

GROSS NATIONAL HAPPINESS

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Introduction

This paper seeks to understand the basics of the Gross National Happiness Index (from here on referred to as the 'GNH'), from its development and analyse its evolution over the many years it has been an integral part of Bhutan's development.

The term 'Gross National Happiness', was first coined by the 4th King of Bhutan Jigme Singye Wangchuck. The 1729 legal code declared that "if the Government cannot create happiness (*dekid*) for its people, there is no purpose for the Government to exist." ¹ In 1972, the 4th King declared Gross National Happiness to be more important than GNP.

'Happiness' is defined as a measure of not only subjective well-being to the other exclusion of other dimensions, thus making this measure multi-dimensional, and internalises other regarding motivations.

This paper is broadly divided into three sections, each referring to a different aspect of the GNH. The sections have been made to facilitate easy understanding of the concept of GNH, methodology of its application, analysis of its performance: advantages and problems faced, and mapping its evolution.

SECTION 1: The Concept of GNH as used in Bhutan

GNH as a measure of development is given prime importance as the measure of growth than the conventionally used GNP/GDP measure by all other countries.

Happiness has naturally evolved from the constituent features of Bhutanese society before 1959, a socio-economic system based on a Buddhist and feudal set of values. This reiterated the fact that Bhutan's yard-stick of economic development has been the well-being of its people, rather than the economic progress the country is making.

The objectives of market economics, i.e. increasing consumption and accelerating growth are thus only relevant as means to an entirely different end – human well-being. Buddhism turns the formula of western economic thinking which views all pre- and non-capitalist values as instrumental to either enabling or impeding economic growth, on its head. ²

Bhutan's philosophy of economic development is a contrast from traditional western ideologies, as they continue to believe the system of well-being, self reliance and paternalism were the main features of their traditional society. Their goals value non-economic development at a much higher pedestal than economic ones.

¹ <http://www.grossnationalhappiness.com/wp-content/uploads/2012/04/Short-GNH-Index-edited.pdf>

² http://archiv.ub.uni-heidelberg.de/savifadok/320/1/GNH_Ch3_Priesner.pdf [page 37]

Thus, the proper system of measuring the GNH was developed, as it exists today. Today, as per the latest 2010 GNH survey, the Kingdom of Bhutan has defined this index into nine major domains, which have sub-indicators under them, making the measurement an extensive process. The nine broad domains are psychological well-being, health, time use, education, cultural diversity and resilience, good governance, community vitality, ecological divergence and resilience, living standards. This gives us a total of 33 indicators which are used to determine the GNH Index of the country.

Section 2: Methodology of Application

The measurement of the 2010 GNH was spread over the 2000s in a six-fold process.³ The indicators are chosen to reflect the normative values of GNH which have been articulated in official documents and in official statements. It also reflects the normative values which are embedded in the culture and traditions of Bhutan. The indicators were chosen such that they would accurately reflect how happiness is increasing or evolving in different regions over time and among different groups accurately. They have to reflect and relate to people's own experiences in their own lives, so that the GNH index would not only be a policy tool but would also be something that people could use to imagine the many different ways of being happy in the Bhutanese context.

(i) Setting an alternative framework of development- To address a more meaningful purpose for development than just the mere fulfillment of material satisfaction. Hence the nine domains of GNH, taken together, reflect the purpose of development.

(ii) Providing indicators to sectors to guide development- Certain indicators must either monitor activities by the public sector or else change when sector priorities are realized.

(iii) Allocating resources in accordance with targets and GNH screening tools- Providing a clear understanding of how the achievements and shortfalls in different dimensions of GNH vary over time and space and group provides key information for policy design and subsequent resource allocation.

(iv) Measuring people's happiness and well being- The measure and its component indicators aim to capture human well-being in a fuller and more profound way than traditional socio-economic measures of economic development, human development or social progress have done.

(v) Measuring progress over time- The component indicators of the GNH are to be sensitive to changes over time. In this way, the composition of well-being, as well as its overall level, can be observed over decades. Similarly, inequalities among groups and populations that require special attention can be identified.

(vi) Comparing progress- The measure hence must be a good representation; and the methodology of measurement must be subgroup consistent and decomposable.

What the index provides us with is an overall picture of how GNH is distributed in Bhutan and can also be used to magnify in to look at who is happy and those that are 'not yet happy'.

³ <http://www.grossnationalhappiness.com/wp-content/uploads/2012/04/Short-GNH-Index-edited.pdf> [page 9]

The GNH itself is constructed using the Alkire-Foster method (2007,2011) for measuring multidimensional concepts such as poverty, wellbeing or inequality.

It is a robust method which identifies a group – in this case those people who are not-yet-happy (vs. those who are happy) by considering the ‘sufficiencies’ they enjoy. It is a flexible method which has been fully tailored to the needs and context in Bhutan. This includes identifying the happiness gradient – the four population subgroups according to the percentage of weighted indicators in which they have sufficiency

SECTION 3: Analysing GNH Performance

The GNH is a concept that is a little short of half a century old. Since this concept was coined 42 years ago, it has provided ample data for its performance analysis over the years.

The global financial meltdown of 2008 was reflected fairly well by the GDP, world over. The GDP clearly measures only one aspect- money (or to put it more technically, it measures the final goods and services produced by a county over the year). Most countries were trying to implement any and every monetary/fiscal policy that would revive their sagging GDP at that time. However, Bhutan functions were quite a contrast. Staunch believers of the GNH, Bhutanese leaders chose to join the global economy by measuring how the facets of its economy affect the positive outlook of its residents. In a nutshell, happiness mattered more than money.

This belief of theirs can be taken as one of the major advantages of this concept of economic measure. Money as a concept can be associated with both happiness and unhappiness.⁴ It can be a source of security, or can lead to an unstable lifestyle, depending upon the disposable income an individual may have. Happiness on the other hand, brings only one thing: happiness. Studies reveal happiness increases productivity. A happy individual tends to put in more effort and yield higher results, than an unhappy individual. This thus becomes the strength of the concept of measuring economic performance as per the GNH. If different indicators of measuring happiness are considered, and efforts are made to ensure happiness, the economy and its residents are sure to move towards development. Bhutan has now proposed that ‘happiness’ be considered as a Millennium Development Goal by the UN, apart from its existing goals of eradicating poverty, universal primary education, halting the spread of HIV/AIDS etc. Thus, Bhutan tends to remain far away from the materialistic and monetary terms the rest of the world strives to achieve, making it one of the strengths of the Kingdom.

However, there exists a flip side to this ‘happy’ situation. On one hand, we continue to believe that Bhutan has the happiest people, and the simplest as well, yet we ignore the discrepancies hidden by it. Unfortunately, Bhutan has the 20th highest suicide rate in the world, 6th highest in the Asian Pacific region, with 16.2 per 100000 as its suicide rate [as per the 2011 data].⁵ A large percentage of these suicides are among the youth, aged between 18-25 years. Reasons being attributed to this increasing suicide rate are low self-esteem, depression, high stress levels etc.⁶ This paints the sad side of the story, a major contrast of what the country believes to be their strength: its measures of happiness. With increasing level of competition in the world, and lack of resources, the young population is

⁴ <http://money.howstuffworks.com/gross-national-happiness2.htm>

⁵ http://en.wikipedia.org/wiki/List_of_countries_by_suicide_rate

⁶ http://news.bbc.co.uk/2/hi/south_asia/8128227.stm

driven to such extremes, as they lack the public health infrastructure to provide the correct type of counselling and support.

'Bhutan also faces a challenge regarding sustainability. Even though economic affluence does have a positive impact on quality of life beneath a threshold, above a critical threshold, the economy of a nation is likely to enter a phase of uneconomic growth: "a growth that, at the margin, increases environmental and social costs by more than it increases production benefits" (Daly). Even though moderated through GNH, economic growth is both unsustainable for already developed countries, and inappropriate for developing ones. Thus, the institutionalized use of growth as a benchmark – if not a goal – of development should be withdrawn.'⁷

Despite the fact that the country continues to measure development through the GNH, there are serious issues that need to be looked into, for better growth.

The concept that was first spoken about in 1972, GNH has come a long way since then. Initially, GNH was based on four main pillars: the promotion of sustainable development, preservation and promotion of cultural values, conservation and natural environment and establishment of good governance. Now, the methodology involves a total of 33 indicators spread across nine major domains. This shows us how intrinsic details of happiness are being taken into account to measure the GNH.

UNESCO and WHO have ranked Bhutan 8th in the world, while Denmark ranks number 1 on the World Map of Happiness. So far, four GHN Conferences have been held across the world, the last one being held in 2009.⁸ The concept of GNH has very recently caught up in other parts of the world. 'In 2011 the United Nations passed a non-binding resolution on "Happiness: Towards a holistic approach to Development." The resolution invites Bhutan to convene a panel discussion on the theme of happiness and well being. The resolution broadly aimed to highlight Bhutan's model of GNH as a development indicator.'⁹ So much so, Bhutan has inspired the UN to officiate March 20th as International Day of Happiness.

It may also be of interest that Bhutan had generated one of the highest number of refugees in the world in proportion to its population. More than 1/6th of its people have sought asylum in the neighbouring countries of Nepal, India and even other countries of the world. Bhutan is a county comprising of various ethnic groups. One such group is of Nepalese origin, referred to as Lhotshampa, who began settling in the county in the late 19th century.¹⁰ However, the Lhotshampa were seen as a political threat, and were subject to high levels of discrimination, imprisonment and torture, eventually leading to a majority of them fleeing to India and Nepal for refuge. Till today, the refugees staying in camps set up near the borders continue to stay in a limbo. Their future still remains uncertain and of a high concern. At least 40% of the population in these refugee camps in under the age of 17, making the young population highly vulnerable, and leaving them with great uncertainties about their future. A large number of people have fled to counties like The United States of America, New Zealand, and Australia etc. for a better and brighter future- something they could only dream of at the camps. Several attempts are being made to indulge in recreational

⁷ <http://nicowien.wordpress.com/2012/03/31/beyond-gross-national-happiness-a-critic-of-gnh/>

⁸ http://www.wikiprogress.org/index.php/Gross_National_Happiness

⁹ http://www.idsa.in/idsacomments/GrossNationalHappinessinBhutan_mbisht_150312

¹⁰ <http://www.photovoice.org/bhutan/index1.php?id=3>

activities, and providing opportunities that will make the life of those hanging in the middle a lot better. Thus, the story of these 'forgotten people' of Bhutan is quite a contrast to how happy the country may seem to be. Despite the fact that the county preaches and propagates happiness, its internal dynamics also includes disparity, discrimination and gloomy situations.

Thus, the concept of the Gross National Happiness Index is surely catching up, with many countries trying to adopt models such as the one in Bhutan, to measure development taking into account ecological as well as social factors. The idea of 'happiness' as a measure of development has its drawbacks, but takes into account what the people really want and what they are satisfied with. The inception of this index has led to a lot many other alternative methods of measuring development (such as the Happy Planet Index), which try to look at development not just in monetary terms, but include other factors that affect our day to day living.¹¹

¹¹ See

http://www.vikalpsangam.org/static/media/uploads/Resources/sustainability_indicators_indices_and_tools_prarthana_gupta.pdf