

An Introduction to GNH (gross national happiness)

by Karma Ura

Institutional History of GNH

As some of you may not be aware of GNH, let me begin with a short introduction. Bhutan began its interest in GNH when His Majesty the Fourth King pronounced the GNH concept in the early 1970s. When he spoke about GNH at the time, and questioned the then prevailing assumption that Gross Domestic Product (GDP) alone could deliver happiness and well-being to society, he was still a teenage monarch

It was really a breath-takingly bold and profound questioning, more so because it came out of the mind of a teenager. Since his pronouncements, the world-wide development experience of the last four decades, shows his question to be absolutely pertinent, because much of the economic development has somehow failed to provide satisfaction or subjective well-being, especially in the industrialised, wealthy north where they are stagnating, although economic prosperity is rising.

In the reign of the Fourth King, the actual road map for positive development in the light of GNH were developed in terms of corresponding laws and polices, and we now enjoy that legacy now Bhutan. His Majesty firmly believed that happiness is an indicator, a signifier, and a sign of good development and good society. He also believed in the legitimacy of public deliberation, public discussion, and public opinion in defining any goal, whether it was GNH or other issues, through to democracy and enlightened citizenship. That is why Bhutan became a constitutional democracy in 2008, whereby we have political parties, democratic discourse, voting, and the other institutional arrangements of a democracy.

After more than a century of enlightened governance and nation-building by the monarchy, Their Majesties – the 4th King and the 5th King – launched our country into parliamentary democracy. Their visions of GNH and democracy for our country are complementary.

His Majesty the 5th King of Bhutan, Jigme Khesar Namgyel Wangchuck, who ascended the Throne in 2006, has provided further stimulus to GNH. Developing the concept and measurement of GNH has gone hand in hand with practising GNH through policies and programmes. Our Constitution describes the state and the government as having responsibilities to pursue GNH and the Bhutanese government aspires to make GNH a serious arbitrator of public policies and plans.

Correspondingly, we have attempted to develop institutions to apply GNH to policy and programme formulation, forging stronger and clearer links between the concepts of GNH and their application to society as a whole.

But this is not the case around the world, where the organisational structure of the government roughly echo the economic structure of GDP. Just as there are sectors including agriculture, trade, industry, mining, electricity, banking and finances in the GDP accounts, there are corresponding ministries focused on the delivery of associated goods and services. This is no surprise in a development paradigm underpinned by GDP.

If a society moves towards GNH as the goal of society, its government organisational structure should change to include psychological and community well-being, cultural and ecological resilience, balanced time-use and other important elements or domains of GNH.

If the goal of a government is to deliver GNH, we must create institutions that are charged with specific objectives, entailed by the structure and design of GNH. If all of these come to fruition, then in the distant future, or perhaps even in our life time, the attitudes and opinions of leaders may shift to make it possible for futuristic organisations to emerge, such as, say, the Ministry of Community Vitality. Agencies concerned with our psychological well-being, in response to the rise of mental problems, may also be established, just as organisations dealing with the environmental problems arose rapidly within the last 20 years. The Health and Education ministries may be merged to focus on a person as a whole. These are fantasies in today's context, but could become perfectly normal in times to come.

New, institutional structures and decision-making processes that reflect GNH continue to grow in Bhutan. The country's socio-economic planning office called GNH Commission was re-created in order to function as the apex of strategic planning for the nation. Project screening tools according to GNH are

being experimented with. These changes more clearly define the structures and processes of decision-making, distinctive to a GNH state.

Internalising and implementing GNH largely depends on the government. Some of the activities to be introduced are of a long-term nature, while others can be applied more immediately. Even if we succeed in implementing all of them, it will not necessarily entail permanent attainment of GNH, because of the dialectical nature of existence. Solutions to a current predicament will often give rise to another problem. Yet, every leader and every generation has to skillfully direct their resources towards higher goals, primarily by causing an upward shift in collective consciousness.

What we expect from these changes is that GNH will shape the nature of our political economy, our legal foundation, our health and education systems, much more distinctively over the course of time.

Concept of Happiness

At the core of GNH is collective happiness, which has several characteristics. Over the centuries, happiness has been relegated to the private realm, while provisions of many other goods and services of public nature were brought to the fore of the public realm. These goods and services have even begun to substitute collective happiness as ends in themselves. Like the concept of justice, happiness is a public good, and although it is experienced subjectively, happiness is influenced by a frame of reference. In that sense it is partly relative to a person's experiences with respect to others – and with respect to the past. However, and more importantly, it is relational in character. Happiness is more relational than relative because the quality and depth of relationships with others influences our happiness far more than a comparative possession of a commodity. It reaches beyond the pleasure-threshold of commodity possession.

If happiness is more relational than relative, having resilient and deep relationships and designing the appropriate type and range of organisations that breed such positive relationships, is a crucial issue.

Within the last century, the world has become more urban than ever before, with almost 50% of the global population living in urban settings. As our social networks transform from small, rural settlements into a

more urban lifestyle, there is an obvious dislocation and breakdown of community and social life – and the values that underpin community vitality. Through GNH, we have to regenerate the social heartbeat of the community – one of the essential foundations of happiness – and reconnect individuals back with the community. This has huge implications on urban settlement planning vs. rural rejuvenation, with more emphasis on the latter.

We need not accept that development should be carried in terms of what has so far happened, such as extreme urbanisation as a necessary accompaniment. Urbanisation is an escape only if we fail to develop all parts of our country, and that escape, as I said, is not advantageous to all. I hope the hyper-trend in urbanisation around the world can be contained through the localisation of production and the scaling down of huge settlements.

The urban future will not be so radiant if we unflinchingly calculate the cost of the dysfunctional aspect of cities, from slums to crime. The negative consequences of urbanisation in terms of our ecological and carbon foot print are well-known, though not taken in account into policy making. Food that keeps the urban population alive travels perhaps the longest distance, leading to the longest “food-miles”. Some of the food-miles stretch not just from one urban area to other parts of the country, but from an urban area to other parts of the globe. The quantities of waste production, which cannot be metabolised by the ecology of the urban centres, are nothing short of horrendous. Above all, the consequences in terms of breakdown of the social links and communal affiliations through urbanisation have been no less severe, resulting in lower levels of happiness.

Happiness is obviously dependent on the external stimuli of our senses. Currently, most people consider the pleasant sensations of the five faculties (touch, smell, taste, hearing and sight) as sources of happiness and satisfaction. These stimuli come from outside depending on the use of material external resources, with the result that the more satisfaction we want, the more resources have to be used. However, our happiness should not be completely dependent on external resources and their associated stimuli. It should be balanced with inner contemplation (meditation) as a source and technique of contentment, by knowing enough about our true nature. This contemplative method supports our mental well-being and improves our learning abilities. Its widespread practice can help strike a balance between external and internal sources of happiness.

Ultimately, with respect to resources needed for our ever rising level of external stimuli, we cannot avoid coming to terms with the idea of a ‘sufficiency condition’ for our happiness and welfare. Beyond a certain level of affluence, adding more cannot enhance happiness and welfare, but will impact negatively on the ecology, in our boundless quest for external stimuli for our senses. The level of wealth cannot be infinite in scope, nor can we allow ourselves to have an infinite aspiration for wealth. It must be determined by the capacity of the specific ecology of a place at an objective level, and by what is deemed sufficient at an individual level. The balance between the economy and ecology is a key consideration in GNH.

Finally, the experience of subjective happiness is not static over the life cycle of an individual. Obviously, its meaning changes with sensitivities and our understanding of interdependence. We cannot be truly happy as an individual while there is suffering around us, whether we bear responsibility for some of it or not. The broader a horizon a person has, the more sensitive and holistic a person is. The more he realises his happiness is connected to others, the more encompassing his ethical motivation for enabling happiness among all of us becomes.

We not only value happiness for ourselves but for others, even if it sometimes costs us individually. The pursuit of happiness is also consistent with moral and ethical notions. As social creatures, our reasons to be happy often involve undertaking morally right and worthwhile endeavours. This feeling of happiness is a direct response to that action. In the conceptual structure of GNH, happiness is truly multi-dimensional; it is constituted by many elements and domains in life. If every individual is assumed to want happiness only for himself, GNH would be no different from the concept of the well-known utility for maximising figures in economics, the caricature of ultimate hedonists, motivated only by their need for personal satisfaction.

A Happiness Oriented Society

Overall, GNH means the creation of a society or nation in which collective happiness is the goal of governance. The purpose of government is to create more collective happiness. However, a society is not created in a single moment by a god – or something equally extraordinary. What it means is that a society adjusts and adapts increasingly towards certain goals it defines for itself, in this case: collective happiness. Why do you have to adapt and adjust? Because there are barriers and competing ideas that may

take us in different directions, but with maintaining a truly conscious wish to pursue collective happiness, we can steer a society in that GNH direction.

The meaningful enjoyment of life as a whole is hindered not only by individual circumstances, cognitive fallacies and our lack of will, but also by the structural conditions of society, which we collectively create for the future generations, and which were also created by policy makers and our forefathers before us. They can either prevent – or help us – in achieving the harmony of existence.

In essence, a GNH oriented society promotes a successful life-cycle of birth, living, ageing and dying. Successful birth means achieving an almost zero infant and maternal mortality rate, followed by a happy childhood that is inseparable from good parenting. Successful living means having a productive, fulfilling and enjoyable working life, without sacrificing it for the sake of simply earning a living or saving for an old age pension. Successful ageing means remaining vital in our senior years, without succumbing to disabilities and auto-nervous degenerative diseases, and without being confined to a hospice where life has little dignity. Finally, a successful death is about having ‘good’ death that is neither traumatic nor wrenching in social, psychological and spiritual terms.

At the most fundamental level, collective happiness and well-being depends on two things that we nurture, value and protect: the environment and relationships. The first fundamental aspect of well-being is positive relationships, on which I have already elaborated. The second crucial aspect is the environment, without which relationships cannot be sustained. The brilliant colours of nature have fallen victim to pollution and have dimmed to a turbid hue. Noise levels have risen, so that absolute silence cannot be enjoyed. The air is laced with dust and emissions. Rivers are poisoned with mercury and other toxic agents that are harmful to fish, or are drained dry. We have to begin a restorative and de-contamination process, and that will affect the development strategies we are pursuing in many sectors. In this respect, the restoration of the quality and purity of air, light, noise, water and soil are urgent not only for our survival. Our well-being depends on intimate experience of the natural state of a luxuriant and pristine forest, uncontaminated soil and other habitats, natural silence, clean air and water, and the true colours of nature. So, any GNH oriented society must cultivate these two fundamental factors as absolute priorities.

The world we have now is not only of a rising level of aspiration and production that tries to meet the expectations of a larger number of people, but also of potential climate change catastrophes that threaten to undermine everything we have achieved so far. We face many new problems: disruptions to agriculture due to the predicted, erratic pattern of weather and rainfall, relocations and migrations away from coastal settlements, the collapse of biodiversity, the emergence of vectors and viruses in new places due to warmer environments, acidification and overharvesting of the oceans, and so forth. We need to work fast, and on every level: individual, communal, national and global against the root causes of these challenges.

We might presume that well-being and good health can be, to a large extent, purchased through higher income and better medical care and treatment. Breakthroughs in public health engineering and bio-science discoveries have brought us treatment for an increasing range of ailments. But most of treatments meted out were for non-communicable diseases, wrought by unhealthy lifestyle. The nature of the lifestyle we have, shaped by broader systems, have imposed a hidden cost on us. Roughly 64% of global mortalities are from non-communicable diseases. Some 450 million people – 12% of world population – suffer from mental health problems of one kind or another. Given that they are preventable and avoidable, it is a sad commentary on the society we live in. People will slide into unhealthy lifestyles, imposed by wider systems, at a rate that will require increasingly more treatment of non-communicable diseases, including clinical depression, and so raising the costs. GNH emphasises a fundamentally happy and healthy lifestyle over treatment and cure. This is no small aspiration because it will demand a huge shift in our work-life-leisure balance, which in turn will demand major changes in the structure of the economy and organisation.

Work-life is inevitably influenced substantially by organisational norms and culture. The development of human resources and the organisation of important institutions and corporations could be oriented towards GNH. However, there is considerable room for the rules of personnel management, training and service conditions to be revised towards GNH in any society.

Over the long term, a GNH oriented society must receive impetus from both the education curriculum and the media, as today they are major factors influencing people's behaviour and decision-making. Both of these spheres have to be an influence that is supportive of collective happiness. There must be an ongoing commentary on contemporary issues from a GNH point of view, so that people have a GNH perspective.

For the young, GNH values and practices have to be infused into their textbooks.

Economics of GNH

Of all the changes in the last century, two are notable. First, it was a century of democratisation. Second, and especially the last half of it, it was a century of GDP fetish, whereby the progress of societies were conceptualised and measured by the production and consumption of goods transacted in markets. We need, in this new century, a radically different yardstick of progress and development, to measure what matters most: well-being and happiness. We need to adopt well-being and collective happiness as the orienting principles of our governance.

Government policies, especially in democracies, have to respond to deliberative preferences and choices of the people, and public success criteria has a major influence in shaping both of them. We need to question whether the public criteria of success associated with GDP are serving us well, and whether they are orienting us towards good governance and development.

For far too long, GDP and the market have blinded us to think that they are the source of our well-being and profound happiness. We have all been under the shadow of the subtle pressure making us evaluate our national performance and social preferences by growth-mania. Our successes have been largely measured and communicated in material terms. Because of GDP as the widespread criterion of success, we are amnesic about what really makes our life happy, and what really constitutes a happy life. It is time to change this set of public success criteria.

Economic growth, measured in GDP, and the emphasis on economic efficiency has lead to the highest level of aggregate wealth in the world. Yet the absolute number of people under poverty and vulnerability of all kinds are at a peak in history. Although there is greater general prosperity and freedom, fairness needs to be made the centre of our economic and social systems. Not only natural calamities resulting from collapse of biodiversity and climate abuse, many man-made disasters resulting from systemic failures of the economy like the global financial crisis, which is becoming more recurrent, have begun to affect all of us who are integrated through trade and finance.

Considering that no human institution can serve us for all eventualities, there is no option but to seek fresh forms of institutions. People are already beginning to search for a new, global architecture of

finance and economics that is neither completely free market as understood in the neo-liberal sense, nor completely socialist. In any case, the global economic system seems to be at a cusp, and we must all play a role in reshaping it, instead of having it reshaped before our eyes.

Economics and public finances are the influential medium to improve any society. So I cannot end my talk with you without broaching this topic. In any society, the presence of government is overwhelming – either in a negative or a positive way. A government's long reach is manifested through its huge expenditure and via various laws it introduces to govern the society. If collective happiness is a vision for any society, and if that vision is to be realised primarily through official expenditure, the fiscal system has to be harmonised with that goal. If budget allocations, rules, taxes and other fiscal measures are based on conventional criterion, independent of GNH considerations, the results will also be inconsistent with GNH. A budget allocation formula that takes account of GNH can be devised. Furthermore, tax and non-tax levies can be used to give people incentive towards GNH.

Ordinary people's behaviour and preferences, as expressed through spending money, are influenced by two factors. The first is the relative price of goods and services. The second is media content, which I have already dwelt on. Prices change consumer behaviour. Unfortunately, prices at the moment do not reflect the real environmental and social costs, let alone the psychological, communal, cultural and other costs. As a result, the choices people make on the basis of unrealistic prices can result in huge biases without them realising it. Under GNH initiative, we should introduce full-cost national accounting and an ecological footprint analysis. These two new measurements will allow us to calculate realistic prices that can be used for a new fiscal system. At the same time, a new form of national accounting that fully reflects cultural, social, and ecological costs needs to be devised, as outlined in the recent Sarkozy Commission's Report.

Public and private decisions aligned with GNH could be forged with a holistic set of indicators, to compensate the missing elements for a happier life in conventional measurements of development. Such indicators could be used for both setting goals and evaluating performance. The dimensions not considered in the conventional approach include mental well-being, community vitality, cultural resilience, balanced time-use, and environmental awareness, as reflected in the nine domains of GNH. A society as a whole, as opposed to individuals, cannot advance coherently without a unity of purpose. Collective happiness could provide a far stronger vision for the future.

Let me conclude. It is contested that the subjective nature of happiness cannot allow the concept of happiness to guide the governance of any society. We must distinguish between subjective data and subjective interpretation of data, as these are two entirely different things.

Subjectively biased interpretation of data is unscientific in general, just as in GNH. On the other hand, subjective data is the only information that can reflect a first-person account. Subjective states are, by definition, not captured by objective data. I would further argue that the category of subjective data, when appropriately elucidated, can be the primary information that represents the reality of our feelings and consciousness. There is no other way of knowing how we feel about happiness.

Such distrust of subjective data can lead to neglecting happiness in governance and development planning. It can obscure happiness itself as an important object of governance. Information on the variability of happiness can be very useful for evaluating various aspects of governance. Where real unhappiness exists, surely something is wrong. We do not need to wait for a series of objective data, which by itself cannot tell us the reality, which is ultimately subjective, of those who are suffering. Giving happiness a larger focus in policy making does not conflict with rights and freedoms. Rather, in the context of GNH, a larger focus on happiness places what all beings value at the centre for policy making.

Dasho Karma Ura is teaching on **The Economics of Happiness** at Schumacher College.