“Happiness is inward, and not outward; and so, it does not depend on what we have, but on what we are.” So intoned American man of letters Henry Van Dyke. A noble vision of a less materialistic world, some might say — but is it something that can be quantified?

As a matter of fact, people in the rugged and remote Asian country of Bhutan are busy trying to “operationalize” a notion of true happiness that sounds a lot like Van Dyke’s dream.

In modern times, human prosperity and wellbeing have been measured by blunt economic standards, such as Gross Domestic Product (GDP), that are essentially gauges of economic activity. More often than not, however, these indicators fail to take account of whether that activity is good or bad. Perversely, a rise in crime rates may come across as an economic benefit because it stimulates economic activity: more crime leads to the building of more prisons, the hiring of more police, and so on. By the same dispassionate logic, natural disasters could also be seen as contributing to the economy, for example if they created a repair and reconstruction boom. It all depends on what you choose to count.

The alternative approach draws upon a broader set of social, environmental, and health indicators aimed at more accurately representing the real condition of society.

Measuring wellbeing

In Bhutan, this comprehensive indicator is charmingly known as Gross National Happiness (GNH).

The east Himalayan Buddhist monarchy of approximately 800,000 people, sandwiched between the world’s two most populous countries, has recently ended its long self-imposed isolation. Only in the late 1990s did it admit television and the Internet; now Bhutan is considering applying to join the World Trade Organization (WTO).
One of the world’s least-developed countries, Bhutan is worried about what globalization may bring, and it is determined to protect its unique culture. The country wants to safeguard its social values by entrenching them in terms that the wider world may understand and respect, that is to say, in quantifiable measures. By developing measures of progress that account properly for the country’s social, cultural, and environmental assets as well as its economic development, the country is following through on the 1972 declaration made by His Majesty King Jigme Singye Wangchuck: “Gross National Happiness is more important than Gross National Product.”

Says Prime Minister Lyonpo Jigmi Y Thinley: “The four pillars of GNH are the promotion of equitable and sustainable socioeconomic development, preservation and promotion of cultural values, conservation of the natural environment, and establishment of good governance.” While these ideals are already enshrined in state policy, the Bhutanese government is increasingly interested in measuring and even quantifying its progress according to these values.

**Canada-Bhutan exchange**

Since the small country’s data-gathering and number-crunching resources are limited, it has turned to others for help. In February 2004, Bhutan hosted an international conference of some 80 foreign participants and hundreds of Bhutanese attendees (including government ministers and civil servants) on the topic of “Operationalizing Gross National Happiness.” With the assistance of the International Development Research Centre’s (IDRC) [Canadian Partnerships Program](https://www.idrc.ca/en/Canadian-Partnerships-Program), which encourages projects that foster dialogue and share expertise between Canada and other countries, the Nova Scotian nonprofit research organization [GPI (Genuine Progress Index) Atlantic](https://www.gpiatlas.com/) was able to participate in these consultations and share its indicator development experience with Bhutanese colleagues.

Established in 1997, GPI Atlantic is developing the Genuine Progress Index — a new measure of sustainability, wellbeing, and quality of life. The GPI comprises 22 social, economic, and environmental components.

Among these are measures of the value of voluntary work and unpaid housework; natural capital such as soils, forests, fisheries, and energy; air and water quality, and sustainable transportation; income distribution; and levels of health and education, the costs of crime, human freedom, and other aspects of “social capital.”

GPI Atlantic’s core mission is to develop a demonstration index in Nova Scotia that can serve as a pilot project for other provinces and for international applications. For example, GPI Atlantic is now helping launch an initiative to create a new Canadian Index of Wellbeing, and has also advised the New Zealand government on social reporting and sustainable development measures.

**The role of economic indicators**

Founder and Executive Director Ronald Colman gave a lively presentation at IDRC’s Ottawa offices in May.

Dr Colman pointed out that indicators are powerful tools that “express our social values and drive our policy agenda.” They not only measure our society, but they also help to shape it.

One problem with traditional indicators, he said, is that they address only a fraction of what is going on in the economy and in society. Colman pointed out that these conventional indicators fail to take account of unpaid volunteer and household work, the value of natural resources, population health, and other vital social, human, and environmental assets.
Though well aware of the provocative nature of the GPI (to some people, “this is heresy”), Colman argued that the GPI indicators are non-ideological because cold numbers make it easier to debate with people of all political shades.

Measures such as the GPI are playing an increasing role in industrialized countries, he said, in part because such countries already have gathered the sophisticated information required to produce them. In Bhutan, on the other hand, the urgent need is simply for basic data. Paradoxically, Bhutan and more developed societies are at opposite poles: these societies have the information, but the implementation of progressive indicators is not a priority. Bhutan, meanwhile, has the will but not the information.

This dialogue will continue. Already GPI Atlantic is collaborating with the Bhutanese authorities on holding a follow-up conference — next year in Nova Scotia.

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