

## 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 hierarchical 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.

