

## Will 'Middle Way Economics' Emerge from the Gross National Happiness Approach of Bhutan?

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One area of concern for Sulak Sivaraksa, Thai Human Rights activist and recipient of the 'Right Livelihood Award', is interreligious cooperation for socio-economic development. Recently Sulak co-organised with the World Faiths Development Dialogue (WFDD, initiated by the Archbishop of Canterbury and James Wolfensohn of The World Bank) an international conference "Buddhist Perspectives on Development" in Ashram Wongsanit, near Bangkok. And Sulak shared a workshop on "Buddhist Economics" with Vandana Shiva and Helena Norberg-Hodge in Bija Vidyapeeth, the College for Sustainable Living in Dehra Dun, India. Sulak is also a member of the Board of Advisors of the Peace Education Standing Commission (PESC) of 'Religions for Peace', one of the leading international bodies for interreligious dialogue and cooperation.

From the perspective of socio-economic development as a constituting element of interreligious Peace Education this paper explores the inspiration that may arise from the 'Gross National Happiness' dialogue towards a new understanding of 'Middle Way Economics'. Recent intentions to create an economic 'Third Way' in Europe and USA (Blair; Schroeder 'die Neue Mitte'; Clinton); and earlier attempts (Bandung, 1955) to shape a non-aligned movement as an alternative to the Capitalism-Communism dichotomy have failed to address the challenges of sustainability and global social justice adequately.

Should the search for universal indicators to make the Gross National Happiness approach of Bhutan applicable to Human Development efforts of the United Nations depart from econometric assumptions? Or is it more fruitful to dig deeper into the Buddhist - and ultimately possibly interreligious - sources of the GNH inspiration? Can we formulate a *holistic* understanding which brings these different dimensions of reality, the measurable and the immeasurable, together within one framework of thinking and future cooperation among a diversity of actors?

Globalization is an irreversible trend and has adopted an apparent destructive character because it is increasingly dominated by multinational corporations, nation-states and world religions. These three factors have in common that they exercise enormous power but have not developed mature and democratic leadership structures at the global level.

Corporations are beyond the law or abide to legal principles as external factors, as hindrances; the corporate mainstream adheres to the basic ethical

standard that trade, business has no intrinsic limits, should be left free to grow towards optimal satisfaction; while needs should be boosted to create and enlarge markets. Corporations are primarily ruled by self-interest and competition and not by the common good. Fortunately there is a growing movement supporting alternatives in business<sup>1</sup> and Corporate Social Responsibility.

Nation-states in essence follow and support increasingly the big corporations, moreover are owned by corporate leaders, while democracy tends to be formalized in ways that decision-making can easily be manipulated as an element of consumerism. The United Nations has not (yet) evolved from a representative body of nation-states (with a small security-elite of traditional ruling countries in ultimate power maintaining double standards) towards more participatory structures that reflect the diversity and complicated fabric of the world population.

And religions, even within the bodies of the mainstream world denominations themselves, are divided and, once in situations of stress, compete each other and trigger, justify and intensify political conflict. This increasingly consolidates into fundamentalism and intolerance.

However, important minorities within the world religions engage in dialogue and seek common ground. <sup>2</sup> Socio-economic challenges become increasingly part of these efforts. As research undertaken by The World Bank indicated that among the most trusted social institutions for the poor and underprivileged all over the world were religious grass roots organizations, dialogue has been initiated to explore common ways to strengthen this role of religious grassroots organizations. <sup>3</sup>

The contemporary domination of world evolution by multi-national corporations, nation-states and world religions results in irreversible damage to the natural environment with a magnitude of worrisome implications.

Fortunately there is a country like Bhutan that seems to be able, yet, to situate itself out of reach of this pessimistic globalization paradigm.

Can Bhutan promote the concept of Gross National Happiness with its underlying philosophy cum praxis to the world community and offer itself as an acupuncture point for healing Mother Earth and her world civilization?

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<sup>1</sup> The Path to Living Economies, a SVN paper edited by Richard Perl, English and Thai version, Suan Nguen Mee Ma Co., Ltd., Bangkok

<sup>2</sup> A Global Ethic: Development and Goals, Hans Kueng, *Interreligious Insight*, 2003 Edition, January

<sup>3</sup> Can Anyone Hear Us. Voices of the Poor, Deepa Narayan, Oxford University Press 2002 (third printing)

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Religions for Peace, (World Conference of Religions for Peace), [www.wcrp.org](http://www.wcrp.org) Peace Education Standing Commission (PESC), Prof. Johannes Laehnemann, Regensburger Str. 160, D-90487

Lyonpo Jigmi Thinley raised three questions regarding the Gross National Happiness to be addressed. One of these questions is: 'were the four platforms of economic development, environmental preservation, cultural promotion and good governance through which GNH was being pursued the appropriate ones – were there others to be considered?'<sup>4</sup>.

If we accept the analysis of globalization as summarized above we can say that economic development could respond to corporate dominance; good governance to the dysfunction of the nation-state; cultural promotion to the inadequacy of the world religions; and environmental preservation with the deterioration of the natural environment. The platforms seem to be well chosen but questions remain on how to determine the more specific *right direction* of policies and implementation on these planes. And this leads to the question whether a 'platform', a 'fifth dimension', can be identified where the dynamics that constitute fruitful interaction between the four platforms can be defined and activated.

The recent attempts to formulate a new Third Way approach in the first place by Tony Blair (1998)<sup>5</sup> identifies the contrasting forces as 'statist' at one side and by free-market philosophies at the other extreme. The non-aligned movement (Bandung 1955) found its impetus in the desire to be independent from two contrasting political blocs: the former USSR and the USA. The basic direction of the Tony Blair Third Way can be characterized by compromise. The non-aligned movement attempted – and never went far beyond that – to manipulate by divide-and-rule the contrasting political blocks in order to benefit from both.

The genuine *Middle Way* – if we try to humbly tread the path of Buddhist philosophy in an unconventional way – will not be defined by compromise nor by manipulation. The extremes the Lord Buddha explored before he achieved Enlightenment were, at one side, the wealth and protection of his inherited position as a Prince; and the self-mortification through extreme fasting and forest-dwelling at the other extreme. Understanding the Middle Way as observing a modest lifestyle is correct but may not be the whole story. The message for contemporary people is rather the challenge to derive impulses for creativity, authenticity, innovation from confrontation with any extremes, while learning from the Lord Buddha's life as a symbolic example. The principle of the *creative Middle Way*, before we apply it to the questions raised above, can be explained simply with the following metaphor: the Middle Way between black and white should not be understood as the colour grey. Between the

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<sup>4</sup> *Gross National Happiness: an introductory editorial*

Gross National Happiness and Human Development – Searching for Common Ground, Lyonpo Jigmi Y. Thinley, *The Centre of Bhutan Studies* [www.bhutanstudies.org](http://www.bhutanstudies.org) *Gross National Happiness, A set of discussion papers, April 1999*, Edited by Sonam Kinga, Karma Galay, Phuntsho Rapten and Adam Pain.

<sup>5</sup> *The Third Way*, Tony Blair, *Fabian Society, London 1998*

*The Third Way: The Renewal of Social Democracy*, Anthony Giddens, Cambridge, Polity Press, 1998

extremes of Black and White the awesome specter enfolds of all Rainbow colours: red, yellow, green, blue and purple.

Whether the concept of Gross National Happiness, including subsequent questions raised, can induce a creative impulse strong enough to respond to the overwhelming trend of destructive globalization both in Bhutan, as an Asian country and as a member of the United Nations, can be explored in more depth by analyzing the complexity of actual contrasting forces at work.

These forces should not necessarily be perceived as political blocs or as economic systems. The dynamics of world civilization can also be analyzed from a perspective of anthropology, or more unusual: "anthroposophy"<sup>6</sup>.

As the concept of Gross National Happiness is a product of Buddhist culture an element of Buddhist philosophy should provide the guiding principle for our analysis. A notion most widely adopted by all streams of Buddhism is the Triple Gem or Three Jewels: the threefold order of Buddha, Dhamma and Sangha.

In order to outline briefly a provisional structure for further research in this paper – as a modest contribution towards brainstorming – we start from the perspective of *cultural promotion*.

I propose to accept liberation, freedom as the core values in the platform of cultural promotion. In the cultural realm the element of Buddhahood provides the central inspiration. The Lord Buddha attained Enlightenment or self-liberation as an individual seeker for truth. After he broke away from social determination, he went a path of individuation and freed himself from conditions, from suffering, even from Self. He communicated this insight to others and devoted the rest of his life to teaching by dialogue.

Even though tradition can be an important element of cultural promotion, tradition will only maintain and grow when it is nourished by individual dedication and authentic understanding of the reasons why tradition is important – or not. Without a free choice to cultivate tradition it risks to perish, at least while challenged by globalization offering much easier and instantly attractive alternatives.

The Lord Buddha induced a practice of oral transmission of his teachings, later resulting in an enormous wealth of scriptures, including a set of rules and regulations. The aim of these scriptures and contemporary interpretations is to explain the Law of Nature: how things work, according to which logic, and how laypeople and monastics are advised to live, which rules they should observe. This is the element of Dhamma.

In world civilization, societies and groups this refers to the element of legislation; the discipline of science; ethics, codes of conduct and social

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<sup>6</sup> A term used by the Austrian philosopher Rudolf Steiner (1861 – 1925). A recent book of one of his students is *Shaping Globalization. Civil Society, Cultural Power and Threefolding*, by Nicanor Perlas, *Right Livelihood* recipient 2003, CADI, Philippines

order. The leading principles are justice and equality while observance of these principles guide *good governance*.

In their extremes freedom and legislation are contradictory. The question arises what can be the Middle Way between these extremes.

The mediating force that emerges from efforts to reconcile the extremes of freedom and legislation is community. In order to make cultural activity in freedom possible and to create conditions for a government to formulate laws and oversee the implementation we need to cooperate and make a living: create an economic basis to facilitate freedom and justice. In this realm we cannot be totally free, nor can we be equal, but we have to bring in our unique skills, our diversity, into an appropriate community organism in order to produce and constitute concrete living circumstances that fulfill our basic needs. And to create surplus for sustaining security, justice at one hand; and culture, beauty, uniqueness at the other hand.

In a broad sense this is the principle of Sangha, the community of students of the Buddha.

"The basic philosophy of the *sangha* can be applied to the contemporary world. For instance, Gandhi's vision of the village republic is quite similar to the Buddha's *sangha*"<sup>7</sup>. In Theravada Buddhism the Sangha principle is shaped as a symbiotic relationship between the lay people and the monks: the lay people provide the monks and nuns with food, shelter and basic needs while the monks give directions on how to cultivate life.

*Economic development* in this sense implies providing guidelines for cultivating the spirit of brother- and sisterhood among all people (in a village; a country; or the world); fostering economic organisms that are based on, and supportive to community life.

A contribution from Bhutan towards Middle Way Economics will not in the first place arise from a compromising position between different political and economic systems. Middle Way Economics may grow from the challenge: to reconcile by creativity two contrasting contemporary needs of human beings to mature by individuation in a cultural context and the other need to secure justice for all human beings. Because all human beings are equally entitled to enjoy Human Rights.

In order to change the grim reality in the direction of this ideal some degree of non-violent enforcement will be needed.

If we diagnose the present state of the world in the light of this outline for an analysis, the following observations should be investigated in more depth:

The realm of culture is overgrown by world religions that tend to be increasingly dominated by empty traditionalism and fundamentalism. One could understand this as an intervention of the principle of legislation in the cultural platform of freedom. In the worst cases this trend is strongly

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<sup>7</sup> Economic Aspects of Social and Environmental Violence from a Buddhist Perspective, *Sulak Sivaraksa, Buddhist-Christian Studies, Volume 22, 2002, University of Hawai'i Press.*

supported by governments – who should leave the cultural realm to *civil society* (though, that can be supported and guided by government).

*Governments* are taken over by the laws of corporate management in terms of self-interest and maximizing personal gain: internally by allowing all kind of privileges to the economic elites; externally by putting competitiveness among nation-states first. Governments follow perverted economic practices.

In the field of economics way have surrendered to the erratic claim that trade should be free and that it is not allowed to obstruct business-for-profit. The core value of the cultural realm of freedom has been co-opted for justification of economic malpractice. The provision of economic conditions for fulfillment have been mutated into an end in itself. The *business sector* takes way much of the community spirit for its own interests and uses it as corporate identity, engineered team building, that builds on consumers' loyalty. The core value of business should be mutual help. These values of brother- and sisterhood, social responsibility, solidarity, inherent in genuine community business, have been attributed to civil society that therefore cannot perform its cultural tasks in the required atmosphere of freedom, but is overloaded by multiple urges for social activism.

The above diagnosis casts light on the causes of contemporary large scale environmental deterioration. Care for nature should be stimulated from all three realms. Unfortunately in other countries than Bhutan *environmental preservation* is not enough: huge efforts are needed towards environmental rehabilitation with organic agriculture, community forestry and drastic interventions in the urban-industrial complexes as core challenges.

As a service to the world Bhutan could host experiments in organic agriculture and community forestry with a dynamic approach to biodiversity. These are essential components for endogenous development<sup>8</sup>.

We can draw upon rich religious resources for global inspiration towards environmental rehabilitation and value-driven, community based socio-economic development.<sup>9</sup>

The fifth platform that could be perceived to be added to the four mentioned by Lyonpo Jigmi Thinley is the cultivation of *holistic science*: an appropriate framework for research and education to mediate creatively between conventional science, based on a materialistic world view and spirituality<sup>10</sup>. The Buddhist principle of interdependence will prove to be

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<sup>8</sup> Ancient Roots, New Shoots. Endogenous Development in Practice, Bertus Haverkort, Katrien 't Hooft and Wim Hiemstra (eds), COMPAS and ZED Books, London, 2003.

<sup>9</sup> Ecology and Religion. Ecological Spirituality in Cross-Cultural Perspective, David Kinsley, Prentice-Hall, 1995.

<sup>10</sup> Holistic Education and the Sciences. Are holistic approaches un-scientific? A Symposium with Vandana Shiva, Right Livelihood recipient, in Chulalongkorn University, Bangkok, 2-3 December 2001. "If science is not holistic, it is not science" was her opening statement.

essential for this effort. The effort should include interreligious dialogue as an essential element towards universal applicability of the concept of Gross National Happiness. *Bhutan could become the Mother base for an international network of study centers facilitating research & development urgently needed at this 'fifth platform'.* Criteria to select tourists to Bhutan could be formulated in terms of degrees of commitment to contribute – at all levels – towards this educational & research mission.

In a simple diagram:

Cultural Promotion	Good Governance	Economic Development
Buddha	Dhamma	Sangha
Liberation; freedom; individuation; insight; communication, dialogue	Justice; equality; legislation and sciences; social order; wisdom	Brotherhood; cooperation towards basic needs; economic conditions for human fulfillment
Civil society; freedom of assembly and expression; diversity; innovation	Government; democracy; consensus	Community business; corporate social responsibility; fair trade; support to government and civil society
Environmental Preservation; care for nature; rehabilitation; service		
Interdependence; holistic science; religion & dialogue; education & research		
Gross National Happiness		

Within an appropriate scientific framework (the “fifth platform”) the further elaboration of *Gross National Happiness* as a tool towards good governance, creative policy development and international cooperation has great transformational potential. It can be very helpful as a platform of *integration* towards global transformation.

In general Gross National Happiness can be an effective tool to develop policies - with the help of indicators - aiming at maximizing the degree of services towards the common good with specific indicators at the four or five platforms mentioned in this paper; and to minimizing the degrees of oppression, social injustice and environmental destruction (with ‘unhappiness indicators’ to be developed).

Happiness should not be understood as euphoria, excitement but rather as equanimity. This is a typical Buddhist connotation. Maybe we could say that it can be found in western scientific research as *flow*<sup>11</sup> -

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“Holistic Universities. Towards a Culture of Peace” paper presented at Schumacher College by Hans van Willenswaard, 21 June 1998 [suanco@ksc.th.com](mailto:suanco@ksc.th.com)

<sup>11</sup> Flow. The Psychology of Optimal Experience. Mihaly Csikszentmihalyi, HarperCollinsPublishers 1990.

effortless (with maximum energy but minimum stress) and successful engagement with increasingly difficult challenges.

'For the new right, globalization is an opportunity; for the old left, a threat; for the new left, a challenge'<sup>12</sup>.

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<sup>12</sup> The New Left from the South *Luiz Carlos Bresser Pereira, Rio de Janeiro, 11 November 1998. Quoted in The Third Way and its Critics by Anthony Giddens, Polity Press, 2000.*