolific pest species like wild boars" (p. 118). The "prescription" may however take account of non-material considerations, e. g. religious sensitivities.

A clear way to portray these multiple dimensions which have to be considered for integral, holistic development, namely Wilber's four-quadrant model, has been introduced to the GNH discussion by Sean B. F. Hargens (2002). I have tried to use this approach to outline the complex "relationship" between humans and soil (Figure 1).

Figure 1: Four-quadrant analysis of the relationship between humans and soil

<p>Interior-Individual</p> <p>Psychological joy about good crop growth, fear for crop failure (loss of income) identification with land, pride of possession positive/negative emotions towards labour of land use Spiritual direct interference with local deities during fieldwork</p>	<p>Exterior-Individual</p> <p>Behavioural ploughing crop planting fertiliser/pesticide input protection of crops against animals (e. g. wild boar) harvesting</p>
<p>“Agri-Cultural” specific land use techniques (type of crops, time and mode of planting, ploughing etc.) specific land use patterns (bare fallows, <i>tseri</i> cultivation) Religious success/failure of activities indicate “mood” of local deities crop loss to wild animals sometimes viewed as offerings to appease local deities</p>	<p>Ecological soils as habitat for animals and plants storage and filter medium biological-chemical “reactor” (nutrient cycling) Sociological distribution of farm land within the community (size, location, fertility) exchange of harvested products (barter) cooperation with RNR-RC (extension agents) participatory development</p>
<p>Interior-Collective</p>	<p>Exterior-Collective</p>

The Middle Path

From the above, I think it has become clear that soils play a key role within man’s and nature’s existence and coexistence. Soils can rightfully be counted among a nation’s most valuable possessions. “A nation that destroys its soils, destroys itself” (Roosevelt 1937). It is therefore justified to make soil conservation a top priority in national politics.

The challenges ahead in the agricultural sector are considerable, and often first results from development seem confusing or contradictory. Let me name two examples:

Farm mechanisation: simplifies people’s life and makes farming more attractive for the young generation, thus counteracting rural depopulation; but unchallenged mechanisation leads to accelerated loss of soil fertility (as described above), further decrease of job opportunities, further income inequalities, decrease of cattle (resulting in reduced nutritional supplements, less manure and nutrient transfer from forests to fields, and reduced possibility to manage grazing land) and degradation of unpaved farm roads by heavy machines.

Inorganic fertiliser input: causes fast crop response, helps to alleviate hunger and poverty; but over- and improper use is likely to have negative effects a) through their mining, production and transport, and b) on the fields in the long term: urea and suphala have acidifying effect; urea may trigger nutrient imbalances in fields (because only N is added, and natural soil K and P are depleted, “mined”); suphala adds P, which may cause eutrophication in neighbouring water bodies; furthermore: fertiliser is expensive and causes dependency on specific companies and countries.

I have written this manuscript with the conviction that Bhutan will be able to handle the considerable challenges ahead: Firstly, the concept of Gross National Happiness is in itself a holistic one and provides the multi-dimensional approach needed to embrace all relevant material and spiritual levels associated with soil conservation. There is no need to adopt “foreign” policies like e. g. Agenda 21 (UNCED). The idea of sunyata, the “interrelatedness” of all things is of further help.

Secondly, the Buddhist “Middle Path” will be the guideline to avoid the pitfalls of extremes. In spite of the possible and partly already visible negative impacts on soil, development need not be stopped, but pursued in a carefully, balanced way. The philosophy of GNH will have to lead to a sound management philosophy and sustainable resource management in practice. Only if this venture succeeds, emerging conflicts as between agricultural intensification and natural conservation may be solved.

Numerous concepts have been developed outside Bhutan to guarantee sustainable agricultural development. The one which - in my opinion - comes closest to the GNH approach, has been termed “Low External Input Sustainable Agriculture” (LEISA). Hilhorst & Toulmin (2000) describe it as follows: “LEISA promotes the use of ecologically sound techniques which are based on understanding of agro-ecosystems, while building on farmers’ knowledge and experience. Its methods aim at strengthening the internal dynamics of these agro-ecosystems, using resources that are locally available, complemented by external resources only when alternatives do not exist. The approach also aims to boost farmers’ self-reliance, protect local values and preserve biodiversity [...] and makes intensive use of participatory development.

In the following sections I will give some ideas, what soil fertility management implies at the operational level and how the necessary steps may be organised.

Operational levels

Analogous to the GNH constituent of good governance as a guideline for the country’s administration, a catalogue of measures to ensure good farming practice is being developed by NSSC and other technical branches of MoA and promulgated by the Extension Services.

At field level this means maintaining or enhancing organic matter input. Norbu (1997) has shown that the management of organic nutrient sources such as animal dung, forest litter and crop residues is an integral part of the indigenous land use systems in Bhutan. Experiences about land use techniques are transferred from one generation to the next and adjusted to the various soil types, having mainly been identified and grouped according to their colour, water retention and workability. Regarding organic matter input, nature and handling of these amendments may strongly vary depending on climate, socio-economics and soil types. Especially in the western regions, farmyard manure (FYM), produced by mixing animal dung, forest litter and crop residues, is the main form of organic input. Maintaining the existing integrated crop and livestock systems is therefore of high importance for the fertility of the soils.

After harvest, pooled and dried stalks, stubbles and weeds are being collected, decomposed and incorporated before the land is again prepared. Additional sources of organic material comprise kitchen residues (if not fed to pigs) or any other form of organic waste.

In some places, the burning of pooled organic residues is common practice because it is thought to decrease the weed populations and prevent soil-related diseases. Roder et al. (1993) report in detail about pangshing, a labour-intensive procedure of burning heaped dry topsoil, using plant biomass or manure and soil organic matter as "fuel". Besides beneficial effects of pH increase, improved K availability and reduced C/N ratio, major disadvantage of this practice are the substantial gaseous loss of N and C, and full exposure to erosion in the initial period after burning. Fallow periods of 15-20 years are required to maintain the sustainability of this land use type.

Enhanced input of N can be obtained by temporarily sowing plants capable of biological N fixation. Intercropping of cereals with peas has been observed from some areas in eastern Bhutan as part of indigenous land use strategies (Norbu, 1997). N and P deficiency have been identified as one of the main causes for rangeland deterioration in northern Bhutan (Gyamtscho 2002). In case of rice farming, the small Azolla fern is traditionally used to increase N inputs.

Apart from being a source of nutrients themselves, organic amendments are proven to enhance mineral fertiliser efficiency, microbial activities and the soil structure in general. This results in secondary beneficial effects like improved aeration, higher water holding capacity, and less inclination to wind and water erosion.

After harvest, mulches, cover crops and certain trees protect the soil from erosion, conserve soil moisture and moderate soil temperature changes. Other mitigation measures against soil erosion include hedge planting, contour ploughing and early action against starting landslides (filling up gullies after monsoon time, planting of trees etc.). The promotion

of agroforestry – planting crops and trees together – has many proven benefits and is already being promoted through the 9th plan.

Last but not least the careful use of pesticides (if not even their abandonment) should be in everybody's self-interest. If a soil is healthy and in good state, it has a high resistance against diseases and might also strengthen the crops to withstand pests.

This short summary is of course far from being complete. The above recommendations are just the most important ones and additional measures will have to be implemented depending on the specific local situations which may strongly vary.

It will be essential to establish some kind of monitoring system to a) collect field data on the current state of Bhutan's soils under different crops, management regimes, different altitudes etc. and b) to choose suitable indicators to assess soil fertility on selected reference sites in regular intervals. Such indicators may include:

- harvest assessments;
- plant available contents of basic nutrients (P, N, K);
- organic carbon contents;
- bulk density measurements; and
- CO₂ production rates (as indicator for biological activity).

Less quantifiable information like individual observations and comments from the local population, the occurrence of land slides and ravines etc. can also be helpful.

Pollution monitoring (as already mentioned among the 9th plan environmental objectives) will be another important aspect. The monitoring should be done in appropriate time intervals and the results incorporated as part of the “quantitative measurements” of GNH into a “Gross National Happiness Report” as suggested by Hargens (2002), ideally issued every 5 years. This would give necessary feedback to those responsible to see if the “Middle Path” of sustainable development is still being followed or if soil resources are possibly stressed beyond their capacity.

We have to acknowledge that even if we can plan all things in detail, it is still impossible to plan the change within people. Changes in attitude often take long time or do not occur at all, especially if new regulations are overimposed on the people instead of being carefully communicated.

I am convinced that the transfer of knowledge concerning the “non-material” or even spiritual dimension of soils must not be neglected. In the Western world, experience shows that, with increasing mechanisation of agriculture, people have less contact to soils in everyday life, they are “detached” in the truest meaning of the word. This is in disagreement with the importance of soils, as indicated above, and it also does not reflect the uniqueness, beauty and complexity of this living system, which is admired by countless scientists around the world. And because of this I believe that

there might be a chance to negotiate a smooth transition from a partly fading mystic to a more secular philosophy of soil without questioning the value and significance of the earth underfoot. Regarding the reverence for it, farmer wisdom and scientific understanding are not worlds apart.

Teaching the farmers as the persons in direct contact to the soil will be most effective. Topics could range from practical aspects like promulgating and discussing successful and innovative sustainable land use strategies, as well as rather theoretical information and advice on soil fertility maintenance and erosion control. A good example of how agricultural teaching can be implemented within already existing projects is RSPN's Integrated Conservation and Development Programme (ICDP) in Phobjikha valley (RSPN 2003): although the main purpose is to conserve the rare Black-necked Crane (*Grus nigricollis*), educating farmers on the significance of soil and water conservation, environmental protection, erosion control and soil fertility maintenance can be found among the agricultural project activities.

School books portraying soils more vividly and pointing out our dependence on and responsibility for them more clearly, will be a worthwhile investment. It can be pointed out that the soil-humans relationship is characterised by taking (harvest) and giving (fertiliser, organic material). Simple field exercises, where children could learn about soil life, e. g. by using plastic beakers with a magnifying lid ("bug boxes") could easily be conducted.

In higher classes, the concept of sustainability and nutrient recycling may be explained using soils as an example. Workshops for personnel in agriculture administration at various levels could build up on the same idea.

The important thing will be, that communication takes place at all. It will offer opportunities for joint learning and research between farmers, researchers, extension agents, administrative personnel and all other involved persons. One example can be the task of understanding and documenting the various traditional soil management systems existing in different parts of the country as recommended by Norbu (1997).

Organisational Levels

Many people at various levels are involved in the process of sustainable soil fertility management. With the bottom-up approach of participatory development, a most suitable development option has been chosen, placing the land users in the centre of the approach. This policy is ideal because it involves farmers at the base of the process, encourages them to analyse the problems they face and accelerates the acceptance of new technologies and concepts. Indigenous knowledge in combination with local initiatives will be able to provide the keystone of agricultural improvement and develop site-specific solutions, on which all complementing programmes can build on.

As a consequence, as Karma Ura (quoted in Gurung 1999) named it, “a sense of control, ownership and responsibility for the maintenance of collective local resources that had declined with a concomitant rise in the bureaucratic power” will develop (or at least not get lost).

Extension agents (EA) from the geogs and districts are in contact with farmers and can act as multipliers for implementing soil fertility management by providing advice, distributing new seedlings, documenting and communicating successful and innovative indigenous sustainable strategies. They may also exert some on-site-encouragement of good farming practices and provide feedback for agricultural administration and RNR-RCs.

The identification of suitable soil reference sites and their regular sampling, as well as measurement of the suggested soil parameters above (“indirect GNH indicators”), could be conducted by the National Soil Services Centre (NSSC, Simtokha). NSSC is already involved in the sampling of dry land, wet land and orchard soils with samples from around 700 household being processed. The current study aims at detecting and quantifying changes in selected soil properties in association with high mineral fertiliser inputs, continuous cropping of tuber crops (e. g. potato with maize), and switching from traditional to improved crop varieties.

The NSSC also acts as “interface” between soil fertility research and its field application. It is the ideal body, where useful know-how, technologies and innovations in terms of sustainable soil fertility management from outside Bhutan can be identified, thus combining external and indigenous sources of knowledge and narrowing the divide between researchers and “beneficiaries”.

The complex and multi-dimensional nature of soils has necessarily resulted in laws, regulations and development goals having developed in various sectors, e. g. agriculture & horticulture, forestry, environment and rural development. Another task for the NSSC to perform could therefore be to coordinate all policies related to the management of soils in order to identify possible conflicts at an early stage and thus avoiding unnecessary dissatisfaction. The overall aim in this respect could be to formulate a national action plan for sustainable soil fertility management.

On geog (GYT) and dzongkhag (DYT) administrative level, the process of sustainable soil fertility management must have high priority. Good governance for policy makers on this level could mean raising and maintaining a high level of consciousness about soil related questions like:

What data are available on soil degradation for different regions of Bhutan? How reliable is this information and what is the estimated impact on livelihoods, national economy and environment?

Where soil degradation is significant, is it reversible at an economically reasonable cost?

How might improved soil fertility management contribute to achieving more sustainable rural livelihoods?

Is structural change in the rural economy bringing a shift in rural people's reliance on soil resources, and how does this affect their management practices?

In what areas is there a need for special policies and public/private funding to improve soil fertility management?

What should be the role of various stakeholders in setting priorities and designing interventions? How can their role be strengthened by using more effective participation by farmers and other rural operators in decision-making and implementation? (from: Hilhorst & Toulmin, 2000).

On their highest levels, government & administration will have to agree on a policy framework containing clear concepts about influencing input and output prices for agricultural products (and fertilisers), improving market arrangements (e. g. finding new markets for agricultural products like export of "organic" food to India, export of red rice to Europe/America), facilitating credit provision, supporting existing institutions (e. g. RNR-RCs), initiate communication and training, changing research and extension approaches, investing in rural infrastructure, promoting diversification of the rural economy and similar incentives to encourage farmers and other stakeholders to behave in desired ways. Naturally, farmers with access to markets and other infrastructure are more likely to adopt improved soil fertility management practices. To reach a more balanced level of happiness, the focus of these activities should therefore generally be on areas already subjected to soil degradation and those parts of the country having been identified as poor, remote etc. at present.

These emphases are not new and most of these topics are already being addressed and promising ideas for the future (e. g. identification of several centres for urban growth) have been developed.

According to the Bhutan 2020 document, about half of the population will still live in rural areas by 2020 (RGoB 1999a, p. 73). Maintaining the sustainability of the farming sector as a significant source of food, incomes, social identity and employment opportunities is therefore likely to be vital to the overall concept of GNH even in the long term.

Conclusions

Soils are an integral element of GNH. They are connected to all its major constituents, and this is why I believe that the sustainable management of this vital natural resource can also be based on the GNH philosophy. The holistic approach in combination with the Buddhist principle of the "Middle Path" has the potential to avoid the danger of mere technocratic implementation of development goals, which could have devastating effects on Bhutan's fragile mountain ecosystems in general and

its soils in particular. It encourages including spiritual and environmental aspects of soils into the overall equation, and thus guarantees a balanced weighing of all involved interests, be it human or non-human.

Despite the present satisfactory situation, we must face the fact that with the current setting of rapidly growing population and increased human development activities, the material interest in soils as “production factor” may become of predominant importance in the future.

Nevertheless I want to conclude with the positive note that steps taken to enhance the state of the soils are likely to have favourable influences not only in one direction but several ways. Sustainably managed soils are healthy and fertile, resulting in material gain for man (crop success) and nature (minimum interference), psychological gain (stable income enlarges people’s choices) and last but not least hopefully maintain the reverence we feel for the “invisible mother of the farm” .

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Putting Gross National Happiness in the Service of Good Development: From Ethics to Politics

JOHANNES HIRATA

Introduction

Gross National Happiness (GNH) has only recently appeared on the international stage, yet it was immediately met with sympathy by scholars, political activists, and politicians around the world. What is the reason for this strong appeal of this concept?

In a historical perspective, the reason is probably a disillusionment with the broken promise of economic growth to truly improve people's lives and bring about a more equitable society. After a multifold increase of Gross National Product in many societies thanks to almost continuous economic growth over more than a century, even the wealthiest societies are still plagued by grave social problems like unemployment, child poverty, stress etc., and they are disappointed that the hoped-for benefits of economic growth largely failed to materialize.

In a philosophical perspective, however, the reason for the sympathy extended to GNH seems to be based on an—intuitive or conscious—ethical endorsement of GNH as being conducive to good development, with “good” understood in a comprehensive, ethical sense. This implies that in order to endorse GNH, one must already have a normative frame of reference which allows one to make such a judgment in the first place. The question that arises then is if GNH is, or can be conceptualized as, an exhaustive concept of good development that entirely fills in the ideal notion of good development, or whether GNH is just one aspect of good development that has to be complemented by additional normative concepts in order to appropriately substantiate the idea of good development.

Whatever the answer to this question, the merit and the potential of GNH to serve as a development concept is worth being investigated. To do so, the meaning of GNH has to be specified since no generally accepted interpretation seems to exist. This is not only a disadvantage of course as this conceptual openness invites a constructive debate on what GNH should stand for and how it should be operationalized. These two—essentially ethical—questions will be at the center of this paper.

The paper is structured as follows: chapter two will discuss the nature of happiness and its relation to human behavior and decision making in order to shed light on the relationship between happiness and ethics. I will then briefly present my understanding of (deontological) ethics in chapter three before examining the relationship between happiness and economic growth on the basis of empirical evidence. Chapter five will propose a

particular interpretation of GNH and relate it to the concept of good development. Chapter six will point out some implications of my interpretation of GNH for its operationalization before I synthesize the main arguments into five succinct statements in the conclusion.

Happiness, Human Behavior, and Ethics

At least since Thomas Hobbes, the belief that people's behavior and choices are motivated ultimately and exclusively by the desire to experience a maximum of happiness has gained wide currency not only in the social sciences but in popular wisdom as well. In economics, this belief in "psychological hedonism" has been particularly influential and practically became the anthropological basis of economic theory as a whole. As a deterministic model of human decision making, it allows economists to subject human behavior to rigid, quantitative analysis.

While I shall not concern myself much with the peculiarities of economic theory, I will use psychological hedonism as a reference point to clarify my understanding of happiness and of its connection with ethics.

Happiness

Even though every language seems to have a word for happiness or satisfaction and people from all cultures apparently have no difficulty understanding its meaning—albeit with slightly different nuances—, the idea of happiness defies a precise definition. Depending on context and perspective, happiness may be understood in a variety of ways. For the purpose of this paper, a distinction between an empirical and a normative concept of happiness appears appropriate.

The empirical concept of happiness falls into the domain of psychology where the term "subjective well-being" (SWB) has been coined to describe an individual's subjective, self-reported overall happiness as expressed along a one-dimensional scale. To preempt the most frequent source of mistaken skepticism, it is crucial to appreciate the meaning of the attribute 'subjective'. It means that SWB really is the unquestioned perception of each individual himself taken at face value, rather than a normative concept of "actual well-being". When it is stated, for example, that the SWB of person A is higher today than it was yesterday, this does not—at least not necessarily—mean that this person is actually faring better today than he was yesterday (i.e., "faring better" in a normative sense of 'quality of life'). It does mean, however, that he judges his well-being more favorably today than he did yesterday. SWB alone, therefore, does not suffice to tell us how happy an individual is in an absolute, moral sense (in the remainder I will refer to this as "actual well-being" or as "the happiness we actually value"). SWB is not meant to replace such ethical concepts as eudaimonia (Aristotle 1998), the good life, or quality of life (Nussbaum & Sen 1993). Of course, it is plausible to suppose that SWB is closely correlated with "actual well-being."

Indeed, once SWB data are interpreted in a specific context, one may find compelling arguments for specific conclusions about “actual well-being”. As long as one is looking at raw data, however, SWB should simply be taken at face value, namely a subject’s statement on her perceived degree of well-being. In this sense, subjective well-being is a fairly objective concept. While the data themselves rely on subjective assessments by the respective respondents, the methodology is perfectly objective and independent of any researcher’s personal evaluations.

As a normative concept, on the other hand, happiness requires not only an instantaneous positive mental experience, but also the reflected approval of its propriety by the respective person herself in the presence of all relevant information. Happiness in this sense will be called “happiness that is actually valued”, or “valued happiness” for short, and it is to be understood as a judgment. To illustrate what this entails, consider the thought experiment of a happiness machine that can give you pure and unlimited pleasure for an arbitrarily long period (Nozick 1989). What is more, this machine generates not just dull pleasure but the perfect illusion of happiness. The person connected to this machine will experience a perfect illusion of friendship, love, good music, delicious food etc. and will actually believe to be happy for these reasons, completely unaware of being locked into that machine. There would be no negative side-effects of using this machine and its use would not imply any costs, nor would it be addictive.

Imagine a person uses the machine while mourning the death of a friend. Even if, while using the machine, he forgets about his friend’s demise and experiences pleasure, we certainly would not call this person happy because the happiness we actually value is more than the sensation as such. Happiness is inseparable from the particular reason that makes us feel happy (Spaemann 1989: 41, 73) and in this sense it is not an end that is achieved through means (which would not have any intrinsic value) but rather a symptom that indicates that a person has some intrinsically valuable reason for being happy. When we are happy for a friendship, for example, we do not only care about the effect this friendship has on our psychic well-being, but also and primarily about the friendship itself as the reason for our happiness. Similarly, we do not only want to experience love, we want to actually be loved—and we even hate to experience love that is just pretended. Put differently, we do not only want the pleasure generated by the feeling to be loved, we also want this love to be genuine, to actually be the case (Nozick 1989: 106). In the same vein, someone who finds out about her husband’s infidelity is not unhappy for having discovered it but for his being unfaithful. In short, the sensation of happiness is not separable from its underlying reason. The event that makes me feel (un)happy is not the substitutable cause of my happiness but its irreplaceable content (Spaemann 1989).

Understanding happiness this way does not mean to look down upon spontaneous pleasure for the sake of an “intellectualized” concept of happiness. Pleasure, which I understand here as an immediate, pre-reflective positive mental experience (such as enjoying tasty food, listening to music one likes etc.), is in itself valuable and needs no moral justification. Nevertheless, for pleasure (as a pre-reflective experience) to become happiness, (as a judgment), the person must at least not morally disapprove of the experience she finds pleasurable—a vegetarian, e.g., might stop enjoying his food when he discovers that it contains meat, even though he would otherwise enjoy the taste.

The distinction between the empirical concept of happiness as SWB and the normative concept of happiness as “valued happiness” is best understood as a distinction between a solipsist and a self-transcendental perspective. In the solipsist perspective, the person cares only about his inner mental states as recorded in some pleasure center within his brain and is entirely indifferent with respect to both (i) the reasons that bring about these inner mental states and (ii) anything that does not become part of his experience (and hence does not influence his inner mental state). Such solipsism is in fact the distinguishing feature of hedonism in general (not only psychological hedonism as a specific hypothesis). In the self-transcendental perspective, by contrast, a person is seen as caring also about (i) and (ii) and as in this sense transcending his self.

Linking Happiness with Ethics

The link between happiness and ethics can be thought of as twofold, making a distinction along the lines of the classical separation between teleological ethics—basically the “private” questions of the good life, of who I want to be and how I want to live—and deontological ethics—the “social” question of legitimacy, of one’s rights and duties vis-à-vis other moral subjects.

Psychological hedonism, to take up my point of departure, supposes a very mechanical relationship between happiness and ethics. With respect to teleological ethics, it says, first, that happiness is the only thing that counts when it comes to choosing who one wants to be and how one wants to live, and, by implication, that the things from which a particular person derives happiness are predetermined by nature and therefore beyond this person’s own will. To use economic terminology, a person is assumed to simply have, rather than choose, a consistent set of preferences which provides the algorithm to calculate, in any given situation, the optimal decision, i.e., the decision that will maximize her happiness. The kind of rationality involved here is purely instrumental rationality, i.e., it is a matter of optimization with respect to a given end.

With respect to deontological ethics, the deterministic nature of psychological hedonism renders the very idea of rights and duties

meaningless because one cannot sensibly demand from predetermined beings (which resemble a clockwork more than a person) to behave in another way than that which they are programmed to follow, the reason being that morality as such requires indeterminacy of human behavior. In general, therefore, whether others are affected by one's choices or not, psychological hedonism claims that an individual's decisions are always and exclusively the deterministic manifestation of one's preferences, whatever these happen to be. Thus, psychological hedonism subscribes to a solipsist conception of the person and does not know the concept of morality.

In a self-transcendental perspective, by contrast, the teleological question of the good life is not a matter of maximization. In this perspective, it is strictly impossible to maximize happiness, even if it was proclaimed as one's strategy, because people simply do not from the outset dispose of a given set of preferences. Rather, they have to choose and continuously reaffirm, or revise, their preferences without knowing which selection of preferences will leave them happiest. Having no pre-established set of preferences, there is no way they can optimize their choice. Instead they will have to decide by virtue of their free will, i.e., by volitional rationality, which preferences they consider worth having. This is pretty much what people colloquially mean when they say that they have to decide what they really want. This choice is in a fundamental sense indeterminate and unpredictable and, by its very nature, cannot be explained in the same causal way as decisions of instrumental rationality.

Furthermore, in terms of deontological ethics, the very idea that people are so dominantly motivated by a concern for being happy (or avoiding unhappiness) seems to be overly rigid and far removed from our everyday experiences. For example, economists typically explain the phenomenon that people spend effort and time in order to cast their vote in political elections, despite knowing that their vote will make virtually no difference to the overall outcome, by a motivation to avoid the pain of a bad conscience that would result from a good citizen's failure to vote. This argument, however, raises the question why somebody who failed to vote would have a bad conscience, and why she would want to be a good citizen in the first place. Why would such a person not just get rid of this "preference for voting", given that she does not benefit from it anyway. An economist might continue assuming the presence of some higher-order preferences, but ultimately would have to concede that he can only assume, but not explain, the presence of such preferences. In a self-transcendental perspective, by contrast, voting would be explained—to the extent it is explainable—by an intrinsic motivation to act in accordance with those moral principles which one has found to be irrefutable. Of course, living up to these principles will most often be a reason for a person to feel satisfied, but then only as a symptom of one's successful commitment to one's

principles, rather than its cause or motivation (cf. above p. 84). Or more generally, as Frankl (1978) put it: rather than seeking happiness, we seek a reason to be happy, and the more we directly chase after happiness rather than after a reason for happiness, the more we get removed from it. "Happiness cannot be pursued, it must ensue" (Frankl 1978: 228).

Defenders of psychological hedonism might claim that this postulate is entirely speculative and cannot be falsified (and hence would not qualify as a scientific theory in the sense of Popper [1959/1934]). Such critics would be perfectly right with this claim, but should not overlook that the same is true for psychological hedonism as well, and in fact for any anthropological decision theory. One simply cannot do without such speculation when theorizing about human behavior. What I attempted to show is merely that the speculative assumptions of psychological hedonism have little plausibility because they imply that people are completely determined and have no free will, while the—equally speculative—assumptions of the self-transcendental conception of behavior are closer to our self-perception as autonomous persons who act upon reasons rather than being pushed around by causes.

To the degree people have a free will, then, they can actually choose different preferences than those they actually hold at a given point in time. To be sure, human beings cannot choose their preferences entirely arbitrarily. The natural liking of sweet and distaste for bitter tastes, for example, can apparently not be reversed at discretion. Nevertheless, there seems to be some scope to choose our preferences—we can, so to speak, learn to like our coffee with or without sugar. When our preferences are not just about the sugar in our coffee but about things that affect other people, this is where deontological ethics comes in. A murderer, to illustrate this point with an extreme example, must be acquitted by the defenders of psychological hedonism because, in their view, his lethal preferences were forced upon, rather than chosen by, him (through his genetic disposition and environmental influences). When it is believed that human beings have a free will, however, he can be held responsible for not having chosen more benign preferences (or for having failed to contain his wicked preferences), because he could have refrained from killing; there was nothing, in particular no preference map, that forced him to kill. Positively speaking, a socially responsible person will, in this view, act responsibly not in order to feel good. Rather, she will feel happy because her successful living up to her moral principles and her sharing in the happiness of others are reasons for her to feel so, and this is so because she has come to accept these moral principles as irrefutable. Why she has adopted these benevolent principles while others have not done so may partly be due to education, socialization etc., but ultimately remains a matter of an indeterminate free will and is therefore beyond complete causal explanation.

Two major conclusions follow from these considerations: first, that individual well-being is not a static function ingrained in human nature but an ultimately free judgment dependent on the values and preferences a person has chosen. This implies—as is also supported by empirical happiness research—that favorable life circumstances are just a necessary, and not sufficient, condition for happiness and that happiness ultimately springs from a human mind. “Happiness is not something that happens to people but something that they make happen” (Csikszentmihalyi 1999).

Second, the human capacity to make free decisions entails the duty to make only such decisions that are legitimate. Among free individuals, others always are entitled to demand from me a revision of my preferences if these, or rather the actions they engender, violate their respective rights. Taken together, this means that a society—or a government, or a family—should not see as its aim the promotion of happiness for its own sake (e.g., by distributing feel-good pills), but rather the creation of conditions and the transmission of values that allow people to find legitimate reasons for happiness.

Ethics: The Moral Point of View

The previous references to ethics raise the question what exactly is understood here under such concepts as ‘morality’, ‘legitimacy’, ‘rights’, and ‘duties’. In what follows, I will give a rough indication of my understanding of deontological ethics—i.e., the legitimacy dimension of ethics, leaving aside the teleological dimension of ethics for the moment—which is rooted in discourse ethics as developed by K.-O. Apel and J. Habermas. For a more elaborate treatment the reader is referred to the relevant literature.

Systematically speaking, deontological ethics is the scientific discipline that reflects on morality and the possibility of the universal validity of moral principles. Morality, in turn, is the specific, disinterested attitude that submits the pursuit of one’s personal interests, which is not immoral as such, to the categorical condition of legitimacy. This attitude is only genuinely moral when it is adopted out of a disinterested recognition of the dignity of other persons, rather than out of the calculated expectation of a personal advantage. Legitimacy is warranted when one’s behavior conforms to norms that are universalizable, i.e., norms that can in principle be accepted by everyone. Put differently, a choice is legitimate when it can be justified before all those potentially affected by its consequences. This justification can be thought of as a universal approval by an unlimited communicative community (Habermas 1983: 99).

This criterion of legitimacy is not to be understood as requiring a factual consensus in a real discourse. Rather, it is meant as a regulative idea, i.e., an ideal type situation that merely provides the “moral point of view” (Baier 1958), rather than a “social technology” that generates solutions to

moral problems (Ulrich 1998a: 11). This lack of concreteness may be criticized, but then this very lack is a characteristic of ethics itself and merely reflects its indeterminacy, and the feat of discourse ethics of having developed a firmly reasoned moral point of view must not be underestimated. In fact, any ethical theory offering a deterministic ethical formula that can always tell right from wrong would promise more than may, and should, be expected.

In short, morality thus understood is not about altruism or selflessness. Rather, it requires that one voluntarily subordinates one's interests and actions to the criterion of legitimacy by ensuring that one respects the rights of all others in one's pursuit of one's interests. Seen from another angle, it requires that the norms of one's behavior be universalizable in the sense that they can be accepted, or enjoyed, by everybody equally.

Under this view, what is right and wrong depends ultimately on people's free judgment of what they find justifiable or rejectable, and therefore on their free choices. Consequently, a moral discourse, even an imaginary one, is not merely a means to find a pre-existing moral solution that is just waiting to be discovered like the solution to a mathematical equation. It is rather through the discourse itself that it is established what is and is not legitimate. After all, the very act of taking a genuine interest in others' rights—a characteristic of any discourse worth its name—is itself constitutive of, though not sufficient for, moral actions.

Providing merely a formal principle defining the moral point of view, rather than a catalogue of norms or values, discourse ethics seems to be less vulnerable to accusations of culture-dependence. In fact, for an objection against discourse ethics—whether voiced from within a culture or out of a different cultural context—to be an objection at all, i.e., to be a reasoned critique rather than a mere statement, it has to invoke precisely those norms that are explicated by discourse ethics. The only way to escape this “forceless force” (Habermas 1981: 47) is to refuse the discourse altogether which would identify the speaker as a moral fundamentalist who thereby places himself outside the moral community. Except for such fundamentalist convictions, however, discourse ethics indeed seems to describe the proper, universal “moral point of view” irrespective of cultural specificities.

Happiness and Economic Affluence

Empirical happiness research has produced a remarkable body of evidence on the relationship between economic affluence and happiness. Yet, except for a few neat results, the overall picture is rather heterogeneous and difficult to interpret. In a nutshell, what has become clear is that, within any given society with some degree of income inequality, the poorest 20 or 30 percent are significantly less happy (in terms of SWB) than the upper 70 or 80 percent of the income distribution. It is also well-documented that at a

given point in time, rich nations tend to be more happy than poorer ones, even though this seems to be true only up to some threshold level in the order of magnitude of US\$10,000 annual per capita income, and even far below this value one finds positive outliers with levels of happiness that are also found in very rich countries. On the other hand, there is little evidence that nations become happier as they get richer over time. While there are virtually no data for developing countries—which limits the potential for generalization—the data series coming closest to witnessing the escape from poverty is that of Japan beginning in 1958 which shows no significant upward trend over more than thirty years.

Three major effects can explain the bulk of these observations. First, the happiness deficit of the poorer segments within a society and the failure of average SWB to rise with average incomes are to a large extent due to a “secondary inflation” effect (Hirata 2001: 36) that reduces the value, in terms of “functionings” (Sen 1980/1983), of a given consumption level (i.e., a level that is constant in terms of a representative basket of goods) as a society grows richer. For example, growing car ownership often leads to a deterioration of public transport services which means that those people whose real incomes fail to rise with those of the majority will end up being worse off (i.e., in terms of the functioning of mobility), and that the possession of a car partly reflects a new necessity rather than the satisfaction of a genuine desire. More fundamentally, the functioning of social participation depends to a substantial degree on relative income. Socializing is simply more expensive in rich societies than in poor ones, and it may be doubted whether the additional money spent on social activities buys an increase in happiness. “In a poor society a man proves to his wife that he loves her by giving her a rose but in a rich society he must give a dozen roses” (Layard 1980: 741).

Second, people appear to get used to the new comforts brought about by rising consumption standards, but they frequently fail to anticipate this “hedonic adaptation” (Loewenstein & Schkade 1999). As a consequence they spend money on goods that have only a temporary effect on happiness, and too little on goods that would yield lasting happiness. Empirical evidence for hedonic adaptation is overwhelming (Loewenstein & Schkade 1999).

Third and most important in this context, on a social level consumption is largely a zero-sum game in terms of happiness. Even in the case of consumption goods that are not subject to hedonic adaptation, their happiness effect may be annihilated as soon as others can afford the same good. This is either because the increase in demand leads to congestion effects (e.g. holidays on a remote beach) or because the source of satisfaction consists precisely in being ahead of the crowd (e.g. the satisfaction from having a superior social status). To the extent consumption takes place in such a competition for “positional goods” (Hirsch 1976: 11), individually

rational decisions will result in a socially wasteful allocation of resources, just as standing on tiptoe in a theater will improve each one's view individually but not lead to a better view for the audience as a whole. As Hirsch (1976) and, more recently, Frank (1999) convincingly argue, positional competition is a pervasive phenomenon in affluent societies.

However, despite these three effects, some hope remains. Not all ways of spending money are subject to the secondary inflation effect, hedonic adaptation, or positional competition. Relief from the stress of driving through dense traffic, regular physical exercise, noise abatement, and freeing up time to socialize with friends are empirically confirmed examples for transforming resources into happiness that neither wears off over time (at least not entirely) nor depends on relative position (Frank 1999: 81ff).

On the whole, the evidence on the relationship between wealth and happiness strongly suggests that it is not governed by a mechanical quantitative law but that it is above all the quality and not the quantity of consumption that has an impact on how satisfied a society is. To be sure, SWB requires at least the satisfaction of life-sustaining needs and certainly some degree of material comfort beyond that. Yet, this still leaves a large range of income levels and consumption standards which offer the potential, but no guarantee, for pervasive happiness.

Nothing of this is to say that economic growth is per se undesirable. In a modern market economy operating on international markets, a failure to grow at the same pace as one's trading partners will most likely be associated with rising unemployment which in turn breeds unhappiness. It would miss the point, though, to propose a stimulation of economic growth in order to contain unemployment because, depending on the perspective adopted, economic stagnation can be seen as either the cause or the consequence of unemployment. In the latter perspective, a reduction of unemployment will automatically result in economic growth whenever technological progress takes place. The point is that focusing on economic growth is less plausible as a policy objective (at least for affluent economies) than focusing on reducing unemployment. When confronted with a choice between (A) stagnating GNP but full employment or (B) rising GNP but stagnating high unemployment (which would for example result from an extension of the work week), empirical evidence overwhelmingly suggests that the former will be more conducive to SWB.

Gross National Happiness and Good Development

The recognition that economic growth is not per se a good thing has lead people to look for concepts that would better reflect human betterment. As a result of the ecological awakening in the early 1970s, attempts were made to adjust GNP for unaccounted costs in terms of lost natural capital and negative external effects, e.g., those caused by noxious fumes, on the quality of life. Being more concerned about poverty, the United Nations

Development Program (UNDP) designed the Human Development Index (HDI) that integrates GNP, longevity, and literacy data into a single figure. Both initiatives were, and continue to be, important correctives to the obsession with GNP, but, as will be argued below (0), they remain deficient because they remain committed to a one-dimensional (utilitarian) concept of good development.

A much more profound shift of perspective was made by His Majesty the IV King of Bhutan when he declared Gross National Happiness to be the primary, though not exclusive, principle of the country's development efforts without forcing that idea into a quantitative index. Since then, and especially since GNH has risen to international awareness, GNH has found many advocates. What these advocates claim is not merely that GNH should be adopted in order to achieve, say, happiness, i.e., if happiness happens to be one's goal, but their claim is that GNH should be adopted because it is a better development concept, full stop. In other words—in Kant's words actually—they do not make a hypothetical claim but a categorical one (Kant 1977/1785: 43), and this means they are making an ethical statement.

To make such a statement, and to arrive at a favorable comparison of GNH vis-à-vis competing concepts (such as GNP), one must as a matter of logical necessity have some comparison criteria, some normative frame of reference which provides orientation between good and bad, right and wrong, just as a compass does between North and South. In the context of societal development, this frame of reference is implicit in the notion of good development. This is of course only a formal concept, a point of reference providing orientation and must not be mistaken for a concrete objective, or a utopia, that is to be accomplished. Similar to the ideal concept of a geometrically perfect circle that only exists as an idea and can never be found in the real world, good development stands for a criterion, a regulative idea, rather than for an objective. Different from a circle, however, it cannot be completely defined. As an ethical idea it is even ultimately indeterminate just as ethics itself (cf. p. 84). Hence, rather than being a weakness, this elusiveness of good development is just consistent with its role as representing the idea of the good itself.

When I talk about development in this context, this is not to be understood merely as the process of eradicating hunger and abject poverty the so-called “developing countries” and neither as the economic catching up of these countries to the consumption levels of the high-income countries, but rather as the never-ending effort of all societies to narrow the gap between the actual and the potential goodness of social arrangements and of the well-being of citizens. With this understanding of development, all countries are and will always be developing countries.

For good development to deserve its name, it must also be justifiable in a temporal and in a global perspective. It must not only be concerned with

the people currently living in a given society, it must also take into account the rights of future generations (temporal perspective) and those of other societies (global perspective). This is of course not an additional requirement but merely the consequent generalization of the idea of universalizability. Having said this, my intention is merely to flag these two dimensions as worth bearing in mind, but I will not be able to discuss them explicitly within the scope of this paper.

So far and to my knowledge, the concept of GNH is defined only to a limited extent, namely by the four major goals of (1) economic self-reliance, (2) environmental preservation, (3) cultural promotion, and (4) good governance (Thinley 1999: 16). Moreover, it is usually seen as one principle next to others, not as the only principle of development, as expressed in the famous phrase by His Majesty the King, "Gross National Happiness is more important than Gross National Product" (Thinley 1999: 12-13) (rather than saying that GNH is the only objective of importance). And of course the term "happiness" speaks for itself and thereby fills the concept of GNH with substance, but again with some scope of interpretation as there is no universally accepted concept, let alone definition, of happiness.

When going about to conceptualize GNH in what follows, I will therefore take as a starting point the following assumed consensus on the meaning of GNH:

GNH comes with a moral claim to be conducive to good development.

GNH is an (incomplete) catalogue of goals and priorities, with the four major objectives (as mentioned above) as its goals and with happiness as the first priority.

GNH is not an ethically inclusive concept, i.e., it is not in itself sufficient to substantiate the idea of good development, but needs to be complemented by other principles.

Apparently, GNH is essentially about allowing people to live well and to be happy. In philosophical terms, therefore, it is a teleological concept, one that is concerned with what is good (as opposed to right or just). Good development, however, must integrate the teleological perspective of the good life with the deontological perspective of legitimacy, otherwise it will remain incomplete. Put differently, good development not only needs a conception of what constitutes a good life (happiness, for example), it also needs principles that provide criteria to decide what is right when the good life, or the happiness, of one person conflicts with that of another. For example, if of two neighbors one finds happiness in silence and the other in listening to loud music, the principle of happiness does not provide any orientation of how this conflict of interest should be dealt with.

In fact, there is a school of moral philosophy, namely utilitarianism, that does claim exactly this, that the criterion of happiness can also decide questions of legitimacy. In the principle of total utility maximization, utilitarianism claims to dispose of a criterion that tells right from wrong:

maximizing utility is right, anything falling short of utility maximization is wrong. In the example of the two neighbors, the volume should (not may, but should!) be turned up as long as the increase in the music lover's happiness is larger than the loss in his neighbor's happiness. (Of course these happiness increments cannot be precisely measured, but this can be regarded as a practical limitation of all moral criteria and no particular deficiency of utilitarianism.) Looking closer, however, it is evident that it is not happiness itself that provides the criteria of right and wrong, but the principle of maximization together with some more or less natural premises.

This principle is problematic for at least three reasons. First it must presuppose that people have rather than choose their preferences (cf. p. 84). If, by contrast, people are assumed to have a free will, happiness maximization is simply not possible as a matter of logic—one cannot deduce determinate results from an indeterminate basis.

Second, following directly from the rejection of a free will, people cannot be held accountable for their preferences. Imagine a poacher who would be prepared to pay a large amount of money to a community to be allowed to shoot the remaining snow leopards in their forests to take their furs home as trophies. Happiness maximization would demand that the poacher should be allowed to hunt down the snow leopards if the resulting total happiness rises as a result (ignoring the (un)happiness of the snow leopards of course). When people find this way of settling conflicts of interest outraging, it is because they do not, as utilitarianism does, take a person's happiness as given and as beyond critical reflection. They would contend that the poacher can and should revise his preferences and that he should derive happiness from more benign purposes—and that otherwise he deserves to be denied that source of happiness even if that reduces the sum total of happiness.

Third, people obviously care about more than happiness alone. For example, when a person forgoes an opportunity for personal happiness in order to honor a promise even though that does not bring her any significant benefit, then this person puts commitment before happiness (Sen 1983). Saying that commitment is also a source of happiness and enters into her hedonistic calculus would again assume that the person has not herself chosen to want to commit herself, but that she just happens to have a preference for commitment. This kind of reasoning, however, would bereave the idea of commitment of its very essence—and the person of her personality.

Rejecting happiness maximization is of course not the same as rejecting happiness as one policy objective among others embedded into a larger concept of good development. In particular, I would like to propose an interpretation of GNH where happiness fulfills two distinct roles: one as a teleological substantiation of good development, and the other as a heuristic device.

In its first role, happiness substantiates the formal concept of good development by specifying what it should primarily be about. In particular, it gives priority to mental well-being, to positive sentiments, and to a positive evaluation of one's life to the degree these concepts are implied by the idea of happiness. In other words and recalling what has been said above (p. 84) about the nature of happiness, it focuses on allowing people to have reasons for contentment and happiness. While there are certainly some rather universal characteristics of happiness, each culture may give varying weights to the different aspects of happiness and emphasize additional qualities that would be part of a culture-specific understanding of happiness. In a Buddhist tradition, e.g., individual enlightenment, control of one's desires, and freedom from excessive self-concern (Thinley 1999: 17-18) would perhaps play a central role. Singling out such a conception of happiness as a development priority contrasts with the traditional Western development paradigm which was driven by a deep-rooted ethos of industrious thriftiness that has been famously attributed to the "Protestant Ethic" by Max Weber (1975/1920).

The importance of a society's development paradigm, I would argue, seems to lie not primarily in its direct influence on political decisions, but in the impact it has on people—whether ordinary citizens or politicians—as an orientating principle. It provides or legitimizes rationales people invoke in designing institutions, in the reflection on their values, and even in their everyday decisions. At least, many decision rationales in the affluent Western societies seem difficult to explain if not by the prominence of GNP as the epitome of good development.

In its second role, happiness can serve as a heuristic device within the concept of GNH to elucidate the subtle psychological and societal phenomena that drive a wedge between what people actually want and what eventually results from their decisions (as discussed above, pp. 84). Knowledge of these phenomena may allow the individual to make less decisions he will have to regret (because he fell into some psychological trap), and it may allow society to contain prisoners' dilemmas by instilling in citizens a sense of collective interdependence, making the need for commitment to social norms more plausible to the individual.

In either of these roles, GNH does not, and should not, play its role as a "user manual" for decision makers, but rather as a mental ferment that leads to better informed and more thoroughly reflected choices, private and collective, and as a proclamation of a societal consensus of value priorities that lends authority to the "soft" argument in favor of happiness. Thereby, happiness should enrich the deliberative process that should be taking place anyway, and in which decisions should be taken by the conscientious assessment of reasons rather than by maximizing a happiness function.

The relationship between good development and GNH is therefore one between a formal principle and its concrete meaning in a specific context in

which people identify with a particular ethos. By giving substance to the concept of good development, it may be argued, GNH is itself already the first step of operationalizing good development.

Operationalizing Gross National Happiness

Even though GNH is more substantive than the formal concept of good development, it remains a rather ideal concept. Hence, if one wants to fix the way it is translated into consistent decision rationales that can be applied to concrete situations, GNH needs to be further operationalized. In fact, GNH has already been operationalized to some degree by the specification of the four major goals mentioned above (p. 84), but it remains unclear—at least in the literature I am aware of—through which ordering principles these goals relate to each other. In the first part of this section, therefore, I will try to delineate one possible ordering principle by examining the economic-liberal stance that good development, and perhaps happiness?, consist primarily or even exclusively in letting people choose individually for themselves free from collective restrictions and without questioning their choices. After laying out my objections against this view, I will propose an alternative maxim as the basis for operationalizing good development and will then revert to the four major goals of GNH. In the second part of this section I will briefly discuss the role indicators should play in the operationalization of GNH.

Liberty and Happiness

Proponents of the economic-liberal position basically make two distinct arguments. First, they posit that freedom of choice is of intrinsic value, i.e., valuable independent from the consequences this freedom has on welfare. Second, they believe that economic theory and common sense justify a far-reaching trust (i) in each individual's ability to make those choices which are in her best interest, and (ii) in an "invisible hand" (Adam Smith) that transforms uncoordinated individual choices into social welfare.

Regarding the first point, it should be noted that saying of something to be of intrinsic value is not the same as saying that something has to be protected whatever the cost. For example, I may consider animals to possess intrinsic value, yet still approve of hunting for the purpose of keeping animal populations in balance if the killing of some animals is justified by reference to some other intrinsic value of more weight (such as the long-term survival of the biotope). I could not, however, approve of hunting just for the fun of it because, in my view, hunting as a source of fun can perfectly be substituted by other activities that do not require to compromise on intrinsic value. In the language of Immanuel Kant, saying that something is of intrinsic value would mean that it shall "always at the same time be treated as an end and never only as a means" (Kant 1977/1785: 61), but not that it may never and under no circumstances be also put in the service of

another purpose of intrinsic value. In the context of free choice this means that I can acknowledge the intrinsic value of free choice, yet at the same time advocate selective limits to free choice where this is justified by other intrinsic benefits I consider more urgent.

Regarding the second argument, I shall raise three more or less related objections against an unlimited trust in individual rationality and the invisible hand.

(a) First, individuals appear to make systematic mistakes in predicting which choice will make them happiest. In addition to the well-established phenomenon of hedonic adaptation (cf. p.10), I will propose an argument by Norberg-Hodge (1991) that can be labeled the “seduction by modernity”-hypothesis. Since her argument is based on anecdotal evidence and can therefore not be generalized, I will merely propose it without being in a position to defend it as a general phenomenon. Nevertheless, considering that she has closely witnessed the entire process of modernization in Ladakh—a region in North-West India which appears to share some important characteristics with Bhutan, at least until just a couple of decades ago—her narrative might be of relevance to the challenge of good development faced by Bhutan.

Her argument basically is that the first contact with modern lifestyles by people in traditional societies, most often through the presence of Western tourists and television, instills an immense admiration of the achievements of modernity while concealing the downsides of economic progress.

“For millions of youths in rural areas of the world, modern Western culture appears far superior to their own. It is not surprising since, looking as they do from the outside, all they can see is the material side of the modern world—the side in which Western culture excels. They cannot so readily see the social or psychological dimensions—the stress, the loneliness, the fear of growing old. Nor can they see environmental decay, inflation, or unemployment. On the other hand, they know their own culture inside out, including all its limitations and imperfections.”
(Norberg-Hodge 1991: 97-98)

People see the convenience of time-saving appliances—but not that competition for productivity increases the pace of life. They see that by earning money they can afford valued goods—but not that monetization threatens to undermine social relationships (cf. also Rhodes 2000). They see that work in the modern sector is less strenuous—but not that a sedentary lifestyle makes people prone to obesity and diseases of civilization. They see that a good education increases the chances of their children to get high-paying jobs—but not that widespread schooling will separate children from

their parents and, if based on Western curricula, will alienate them from their own culture (cf. also Wangyal 2001).

I hasten to emphasize that I am not implying that traditional life is always and in all respects better than modern life. Norberg-Hodge herself also acknowledges that modernity brings improvements too. Rather, the point is that people in traditional societies may have a biased perception of modern life, clearly seeing its blessings, but largely ignoring its dark sides. This may to some extent be due to a lack of information, but also to a systematic bias inherent in cognitive processes. For example, people typically fall prey to the “focusing illusion” (Schkade & Kahneman 1998), overstating the satisfaction they will derive from a specific change in their life simply because their attention is drawn to this particular life domain. By highlighting this bias in perception, I do not say that people should always decide against modern lifestyles, but merely that people’s decisions would better serve their authentic interests if the less visible effects of modernization were also appreciated.

(b) My second objection concerns the trust in the efficiency of a benevolent invisible hand. To be sure, the market mechanism is often a highly efficient way to organize production and allocate goods, and there are good reasons to make use of this mechanism for the purpose of good development. However, to the degree people compete for positional goods and thus engage in a zero-sum game (cf. p. 11), the invisible hand may turn counterproductive. In this case, the market mechanism will lead a society to spend real resources on relocating goods among people (generally from those with little to those with much capital—intellectual, physical, or monetary), rather than on a net creation of value. From a social perspective, this is as wasteful as if, say, ten percent of theater visitors could buy the privilege to stand up during the performance. As theater visitors get richer, they would bid up prices without making any difference to the overall outcome. The analogy between society and the theater audience only breaks down in terms of membership: you can simply choose not to go to the theater, but you do not have that choice with respect to society.

(c) My third objection concerns the trust in the justice of the invisible hand. Even though economic liberalists sometimes concede that the invisible hand is not perfectly just, they contend that its deficits in terms of justice are unimportant enough to be outweighed by its efficiency benefits. This view, I believe, is grossly inadequate. Rather, the invisible hand is better described as being indifferent towards matters of justice—it may lead to largely just outcomes under favorable conditions, but it is not by itself just. The main reason for this is that it hands out the economic product to each according to his bargaining power which is defined largely in terms of the relative scarcity of a person’s skills. A talented athlete, e.g., can accumulate sufficient money for the rest of his life before the age of twenty—provided his talent is relatively scarce (both in terms of supply of,

and demand for, his talent). A construction worker, on the other hand, will in his whole life not earn the equivalent of a world-class soccer player's annual salary, even if he is the most diligent and skillful worker—simply because his skills are not scarce enough since there are (too many) others around who could replace him. The observation that this effect tends to reward effort—an essential demand of distributive justice—and leads to efficiency-enhancing incentives for people to develop valued (i.e., scarce) skills may justify a degree of distributive injustice, but it does not grant an all-out absolutism from a concern for justice. Rather, markets with their efficiency-enhancing properties should be put in the service of a normative conception of good development and, consequently, find their limits where they lead to a degree of distributive injustice that can no longer be justified. In other words, justice should be a matter of moral criteria that determine the domain and the form of the market, not the other way round.

The criticism raised here against the economic-liberal view is in fact a criticism at a specific economistic (Ulrich 1998b: 15) interpretation of liberalism which reduces the idea of freedom to “freedom of choice” in the sense of protecting people from intrusion into their individual choices (“negative freedom”). Another reading of the idea of freedom, by contrast, would be “freedom to choose”, namely to choose a dignified, fulfilling way of life (“positive freedom” or “real freedom”). In this interpretation, freedom may not only require protection from undue intrusion, but also the active empowerment of the disadvantaged to enable them to actually choose a dignified way of life, rather than condemning them to make do with whatever the economy happens to leave for them.

This republican-liberalist (Ulrich 1998b: 295) view differs in at least three important respects from the economic-liberal one.

First, it does not take for granted that people will always make choices which are in their best interest. Neither, however, does it seek to prescribe, or even enforce, specific choices or values (an ambition economic liberals are fond of imputing to any alternative to their own position). It merely includes the formation of preferences and choices into its field of interest by asking for the conditions which enable people to actually make choices which are in their best interest.

Second, and this is the specifically republican element of this conception of liberalism, it expects from all citizens to enjoy their freedoms as responsible members of a *res publica* (from Latin for “public affair”). In contrast to economic liberalism which seeks to isolate the individual from moral obligations and attempts to justify this by hinting to the efficiency of an ideal economic order, republican liberalism expects from each citizen a commitment to the *res publica*, i.e., the willingness to subordinate one's private interests to the condition of public legitimacy (Ulrich 1998b: 299). More concretely, a republican citizen would not, e.g., recklessly take full advantage of her superior bargaining power vis-à-vis the economically

disadvantaged—even where the conceivably best economic order legally entitles her to do so. Moreover, she would not regard this as a constraint to her freedom, but rather as naturally following from her identity as part of the *res publica*. She simply would not want to benefit unduly at the expense of others. In other words, each citizen is called upon to regard economic interaction not as a space free of morality but as part of the moral space that includes all human interaction, and to treat the other members of society not as opponents in a bargaining contest but as co-citizens of a shared *res publica* and as moral subjects which are to be respected in exercising one's own freedom.

Third, republican liberalism considers restrictions on individual choices to be justified when these restrictions are themselves the manifestation of free choices, i.e., when they are democratically legitimized. For example, the wide-spread practice of mandatory pension saving schemes is obviously a restriction on people's choices, but it is a restriction most people advocate in order to collectively control their spending behavior which they apparently feel would otherwise not be in their best interest. Put differently, a populace can voluntarily choose to put in place restrictions on their choices without becoming an illiberal society for that reason.

The concept of republican liberalism does not imply any specific design of the economic order and of people's liberties. Rather, it conceives of freedom in a positive mode rather than merely as the absence of interference, and argues that people's choices need to be preceded by a fundamental reflection in two dimensions. In the individual dimension, the reflection should consist in a critical examination of one's preferences in the light of the full consequences of different development paths. There can be little doubt, e.g., that parents' choices with respect to their children's education will be better after they have examined the "seduction by modernity"-hypothesis, no matter if that examination actually changes their choices. In the social dimension, the reflection should consist in a public moral discourse about the legal and institutional provisions that are most conducive to good development. A truly liberal society may prefer to impose some constraints on freedom of choice in order to give people freedom to choose and in order to avoid wasting resources on positional rat races, rather than, in blind trust in the benevolence of an invisible hand, deliver people to the vagaries of unfettered competition.

Of course, people can usually be assumed to already reflect on the wider implications of their choices without needing instruction to do so. However, important aspects of one's choices' consequences—especially when leading to an entirely novel way of life—may simply not be obvious and will therefore not be adequately taken into account. Furthermore, it would be naïve to assume an unlimited human capacity to cope with fundamental social change. Here, governments can play the role of

stimulating the circulation of balanced, or (counter-)balancing, information; encouraging reflection on specific issues; facilitating public discourse; and strengthening initiatives of civil society (Galay 2001).

Coming back now to the four major goals of GNH: economic self-reliance, environmental preservation, cultural promotion, and good governance, the question arises how these rather specific goals relate to the concept of republican liberalism that has been proposed here as an ordering principle for the operationalization of the concept of GNH.

First of all, a crucial distinction should be made between the nature of concrete goals and ethical principles. While goals may be better or worse, more or less important, and may be achieved in good or bad ways, ethical principles are neither good or bad (because a bad ethical principle is no ethical principle at all), but rather right or wrong (i.e., more or less well-argued). In other words, while goals are the objects of ethical judgments, ethical principles provide the moral point of view from which to make these judgments. Both are complementary, of course: While goals remain devoid of value unless they are evaluated by means of ethical principles, ethical principles have merely formal character until they are related to concrete goals (cf. the distinction between the teleological and the deontological perspectives above on p. 84). Thus, the four major goals of GNH may serve the purpose of emphasizing certain issues of particular importance, but they need to be complemented by (deontological) ethical principles that provide the criteria to judge, e.g., to which degree economic self-reliance shall be pursued; at which cost to human well-being the environment should be preserved; or how far cultural promotion may go in constraining individual liberties. For the task of operationalizing the concept of GNH, this means that the ultimate point of reference from which to evaluate the operationalization of GNH is not the concept of GNH itself, but again an inclusive ideal concept of good development. Happiness may be the paramount objective in this conception of good development, but it must also always remain embedded in the latter.

Another way of focusing attention on specific aspects of good development is the selection of appropriate indicators, which shall be explored in the following sub-section.

Measuring Happiness?

The apparent allusion of the expression “Gross National Happiness” to the conventional concept of “Gross National Product” suggests that now “happiness” should be measured in Bhutan just as “product” is measured in most other countries. One would simply have to take the average of the population’s SWB scores in order to arrive at a “per capita GNH”-indicator that would replace the indicator of “per capita GNP”. Recent advances in the methodology of happiness measurement, one might argue, would warrant a sufficient degree of precision and validity. A substantial minority

of Kuensel online readers seem to agree: in a recent poll (December 2003), 36 percent (n=439) answered in the affirmative when asked whether “GNH, a developmental philosophy, [can] be economically quantified.”

A likely candidate for the quantification of happiness is of course the concept of subjective well-being (p. 84) since it rests on a firm empirical methodology. Yet, while SWB would certainly be a better indicator than GNP because it is about an intrinsically and not only instrumentally valuable objective, any single-index “super indicator” of social well-being, no matter if GNP, SWB, HDI (p. 84), or yet another concept, will be reductionist in that it reduces a multi-dimensional and indeterminate judgment to a single, ostensibly objective figure. More often than not, once an indicator has come to be recognized as the highest-order indicator of good development, it soon is identified with good development itself and its maximization elevated to the ultimate objective. Such a view quickly transforms a perhaps sensible rule of thumb (“raising indicator X tends to be good”) into an unquestioned doctrine (“good development consists in raising X”). The indicator in question then becomes the substitute of conscientious deliberation, rather than its content. In the case of GNH, a particular risk consists in the possibility that the concept of GNH one day comes to be appropriated by a hedonist (i.e. solipsist; cf. p. 84) and utilitarian understanding of happiness, in which case the original spiritual and moral dimension of GNH would be lost.

In operationalizing GNH one should therefore perhaps refrain from formulating a single-index indicator and instead rely on a variety of separate indicators that capture various aspects of people’s daily lives that are much more relevant to good development, and in particular to happiness, than is GNP. Examples for such indicators would be malnutrition, health, mental depression, suicide, youth delinquency, alcoholism, drug abuse, and divorce rates, just to name a few. Such a heterogeneous (i.e., not aggregated) set of social indicators would underscore the view that even the most meaningful indicators provide just inconclusive pieces of information which need to be evaluated along moral criteria and cannot replace moral deliberation. This is all the more evident in the context of sustainability and global justice. A steep rise of happiness indicators, for example, will have to be assessed very carefully when it is based on unsustainable trends or on the exploitation of other countries. In short, to make sense of social indicators, they always need to be embedded into a wider moral discourse.

The deliberate selection, and propagation, of social indicators seems to be more than an academic ivory tower-exercise. Casual observation suggests that those indicators that dominate newspaper headlines, TV news, and education curricula have a tremendous impact on both political and private priorities. If European newspaper headlines were dominated by indicators of subjective well-being, child poverty, and divorce rates, instead

of by GNP and Dow Jones trends, the political agenda and presumably even private priorities might be a bit more concerned with qualitative rather than with quantitative development. By analogy, if the concept of GNH is properly specified and continues to be the guiding principle—but not the doctrine—of Bhutan’s development vision, it can play an invaluable role in positioning the right indicators into newspaper headlines and thereby directing public discourse and private concerns towards those aspects of life that are constitutive elements of good development.

There is nevertheless a strategic case for the formulation and publication of a single-index indicator since it is so much more convenient to communicate, especially across mass media, and so much more effective in catching people’s attention. Realistically reckoning with the role of mass media and politicians’ perceived need for simple messages, one must therefore assume that highest-order indicators of good development will always remain in circulation. The question then becomes not what would be the perfect indicator, because that would mean the rejection of any candidate, but which indicator would be less inappropriate than the incumbent top-indicator in most minds which currently is GNP. To topple GNP and replace it with a more humane indicator, therefore, one needs to look for “a measure ... of the same level of vulgarity as GNP—just one number—but a measure that is not as blind to social aspects of human lives as GNP is,” as the spiritual father of the HDI, the former UNDP director Mahbub ul Haq, demanded (Sen 1999: 23). If one rejects a crude single-index measure of happiness because it is not perfect, one may end up with an even worse indicator. The challenge is to catch attention with a single-index indicator and at the same time highlight its deficiencies so as to stimulate a moral discourse on the content of happiness within a comprehensive concept of good development.

Conclusion

Happiness seems to provide an especially promising perspective to approach the challenge of development facing Bhutan. By adopting Gross National Happiness as its overarching development concept, Bhutan speaks out loud in favor of a people-centered perspective on development.

In this paper I have made a number of diverse points, and I shall conclude by synthesizing them into five statements.

Happiness is Inseparable From the Reasons for Happiness

In contrast to the means/end metaphor where happiness is the only end of intrinsic value and all other objectives have merely instrumental value, happiness should be seen as a symptom indicating that a person has reason to be happy. In this perspectives, the person cares not only about his positive mental experience but also about the reasons themselves which are of intrinsic value.

Happiness is Something People Make Happen

If we recognize that people have a free will, it follows that happiness is only to some extent dependent on objective life circumstances. Ultimately, people can be happy or unhappy in a large variety of settings. A person can be happy with her material possessions either because she has much or because she desires little. Thus, to attain happiness, it would be foolish for a society to focus exclusively on life circumstances and neglect the inner foundation for happiness. Bhutan's Buddhist heritage might be a particularly strong source for instilling, or preserving, a foundation of this kind.

Gross National Happiness is a Substantiation of the Ideal Concept of Good Development

An approval of GNH is always made by implicit or explicit reference to the regulative idea of good development. Being a formal concept, good development needs to be substantiated by more specific concepts if it shall guide decisions, and happiness may be an especially appropriate candidate to serve as such a concept.

Good Development is More Than Gross National Happiness

As a teleological concept, happiness does not entirely fill out the formal concept of good development. In particular, it fails to address the dimension of legitimacy, i.e., it does not provide any criteria of how to deal with conflicts of interest. It therefore has to be complemented by deontological ethical principles

Good Development Consists in Giving People Freedom to Choose Rather than Freedom of Choice

Economic liberalism propagates the maxim that good development consists in protecting people's freedom of choice. They fail to see, however, that people's free choices may be more or less informed and better or worse reflected. Furthermore, a society may decide to restrict people's freedom of choice in order to enhance people's freedom to choose, without therefore becoming an illiberal society. In this view, the economy should not be left to take care of itself, but rather be embedded into society. Its efficiency potential should become the servant of development rather than its purpose.

Gross National Happiness makes a valuable first step towards operationalizing the notion of good development by selecting as the prime goal of development human well-being rather than material opulence. It is exactly in this role that the concept of GNH is particularly well positioned to be put in the service of good development.

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Foundations and Scope of Gross National Happiness: A Layman's Perspectives

BY T S POWDYEL

Preamble

There was once a king who regularly took the advice of a wise man. This sage was called to the king's presence. The king asked him how he could get rid of his anxiety, how he might be truly happy. The sage replied: "There's but one cure for your highness's anxiety. Your highness must sleep one night in the shirt of a happy man".

Messengers were sent through the kingdom in search of a truly happy man. But everyone who was approached had some cause for misery, something that robbed them of true and complete happiness. At last, they found a man who sat smiling by, and had no sorrows. He confessed that he was a truly happy man.

Then the messengers told him what they wanted. The king must sleep one night in the shirt of a happy man, and had given them a large sum of money to get such a shirt. Would he sell them his shirt that the king might wear it?

The beggar burst into uncontrollable laughter and said: "I am sorry I can't oblige the king. I haven't a shirt on my back".

The Search for Happiness

This is, perhaps, the highest common factor and the single constant theme that unites all human beings of all colours and faiths and persuasions in all hemispheres and continents, in all parallels and meridians, at all times and in all space. From the time the homo sapiens learnt to hope and to dream, the central context of their engagement has been the pursuit of happiness.

What constitutes happiness though? Where does it reside? Is happiness a reality or an illusion? Is it process or product? Does happiness die, like the frog, if we dissect it? One gets muddled! But certainly, an individual's "heart leaps up with joy" on seeing "a rainbow in the sky". For some, happiness is "great love and much service; having something to do, something to love, and something to hope for".

"The way to be happy is to make others so", some would say. There are others who believe happiness to be "absence of pain and stillness of soul". To others still, happiness is the continuous progress from one greed to another. Some people recommend drugs to achieve an illusion of happiness. There are those who find happiness in the satisfaction of their cruel impulses.

To the formidable Irish playwright, George Bernard Shaw: “This is the true joy in life: the being used for a purpose recognized by yourself as a mighty one; the being thoroughly worn out before you are thrown out on the scrap-heap; the being a force of nature instead of a feverish little clod of ailments and grievances, complaining that the world will not devote itself to making you happy”.

Some compare happiness to a butterfly – the more we go after it, the more it eludes us. Some want the moon and the stars for breakfast. Others just want to eat bread and salt and tell the truth.

Many years ago, one of my teachers used to tell us the story of a village community somewhere in north India. It was a community with a special concept of happiness. If the members of a certain family had business elsewhere and were required to go away, they would leave the house unlocked. The house would be cleaned and beds neatly arranged. The fire-place would be ready for use – they would keep fine pieces of dry wood and a match-box near it.

Some food items and cooking and serving utensils would be kept within obvious recognition and easy reach. Every essential item that a person would need to spend a comfortable night was invitingly provided for.

This community believed that, during their absence, some visitors or guests might come. They may be total strangers to the place. They may need food and shelter. On no account should the visitors have any inconvenience in the absence of the owners of the house. The guests should feel happy.

In an age of intruder alarms and security or insecurity threats, as today, this community might sound as an unbelievable package of weird practices. This community, however, epitomized the essence of a highly civilized and evolved culture which considered the happiness of even a complete stranger so important!

Closer home, I was once waiting for a vehicle on the Tsirang-Wangdi road with my family and in-laws, feeling rather embarrassed at not being able to find one.

At long last, a truck emerged at the far bend, bound for Thimphu. I collected courage and raised my hand to stop the vehicle. It was a Royal Bhutan Police truck packed to its capacity. A senior officer sat on the front seat with his daughters.

“Could you give us a lift, Sir, if there is space?” I asked. His response has been etched into my heart ever since: “There will always be space in the vehicle if there is space in the heart”. He asked his daughters to move to the back and seated my in-law and child in the front.

Fifteen years on, I still remember the officer as one of the finest human beings on earth. That police officer had a unique view of happiness.

On yet another occasion, my host at Salunke Vihar in Pune was a retired army general. He had a wonderful notion of happiness: If he could not do anything useful for the community on any one day, he would drive his car to the main road and reach at least one stranded person, waiting for a vehicle, to his or her home.

That community, that police officer, that army general, lived out, in their simplicity and wisdom, the essence of a very profound Bhutanese notion about happiness: *mii tsi gaawai soenam, tra kheh nga yang baa mi thei*, that is, the intensity of happiness experienced by a single person is such that even a hundred horses cannot carry it.

The intelligence (or rank stupidity!) of clustering the definitions and illustrations of examples of happiness instanced above is to demonstrate the bewildering variety and diversity in which happiness is understood or experienced. At one level, it appears that happiness is a unique and personal experience. At others, it seems to encompass whole communities.

Is happiness then a function of personal experience? Or is it communal in nature? In either case, a programme of gross national happiness is certainly the most inclusive and ambitious enterprise ever undertaken by governments. But the kingdom of Bhutan has envisioned and committed itself to do just that.

Plato's Ideal State was the vision of an empire founded on the grand principle of justice. St Augustine dreamt of the City of God. King Arthur established the institution of the Round Table on the highest ideals of honour and service. Marx had his vision of a classless society! Ashoka the Great made non-violence the foundation of state policy! And, of course, we have heard stories of Rama Rajya!

What will it take for us to make Gross National Happiness a reality in Bhutan? The demands are no less high than those called up for the making of the Ideal State, or the institution of the Round Table. Where does our faith stem from?

We have our advantages. As the world marched, the land of the peerless Buddha, Sambhava and Shabdrung has chosen to survey, from the snug canopies of the mighty Himalayas, where the rains had started beating nations and humans. It seems as if she knew what was always there: that all the sound and fury of the world would dissipate and after all the Faustian adventures, it would come to value its soul.

Completing a full circle now, the world knows what the Bhutanese always knew: that the profoundest needs of human beings are not material, but spiritual, that all the wealth of the world does not measure up to the worth of a single human being.

The minds which conceived the inner mandala and projected the image to the outer mandala, the hearts nourished in the most ancient religious traditions of the world should have the necessary resources to define and refine the notion and dimension of development and success.

The Light of Asia had already discovered the paramount pillars on which happiness of all would rest: right understanding, right thought, right speech, right action, right livelihood, right effort, right mindfulness, and right concentration. These sublime and supremely all-encompassing virtues are already a self-evident foundation of gross national happiness.

Moreover, in spite of its size and geographical circumstances, Bhutan has been singularly fortunate in having the privilege of choice, and our leaders have made a most enlightened use of this boon. Whether it was self-chosen-isolation, or the desire to open up, or to opt for a certain system of governance, or to adopt a specific development path, they have all been the result of selecting the best alternative from among many, by right of vision. So with the principle of gross national happiness.

The Bhutanese idea of happiness is expressed in the famous proverb: *mii tsi gaawai soenam, rta khei nga yaa baa mi thei*. Simply translated, the line means that the intensity of happiness experienced is such that even a hundred horses cannot carry it! As a matter of fact, this concern for the happiness of others goes beyond the human plane to cover all other sentient beings including animals and insects.

As an instance, the child Jangchuhub Sempa spontaneously realized that removing his shirt on a cold morning and covering the shivering ants with it was the correct thing to do. A lama lost no time in offering his own body to a lion because the animal was hungry!

The most favoured correspondence between the ideal of *peljor* – economic-material-physical well-being – and *gakid* – psychological-emotional-spiritual-personal well-being – is at the heart of the normative planning paradigm in Bhutan.

As a matter of fact, the gross national happiness idea has already been travelling around the globe. So said Ms Meiko Mishizima, Vice President, World Bank, South Asia Region: “It is rare to find a nation, today or in the history of our globe, whose people share a clear and dynamic vision rooted in their cultural heritage and common values. It is even rarer to encounter a nation, which, by the strength of her conviction, initiates a new paradigm for the transformation of its society – sometimes called ‘development’ – that challenges the world to reconsider established methods of measuring change. This unique nation is the kingdom of Bhutan, and the ultimate source of its uniqueness rests singularly in the leadership of His Majesty”.

The story of development in the Bhutanese context could well be a record of the process of educating the concept of ‘development’ itself. The flood-gates had opened. Bhutan could have run amok in the glitter and glory of progress worshipped all around. But she chose the pilgrim’s progress:

Better, though difficult, the right way to go
Than wrong, which though easy, where the end is woe.

The Bhutanese people understand that they are no more than human and it will be unreasonable to take on responsibilities we are unable to handle. And, the quest for general happiness, at least at the obvious level, appears an impossibility, especially in an age long accustomed to quantifying and measuring everything on an economic scale. But the pursuit of gross national happiness is the function of a conscious decision between the futility of a life and a society dedicated to the physicalist-materialist position and the human-idealist paradigm of development.

The quest for gross national happiness is not a function of having to give up all our comforts and our properties and our relations. That would hardly be possible for most of us, nor would it be desirable. A threshold level of material well-being is essential for a human being to live a life free from economic and physical insecurity and mental stress. But to reduce the scope of human life simply to the cycle of production-possession-consumption would be to wound and limit the tremendous possibilities that human beings are capable of.

The unique Bhutanese concept of empowering the emotional-psychological-spiritual-personal capacities of human beings could well be defined as *meta-development* – development beyond development.

The institutional processes needed to produce and promote gross national happiness are by now largely in place in the country. As early as 1974, at the tender age of eighteen, the youngest monarch in the world Druk Gyalpo Jigme Singye Wangchuck had already made a solemn statement on the auspicious occasion of His Majesty's coronation: "I will be happy if Bhutan remains an independent country and my people are happy, united and self-sufficient. I don't think that there is anything else a king can achieve".

During an audience granted to us, young graduates fresh from universities, aspiring to enter the system as civil servants, in early eighties, His Majesty the king had said: "If, at the end of a plan period, our people are not happier than they were before, we should know that our plans have failed". This pronouncement already brought to the centre-stage the quest for gross national happiness.

Nearly three decades on, all that His Majesty has done has been a fulfilment of that prophecy – that gross national happiness is more important than gross national product. The novelty of the gross national happiness principle in the Bhutanese context is its viability as it is intimately interwoven with our country's development philosophy.

His Majesty's vision of gross national happiness sounds a chastening challenge to reconsider and recognize the equation between pleasure and happiness, flesh and spirit, indeed between the standard of living and the standard of life.

Gross national happiness as a state policy subsumes and transcends mere economic considerations as indicators of national well-being.

So far so good. But how to establish and advance real, authentic happiness for *all* the people of Bhutan? The towering ideals are gross – total, all, national – of the nation, belonging to the nation, nation-wide, happiness – the experience of well-being and satisfaction we all desire.

Foundations of Gross National Happiness

Viktor E Frankl (1985) said: “Happiness cannot be pursued; it must ensue. One must have a reason to “be happy”. Once a reason is found, however, one becomes happy automatically...A human being is not one in pursuit of happiness, but rather one in search of a reason to become happy...”. What are the reasons to be happy?

Security

I went to Plato. I went to King Arthur. I went to the Enlightened Ones. At the end of the day, I had to come back to something as fundamental as the question of survival. From the most basic desire for survival to the most evolved state of excellence and perfection, a condition of security is a pre-requisite.

Of all the levels of security, national security is the most paramount. National sovereignty and independence hinge on security. Only in a situation of security can a nation be viable. A sense of security enables nations and peoples to chart their destiny and have of visions of excellence and glory in the diverse fields – physical, personal, cultural, spiritual, artistic, literary, scientific, economic, commercial... - of national life.

Freedom from threats to national sovereignty releases the available material and human resources and permits their engagement in pursuits of higher and nobler kind.

Security to the life of the nation is the necessary condition for security to every other aspect of life. Gross national happiness is essentially a function of national security in the first place.

Social security is another expression that translates the creative dimension of national security. The level of imaginative and creative engagement of a people in the diverse fields of national endeavour is greatly influenced by the sense of security that they feel in the society. Every citizen being every other citizen’s keeper will already ensure everybody being a keeper of the nation.

The benefit of confidence that one’s life and family, one’s property and dues are secure engenders an experience of well-being that is conducive to happiness. The reach and power of the rule of law, a creative covenant between rights and responsibilities, a heightened level of civic sensitivity, coupled with a desire to live and let live will ensure personal and social

security and well-being. Every Bhutanese caring enough and sharing enough will create a country where everyone will have enough.

Peace

Peace is the primary condition for the birth and growth of happiness – in all its dimensions – personal, social, national, universal. Peace is one of the most profound desires of all humans – from the peasants of the Nile delta, the slum-dwellers of Calcutta, the farmers of Zhemgang... to the inhabitants of cyber-cities. Peace is the fundamental condition for human happiness, growth and development.

What kind of peace are we talking about though? War and peace are not necessarily exclusionary extremes. Peace is more than the absence of war or a situation of strife and crisis. Genuine peace is a condition of mind – it is peace that makes life and living a worthwhile experience – a state of mind that empowers life to grow, to hope, to build, to create and to celebrate the process and joy of living on this earth.

Authentic peace – not the peace of the grave or of silence – affirms and promotes the goodness and the basic sanctity and dignity of the human person. Peace is the medium of co-existence and survival, as war is that of negation and annihilation. Peace is the language of mutual tolerance, respect and interdependence, the bond of trust and fellow-feeling, the solidarity-principle of human life.

It is in the nature of peace that its pursuit is less dramatic than the pursuit of violence. Building and promoting peace is a slow, often painful, process, unlike the swift expediency of war. Too often, the advocates of short-term solutions to problems advance the theory that the best defence is offence, that peace is an illusion – just as happiness is an illusion, for them – that it is unreal and impossible. Such a belief does not only reflect a blinkered vision promoting the inevitability of conflict and the impotency of the humans, but also the notion that there is no alternative to belligerence and violence.

Peace-cultivation is the anodyne against and the antidote to the fragmentation of the world, societies, families and friendships.

Peace is a dynamic, creative and affirmative power. It is less stirring but more profound; less exciting but more permanently enduring; it is less loud but more eloquent.

Peace is not an event, but a process, the happy sum of many good acts and attitudes. Peace is the final proclamation of the goodness of man, the stamp of humanity. Peace is the unity and harmony of nature.

Living peace is more important than building peace, because peace in the universal, national and social contexts acquires meaning and vitality from one's individual standards. Peace-living individuals make peaceful families, peaceful families make happy nations, happy nations make a peaceful and happy world.

Harmony

United we stand; divided we fall. Harmony is one of the most powerful positive values that make life, families, societies and nations worthwhile and meaningful. All the wealth and riches of a country weigh less than the virtue of harmony and unity. Citizens living in harmony with each other, be they ever so poor, give energy and power to the society and the state. United families nourished by love and understanding create united societies. United societies are the bulwark of a strong and united country. This is certainly an environment in which happiness grows and prospers.

The different communities and people of a state animate and give it its colour and vital life. An environment that nurtures mutual respect, tolerance, and fellow-feeling among the various races will allow the flowering of peace and happiness. And certainly, a house divided against itself cannot stand.

What is more? Where there is harmony among the people, there is peace and happiness. People who live in harmony with each other are also freer from the stress and strains which plague life otherwise. Conversely, vices like disharmony, distrust, intolerance and hatred breed tension and ill-will which weaken societies and nations.

An important indicator of gross national happiness is, therefore, the level of harmony among the people in the country. Harmony heals and affirms life. Let us look for the many similarities that unite us than belabouring the few differences that divide us.

Love of Life Vs Love of Death

All life is precious and worth-preserving. The love of life is so great that even animals struggle against all odds to live - be it for even a brief while. Human beings, regardless of the quality of life that they live, want to live even if it is for just one more tomorrow. People eat grass and shoe-leather just so that they can live a little more. The love of life is so basic.

But there are those who decide to terminate their lives long before nature decides. "Cut is the branch that might have grown full straight", people mourn. Some people extinguish the light of their life in the prime of their youth. Others decide the negative course of action as circumstances warrant. In any case, they love death more than they love life! When or how does it happen?

Cases of alcoholism, drug addiction, homicide and suicide are among the highest in some of the most developed countries of the world. Material prosperity alone does not seem to define well-being and happiness. Suicide is the logical consequence of a feeling of defeatism and a sense of worthlessness. Love of death gets the better of the love of life. Negation and obliteration of life is the consequence.

Incidence of suicide and destruction of life are a critical indicator of the quality of life and the level of happiness.

Contentment

There is sufficiency in the world for man's need, but not for man's greed. So said Mahatma Gandhi. Albert Schweitzer, the 1957 Nobel Peace Laureate had warned: "Man has become a superman... but the superman with the superhuman power has not risen to the level of superhuman reason. To the degree to which his power grows, he becomes more and more a poor man... It must shake up our conscience that we become all the more inhuman as we grow into supermen".

One of the most glaring features of modern development is that it is not built on the principle of contentment, but on the principle of appetite. The dominance of a reductionist utilitarian orientation has transformed human beings into 'the universal wolves', as Shakespeare calls them, or 'frightening commercial vampires' with their awesome appetites.

Today's media and advertising pander to the pleasure-orientation of people. Their capacity to possess and hoard, desire to satisfy the senses – bodily propensities -, their gullibility are the constituencies of communication and media.

The exploitation of the more physical, external, and material capacities of the customers supports and promotes the superstructure of the advertising industry. The more stable, authentic and profounder selves of the people are more difficult to move and influence. So the more recalcitrant and maverick aspects of human beings, the more vulnerable and exploitable pleasure-seeking impulses surrender easily to the influences of forces which are hardly productive of real joy or happiness.

The argument is that the more one has, the more happy and secure one is supposed to feel. Happiness is believed to be directly proportional to the quantity of goods and services one is able to command and control.

The fact, however, is that this line of reasoning is in itself a contradiction in terms in the sense that what one might achieve in this mode is not happiness, but pleasure, at best. Happiness is a more sublime, satisfying sense of well-being and fulfilment, and not necessarily a consequence of possession of property.

Happiness is primarily a function of the 'being mode' – defined by a sense of independence, inner activity, and a productive use of human powers and endowments. Happiness is characterized by a desire 'to renew oneself, to grow, to flow out, to love, to transcend the prison of one's isolated ego, to be, to give'.

Contentment is the primary condition for happiness. Being content with what one has critical implications for the national self-reliance and self-sufficiency arguments. Simpler needs, by definition, are easier met and easier sustained, unlike the complicated, sophisticated wants which must be pampered by objects which are hard to find and harder to mind.

Another significant offshoot of being content with small means concerns itself with the vital question of national self-respect and

sovereignty. As with individuals, so with nations. The need to cater to wants and demands which are sometimes out of proportion to the resources of one's own country creates a dependent situation where national self-respect is often compromised.

Contentment is such a powerful indicator of personal, social and national well-being and self-respect.

Nature-Human Covenant

Human beings are fundamentally nature-dwellers, rather than city-dwellers. The nature-human covenant has been forged by centuries of interaction right from the advent of man on the face of this earth. However, there is a significant difference between the two entities. Nature is autonomous, independent and self-sustaining. It can do without human beings. It is not a projection of our ego or our manipulative skills.

Human beings, however, cannot do without nature. From the most fundamental life-sustaining air that we breathe, the water that we drink, indeed the earth on which we walk, to the food that we eat, the shelter that we need, the dress that we wear, to the most sophisticated incarnations of the raw materials in our homes and offices, we humans depend upon nature.

Spiritually viewed, nature is home to the gods and deities, divinities and powers, beings and presences which exercise or have exercised tremendous influence on the life and minds of human beings throughout history. Nature is home too to the infinite variety of animal and plant species which enrich and regulate the grand scheme of our universe. Human beings have been a mere microcosm in the great macrocosm of nature.

The continued survival of the human race will depend upon the kind of relationship it maintains with nature. The history of mankind has demonstrated that any aberration of this bond, any act of non-cooperation with the environment, results in the impoverishment of the soul and the body.

The kingdom of Bhutan has been one of the greatest natural gifts of God, as indeed the myriad valleys and mountains, rivers and springs, forests and rocks have been the sacred dwellings of infinite deities and supernatural beings. For centuries, the Bhutanese people have preserved and promoted this nature-human bond within moral, cultural and spiritual boundaries, and sustained our natural environment as one of the ecological wonders of the world.

Many of our sacred monuments and structures emerge as a spontaneous extension of nature and the whole kingdom is a grand narrative of a religious landscape with prayer-flags spanning over deep river-valleys from hill to hill, water-driven prayer-wheels repeating hymns to gods and goddesses, and numerous other tokens of the divine-human

link. The pristine cover of greens, the rolling fields, cascading streams, the sights and sounds and smells of our earth, the untold wealth of *menjong* have provided an emotional and spiritual anchor to generations of our people and ensured the rhythm and harmony of our co-existence with nature.

Wittingly or unwittingly, however, manifestations of modernisation and progress have been making fast inroads into the pattern of our life, and some of the consequences are already being painfully felt. The spiritual vibrations and deep intimations that our ancestors felt are being sabotaged by some of the ugly signs of development.

Sustaining and empowering the capacity of our natural environment will be crucial for the sustainability of our human and mental ecologies. Our search for gross national happiness should be based on an acknowledgment of this vital life-support system that the natural environment provides. An understanding of and a sensitivity to the fragile natural eco-system will deepen and chasten the pattern of the fragile mental and emotional eco-systems, and thus contribute to gross national happiness.

Our Cultural Frame

Culture is the deposit of knowledge, experiences, beliefs, faith, values, attitudes, meanings, relations, world-view, objects and possessions acquired by a large group of people in the course of generations through individual and group striving.

One of the greatest gifts of many centuries of Bhutan's self-chosen isolation has been the preservation of our country's rich cultural heritage. Isolation was an extremely difficult and painful policy, but it was a wise policy – it defended the unique Bhutanese way of life handed down from generation to generation, creating and reinforcing a distinctive Bhutanese identity.

Our architectural and historical artefacts and monuments, folk-lore, myths, legends, customs, crafts, rituals, symbols and systems, superstitions and beliefs, art and literature, dance and music, sport and astrology reflect our unique Bhutanese cultural wealth, as do our world-view, our perceptions of ourselves and others, our ideas and notions of moral categories and choices..

Thanks to the genius of our ancients, the Bhutanese culture possesses some of the finest treasures of the human race and is the essential and primordial element of our country's personality.

Preservation and promotion of our unique culture in enlightened and dynamic ways are vital to ensure the future of our country as a distinctive entity in a fast globalising world.

A nation expresses its personality and identity through culture; it lives by and for culture. Culture is the medium of a nation's proclamation of its existence and its soul.

At a more individual level, culture touches the deepest chords of a person's being. As a matter of fact, culture can be defined as the *study of man*. The human being is the subject as well as the object of culture. It is through culture that a human being is distinguished and differentiated from everything else in the world. The people in the society express and objectify themselves through their culture. Man is the prime factor, the primordial and fundamental element of culture.

What is more? The essential and fundamental dimension of culture is sound morality. At its heart, culture is a great humanising and civilising force. It is also an instrument of empowerment and enrichment of peoples and societies. Of course, cultures misunderstood and abused have the potential of doing untold damage by fragmenting and weakening social bonds and human relationships.

Our Bhutanese people personally living out the essence of our culture will create the emotional and psychological foundations and promote amity and cohesion, thus advancing the scope and strength of gross national happiness.

Our Needs and Our Wants

Human beings may not live by bread alone, but without bread, they will not live at all. Thanks to the vision and the enlightened policies pursued by our government, Bhutan has developed at a pace and in a way not experienced by most under-developed or developing countries of the world. Just about four decades on the path of modern development, and the results have been greatly gratifying. The development of infrastructure and sound economic policy has produced tangible benefits for the people – in the standard of living, better housing, improved health facilities, longer life-span, higher education coverage, and, of course, enhanced gross national product and per capita income. Social mobility and communication facilities have enabled the Bhutanese populace to discover the world and its realities hitherto shut out to them.

Strengthening the conditions for and meeting the threshold levels of economic security and ensuring a fair distribution of the fruits of material development are essential for promoting general happiness. People living on the fringes of mainstream economic life and dreading every tomorrow as a bringer of despair and struggle can hardly think of the prospect of happiness. The stress imposed on people by circumstances often beyond their control often produces a mental state where the dominant impulse is more of a life of resignation than a life of expression.

Ensuring the basic minimum conditions for self-preservation is an essential condition of happiness. Promotion of economic security through formal and informal channels will strengthen psychological and emotional security – thus creating an environment conducive to the blossoming of gross national happiness.

Institutional Standards

So said Bernard Shaw: “There are two kinds of people in the world – the reasonable and the unreasonable”. He went on to define them. Reasonable people are those who adapt themselves to the society, and the unreasonable those who adapt the society to themselves. All progress depends upon the unreasonable people. The fact, fortunately or otherwise, is that the unreasonable ones are in an absolute minority. The fact that they move the world forward is another matter.

The vast predictable majority of the average populace is amenable and willing to follow the guide. The arrangements made by the state for the management of the different aspects of the society’s life are adequate and to that extent perfect. And, basically, nations and societies are a function of aggregates.

But, societies and peoples do not merely exist. They are dynamic and creative entities. They imagine and create room for excellence and perfection. They validate the need to grow and to blossom forth. “...a man’s reach must exceed his grasp/What is a heaven for?”, Browning had asked!

Governance as an instrument to set standards and promote gross national happiness, for instance.

The government is the single most important, and often the most difficult, enterprise undertaken by the people of a state. Aristotle described the state or government as “being the highest of all communities because it aims at the highest good in a degree greater than any other...”.

Indeed, the government covers a wider range of aims and activities than any other enterprise or organization. It sustains the frame of national and social life, the economic and service delivery systems, guides and determines foreign relations and conduct of war, and draws up policy instruments covering general welfare.

Countries around the world, sorely afflicted with the indifference, inefficiency, and insolence of office, might decide that “that government is the best which governs the least”. There are also samples of governments in the same world which epitomize the highest ideals of service in their commitment to bring out the best in people by engaging their genius and creativity, their honour and integrity.

But the government is more than an enterprise as is generally construed. The objectives and scope of government are more complex and often more intangible than those of other enterprises whose aim could be limited to mere profit-making in the most efficient manner.

People look up to governments for establishing and promoting justice, peace, law and order, maintenance of equality and impartiality, enforcement of even-handedness in the administration of services and opportunities. Satisfaction of the more basic expectations of the citizens,

which form a very large part of the non-economic values, is a primary function of governments.

Indeed, to a very considerable extent, people prefer the non-economic values of justice, security and dignity to the economic law of efficiency and swiftness. They have an abiding interest in and concern for the more intangible person of the state, its capacity for right and wrong, its soul – sovereignty – its self-respect and integrity – the state's being.

In the ultimate analysis, the foundation of gross national happiness and its sustainability is the establishment and continued cultivation of “justice which is at once the most exalted and difficult of the aims which a state may aim to achieve...”

Good governance entails more than the day-to-day running of administration and maintenance of law and order. It is and should be concerned with setting standards for the flowering of the genius of the citizens – in diverse ways – economic, social, political, scientific, civic, spiritual, cultural, artistic, personal, ethical.

Good governance includes and transcends the provision of basic services and securities. It engages and empowers the intellectual, emotional, and psychological attributes of the people of the country. Good governance is building that strength and integrity in the citizens which ensure and promote the country's soul and its most sacred values and ideals.

Gross national happiness is a function of the highest expressions of the diverse peoples of our country in the diverse fields of endeavour for individual, social and national well-being. The ideal of gross national happiness affirms the primacy of the human being over all other considerations. It is the acknowledgement of the essential dignity and sanctity of human beings. That is why it is so important to cultivate the positive energies and potentials of the human factor both as an agent as well as beneficiary of growth and development.

Moral Literacy

The world has come a very long way in developing the most intricate and complex indicators to measure its success. It has fashioned myriad smart tools and used different statistical methods to determine progress and put nations on its league-tables. Literacy rate or educational attainment has been seen as a significant factor.

Perhaps, it is time that a hitherto unexplored but most critical indicator of the quality of development be used to examine and evaluate development. The level of moral standard and uprightness across the system could well be a more authentic indicator of the health of the society. Moral literacy is an index of the personal, institutional, social and national uprightness of the way people and countries progress.

Long ago, Mahatma Gandhi had asked for a society where the priorities are straightened and where there is no: wealth without work,

pleasure without conscience, knowledge without character, commerce without ethics, science without humanity, religion without sacrifice, politics without principles. I may add: rights without responsibilities! In the ultimate analysis, the greatest strength of a nation comes from the strength of the character and integrity of its citizens. Gross national happiness will then be a natural culmination of individual virtues and the release of these virtues to the society.

Personal Standards

As I am, so is my nation. My country is made up of over half a million people like me. For the programme of gross national happiness to flourish and sustain, every Bhutanese – man, woman, and child – will need to pause a while and do some serious soul-searching. Am I, as an individual, a positive force to create and foster happiness – mine and my neighbours, and my country's? Is the foundation of my happiness built on the unhappiness of others?

In the unimpeachable law of social relativity, my existence is communal rather than individual, inclusive rather than exclusive. That is why, at the most fundamental level, the search for gross national happiness is built on a moral decision – beginning at the personal level. It is the outcome of a vision no less inclusive and familiar than the Eight-fold Paths of the Buddha. We do not need to be a Buddha. All we need is to be a little more human, a little more seeing and feeling. To be a little more Bhutanese – worthy of a country and a king such as ours.

Ultimately, the fulfilment of the goal of gross national happiness will depend upon the character and conviction and action of each Bhutanese. As I am, so is my nation.

Conclusion

An environment of security, peace, harmony, and contentment, supporting a love of life and living, nurtured by our cultural and natural endowments, nourished by individual ethical responsibilities, and guided by the highest institutional and personal standards, will be the true foundations on which to build and further our dream.

The full flowering and sustainability of the gross national happiness programme requires the engagement of the essential and the intrinsic, the positive and the creative energies of the Bhutanese people and our institutions. That happening, this abode of the peaceful dragon, the land of our thunder kings, the seat of the peerless Buddha will release a moral force that will light up the world.

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