This short account deals with how GNH came about and describes the challenges of implementing it.¹ Happiness was not a sudden inception in the mind of the Fourth King of Bhutan, His Majesty Jigme Singye Wangchuck. In important ways, the idea is rooted Vajrayana Buddhism that prevails in Bhutan and its long-term attention to the psychology of happiness and the training of desirable mental processes such as attention, will, feelings, sensations, intentions, desires, and mind-body practices.² In addition to such bodily and subjective concerns, certain sutras like Anana Sutta deal with the main causes of joys of a householder that include enjoyment of wealth and being at the same time free from household debt.³ Generally, Buddha’s teaching is about happiness as the basic preference of sentient beings, individually and collectively. Consequently, happiness as the goal of governments and leadership occurs in indigenous sources of Bhutan and of Buddhist Himalayas.⁴

This basic preference for happiness and its broad sets of “satisfiers” are charted schematically in the nine domains of the Gross National Happiness index (GNH). Unlike in neoclassical economic theory, the GNI does not see human beings exclusively as excellent consumers abounding in omniscient knowledges about market clearing prices, unbeatable quality, and most efficient suppliers of goods and services to optimize his or her satisfaction.⁵ Human beings’ happiness draws on communities, families, and significant others, and

¹ Drawn loosely from my “GNH Index” lecture delivered at the Sheldonian Theatre, University of Oxford on January 8, 2019.
² For a discussion on Buddhism and contemporary psychotherapy, see Gay Watson, The Resonance of Emptiness a Buddhist Inspiration for Contemporary Psychotherapy (Delhi: Motital Banarasidass, 1998).
³ According to the Anana Sutta, the four blisses and joys of a household are described as the joy of ownership, the joy of making use of or enjoying wealth, the joy of debtlessness, and the joy of blamelessness in terms of bodily, verbal, and mental actions. See Bhikkhu Thanissaro, trans., Anana Sutta: Debtless, 1998, accessed May 25, 2022, http://www.accesstoinsight.org/tipitaka/an/an06/an06.045.than.html.
the process of contributing and being contributed by them is a deep part of happiness.⁶

The concept of GNI evolved slowly and gradually. For about three decades, till 2006, the government of Bhutan under the GNH founder, the Fourth King of Bhutan, framed policies that were broadly and intuitively consistent with it. In 2002, the king launched a constitution-drafting process for Bhutan leading to a multi-party democracy and directly elected government through universal franchise in 2008. The constitution included a provision obliging the state policies, among others, to pursue conditions for GNH.

As the stage was being set up for democratically elected governments that could change every five years, it was believed that GNH indicators could be helpful to seek adherence of the politicians and bureaucrats to long-term GNH goals. In late 2006, the fourth King abdicated in favor of the Fifth King, His Revered Majesty Jigme Khesar, who then directed the government to initiate an index for GNH in 2007. During the following year, the concept of the nine domains of GNH was adopted after much deliberation.⁷ To itemize, the nine domains are: psychological well-being, community vitality, time use, ecological resilience and diversity, cultural diversity and resilience, good governance, education, health, and living.⁸ Though they are listed separately, there is profound interdependence and non-linear relationship between and among them, and none exist in isolation of the other. Yet it is necessary to qualify that causal understanding in relationships between so many important variables are needed for programming than we have knowledge at present. We do not fully know the substitution rate between and within the nine domains. How much in one domain can be given up in favor of another to obtain the same level of well-being? That was a question that arose during discussion on the weighting of domains. However, each domain is equally weighted in the GNH composite index because each domain is important in its own right.

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⁶ They list social conditions rather than material consumption, processes rather than outcomes, wider negative effects of unemployment beyond income loss for the unemployed as non-mater-
⁷ GNH takes center stage. In fact, the command to create a GNH index was also received through the then Secretary to HM the King, Dronyer Dasho Ugyen Dorji, as well as Lyonpo Kin-
zang Dorji, interim Prime Minister of Bhutan.
⁸ For a complete conceptual overview and policy interventions in each domain, see Centre for Bhutan Studies & GNH Research (CBS & GNHR), A Compass Towards a Just and Harmonious So-
Nevertheless, each domain is not given equal policy consideration. Although people agree broadly to the idea that each domain is important in and of itself, the allocation of official budget as means to happiness and well-being is still underdeveloped. The budget allocation is still skewed towards physical and social infrastructure such as health, education, roads, culture, environment, agriculture, and energy sectors. There is as yet no explicit allocation for psychological well-being, community vitality or balanced time use. Fiscal design in still wanting in this respect, and more will be said on this later.

The evidence-based application of GNH started in 2007. In 2006 and 2007 a GNH pilot survey was carried out. Based on this pilot survey we decided on a panoply of indicators that covered a wide range of material and non-material variables that would be estimated by collecting data through national surveys. Since then, the Centre of Bhutan in GNH studies, which is charged officially with GNH metrics, has conducted national GNH surveys in 2010 and 2015. The 2021 survey is underway. In each survey 8,000 randomly sampled households were interviewed. All Bhutanese citizens of 15 years of age and above are eligible to be interviewed. Each face-to-face interview comprises about two hours of intense questions and conversations based on a structured questionnaire. Some questions are standard, similar to those also asked in Europe and North America. For others conceptual, cultural, and linguistic differences between English and Dzongkha have emerged in our survey, making us wonder about their validity in Bhutan.

Let me cite one example of the dangers of mistranslation from the 2017 national census. Severe psychological distress is felt by 3% of the Bhutanese.⁹ As a distinct item, one indicator of social isolation of an individual is loneliness. Our interest in finding out the prevalence of social isolation led to inserting a simple question in 2017 national census asking whether people felt lonely or not. The result was unusable because we found a mistranslation and misinterpretation of the word loneliness which did not exist in Dzongkha, which, while in itself was thought-provoking, had derailed our efforts.¹⁰

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⁹ CBS & GNHR, A Compass, 84.
¹⁰ Later we found out that these two major languages of Bhutan – Dzongkha and Tshangla – do not have an equivalent word. The nearest word in Dzongkha to loneliness is “tonghaha” (Wylie stong har har) which literally means feeling a sense of emptiness. The next closest word in Dzongkha seems to be “bag mi chag” (wylie bag mi chags), which literally means “not getting habituated” to the place. A recently published dictionary of Dzongkha coined a new phrase, or neologism, for loneliness rather incorrectly, as “cig pur skyo wa” (Wylie cigpu skyoba), which literally means “unhappy alone”.
Overall, the experience with the application a quantitative understanding to GNH based on periodic surveys and data analyses is around a decade old. The surveys are unfortunately not longitudinal. Tracking the same set of 8,000 respondents above 15 years would generate probably better understanding, yet tracking 1,000 out of 8,000 can be more feasible. This has been done for the 2021 national GNH survey.

The survey process is complex. The data for GNH indicators come in many shapes, such as Likert scale, Likert type scale, quantitative, dichotomous, and Cantril ladder. The GNH survey questionnaire consists of 135 questions, excluding 18 demographic questions.\(^\text{11}\) The 135 questions elicit 642 answers or 642 variables. To give a breakup of the variables that the questions yield, there are 51 Likert scale variables with neutrality in the middle; 53 Likert type variables without such symmetry, 19 Cantril ladder responses option variables, 133 dichotomous variables, 33 multiple choice variables, 343 open-ended quantitative variables, and 10 open-ended qualitative variables. Most of the Likert scale variables questions have a five-point Likert type scale, such as satisfied, very satisfied, with “neutral neither satisfied not dissatisfied” in the middle, and dissatisfied or very dissatisfied on the other end.

The last two successive surveys resulted in many indicators that measure the changes in GNH among many demographic groups across the country. The mass of variables or data from the survey are processed into 33 indicators, with roughly four indicators for each domain of the nine domains of GNH. Each of the 33 indicators is a crunched number, to speak in terms of average, made from eight variables, after weighting the variables.\(^\text{12}\) We switched to the Alkire-Foster method of aggregation in 2008.\(^\text{13}\) One of the distinctive advantages of this aggregation method is that it allows for aggregation over a wide range of data types that can be organized into a hierarchy of indicators.

The fundamental problem any weighting raises is a very difficult one, because buried in the question of weights is the interrelated questions of preferences, choices, outcomes, and values.\(^\text{14}\) But we can also think of equally weighted domains as a simple set of necessary goods that would increase the probability of achievement of the conditions of happiness. In this way weights are intuitive,

\(^{11}\) For GNH questionnaire, see CB&GNHS, *A Compass*, 305–340.

\(^{12}\) Karma Ura et al., *An Extensive Analysis of GNH Index* (Thimphu: Centre for Bhutan Studies, 2012).


and focus attentions on key intended outcomes. Weighting and aggregation have facilitated the construction of the GNH index while also drawing some complaints of inaccessibility by officials and media in Bhutan. But one can apply the same criticism about incomprehensibility to GDP and its growth rate accepted among economists. It is accepted because it is taken for granted by the people and it is taken for granted because it has been active for long enough, until it becomes a societal artefact. In contrast, the GNH index is regarded well by certain global think tanks and academics.

Public policies increasingly require measurable evidence even in Bhutan and this is where the GNH index comes in. Originally, the aims behind GNH index were to (1) guide plans by benchmarking to indicators, (2) frame the allocation of the budget, (3) track changes of GNH over time, (4) compare Bhutan’s performance with other nations by producing certain comparable statistics on life satisfaction, (5) life-domain satisfactions, General Health Questions, healthy days most of which are also integrated into GNH index. The aim of generating such internationally comparable data is to provide these data to other international users, and on a needs basis other variables.

It was crucial to receive the support of the highest leadership. With his usual foresight and vision, it was easy for his enlightened leadership to actively support the new metrics. However, as any realist knows, detailed implementation involves a wide range of actors. In the case of Bhutan, the two most important actors are the bureaucracy and to a lesser degree the private business sector. It is perhaps accurate to characterize the sprawling bureaucracy as the most pervasive and dominating actor in Bhutan.

As the GNH quantitative framework was introduced, one section of the bureaucracy was skeptical about it and argued that GNH should not be reduced to a set of numbers. Instead, they argued that GNH should remain an inspiration and an ideal. Others argued that for it to guide policies and programs, it must acquire some precision. People clarify their vision by specifying attainable targets. Such targets could also help citizens to judge actual performance, whether of the government or, where relevant, of the people themselves. The debate continues. Not all sections of the bureaucracy have come around to understanding and applying GNH in their organizations to assess their programs either before or after their implementations, even though a methodology to do so has been prepared. This remains a challenge that can only be resolved through widespread training and outreach, and explicit regulations.

From the beginning, GNH has been constructed as a contrast to GDP, especially in the media. Calculations of the Bhutanese GDP began in 1983 for the first time and it was projected backwards to 1980. The Bhutanese per capita income is estimated to have reached close to $3,262, equivalent to $11,230 at PPP, in 2019.
By far more resources and manpower are allocated to the collection and analysis of data for GDP than GNH in Bhutan. And there are also predicaments in the minds of many officials about the primacy between GDP and GNH when it comes to major decisions.

GDP, along with a host of its subsidiary indicators, is the most widely used indicator world-wide. It is and should be a measurement of the size of the economy. But it has become more than that. It changes the behavior of the government and people in that they perceive it, rightly or wrongly, as equivalent to their welfare. The illusion of maximum GDP per capita as maximum welfare persists, and that changes the behavior of governments towards it.

The ambivalent relationship between GNH and GDP has not been clarified completely in one section of the Bhutanese bureaucracy. The main body in charge of social economic planning in Bhutan is the Gross National Happiness Commission, as renamed by His Majesty the King. It was earlier known as the Planning Commission. Its new name indicates its purpose: to integrate all policies, programs, and projects towards GNH. In recent years, however, the Ministry of Finance, has emerged as the alternative pole advocating GDP and related metrics, relegating GNH in a subtle way. The debate on the primacy between GDP and GNH is partly between the Gross National Happiness Commission on one side and the Ministry of Finance on the other.

Nevertheless, both domestically and internationally, the GNH is making steady progress. Inspired by the Bhutanese resolution to the General Assembly in June 2011, recommending that governments make happiness and well-being a focus of public policy, the United Nations has since declared March 20 to be the World Happiness Day, now marked each year by a fresh edition of the World Happiness Report. The first of these reports was prepared for the UN High Level Expert Meeting in April 2012. The World Happiness Reports uses data from the Gallup World Poll collected in a comparable way from more than 150 countries. The country rankings are based on the life evaluations, which have been shown to better capture international differences in life circumstances, and to be themselves supported by high levels of positive effects. But it must be noted that there are huge differences in what the World Happiness Report and what the GNH measure as happiness.

15 Worried about the possible unrepresentativeness and in-authenticity, both the national newspaper, Kuensel, and the Prime Minister of Bhutan in his State of Nation’s address on GNH in 2016, alerted the citizens and asked them to report if they knew of Gallup survey; none has come forward to this day. Our office wrote to Gallup in 2016 but they did not share their data, although they said they carried out survey by email and telephone.
In Bhutan, at present, there are five technically specific ways in which GNH indicators are being applied in the administration of the country:

Firstly, the GNH index and some of domain indicators and sub-indicators are directly used as a benchmark in the Five-Year Plan on which to make further progress. At the overall national level, the Five-Year Plan is guided by national targets and key results. In the current plan, 17 baselines or targets are drawn from GNH indicators such as sufficiency levels in mental health, safety, community vitality, skills, political participation, fundamental rights, subjective well-being, values, assets, income, housing, etc.

Thereby, the composite GNH index is used as an overall national baseline. Between 2010 and 2015, the performance of health, education, culture, living standard, environment, time use, and good governance improved, and hence, overall, the GNH index improved. However, the index number improved only marginally: it was 0.743 in 2010 and it rose to 0.756 in 2015. The five-year difference is only 0.013, which suggests a percentage growth rate of 1.7% in five years or 0.35% per year. Thus, its decimal movements are not entirely capable of grabbing headlines and public attention. This is because not all things improve if we measure most things that matter, and they offset the gains made in other areas. The slow rate of change is a consequence of 277 variables, some of which fall back during broader movement forward. Meanwhile, the GDP gives dramatic percentage changes.

Secondly, the GNH index is also used as weighted criterion in the allocation of the budget among the local governments, composed of 20 districts, four urban municipalities at the level of middle tier of administration, and 205 counties or gewogs at the lowest tier in the vertical organization of the country.¹⁶ Among these local governments’ weights of GNH index is 10% for gewogs and 15% for municipalities and districts.

Thirdly, policies in the central government are formulated by subjecting them to vetting with GNH policy screening tools, which consist of 22 criteria drawn from the GNH and implemented according to a well-defined process since 2008, revised further in 2015.¹⁷ So far, 15 out of 22 draft policies have been approved, with a majority getting modified to some degree by the process of policy screening.

Fourthly, the GNH index has been used to evaluate a large rural horticultural project after it was implemented.¹⁸ The project’s aim was to grow 40 different varieties of fruits and vegetables over 2,166 acres benefitting 64 households. The impact study used the Propensity Score Matching method to evaluate the impact of the project on beneficiaries versus non-beneficiaries on all nine domains of GNH. This method of evaluation is very promising and might get diffused over time.

There is a fifth instance where a GNH application is under way. A GNH certification for business has been designed as an assessment framework for business corporations. After initial formulations and tests, its application will start on a wider scale in the future. Several state enterprises and leading private companies have undergone GNH certification for business in 2020. A few foreign companies abroad have applied for GNH certification though the outbreak of the Covid-19 pandemic has led to the postponement of assessment.

Furthermore, the national law institute of Bhutan is also grappling for the first time with a novel question: what consequences are there in the legal principles if happiness is its main premise, and what else can they do in the administration of justice if happiness is its cornerstone.

In addition, there is a variety of dispersed applications of GNH which are difficult to survey, such as its presence as a discourse in media and political campaigns, as a subject in academia and in schools, as courses of mindfulness in the civil service and public enterprises, as an evaluation tool in some projects, as a way to stimulate awareness of key aspects of society in such areas as community action, and so forth. In other words, GNH is vying for its space in a dynamic society where several ideas are at play, explicitly or discretely.