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SUSTAINABLE DEVELOPMENT AND BHUTAN'S GROSS NATIONAL HAPPINESS: AN ALTERNATIVE TOWARDS A HOLISTIC GOAL

Abstract: *The Sustainable growth or the Sustainable Development, were introduced on a report called “Our Common Future” by World Commission on Environment and Development in 1987. It incorporates economic, environmental, and social contemplations, aiming for balanced and long-term progress. The major aspects of sustainable growths are economic viability, environmental responsibility, social equity, long-term perspective, resource efficiency, adaptability and resilience.*

In the wake of attaining objectives goals every nation has committed to implement the policy which can foster the sustainable growth. Bhutan, nestled in Himalaya with about 7,50,000 population has since the 1980s adopted a innovative, holistic approach to development governance commonly referred to as ‘Gross National Happiness’ (GNH), which aims at achieving equitable socio-economic progress along with environmental preservation, good governance, and protection of the local cultural identity inspired by purely Buddhism Philosophy.

Keywords: *sustainable growth, Gross National Happiness (GNH).*

1. Introduction

It is evident that the sustainable development is very crucial in contemporary world, where the different governments, civil societies, policy makers, businesses are adopting different strategies in their respective fields for sustainability. The main aim of the sustainable development is based on balancing people’s economic and social needs with the preservation and enhancement of natural resources and ecosystems. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling

climate change and working to preserve our oceans and forests (United Nations, Department of Economic and Social Affairs, Sustainable Development). As the idea of sustainable development is gaining its momentum in an around the world, Bhutan a tiny Himalayan nation has also step up its foot to achieve the goals.

Beyond GDP, which is purely based on materialistic standards, the tiny Himalayan kingdom of Bhutan has come up with a radically unique course. Instead of measuring prosperity and development through gross domestic product (GDP), Bhutan advocates for Gross National Happiness (GNH)—a holistic framework which focuses on human well-being,

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environmental sustainability, cultural integrity, and good governance as the indicators to measure national development. This idea presents a compelling alternative to traditional economic standards and offers valuable insights into sustainable growth. This paper aims to understand and analyse the concept Gross National Happiness and its contribution towards the sustainable growth.

2. Literature Review

(Daga, 2014), the thesis, *Towards a New Development Paradigm: Critical Analysis of Gross National Happiness*, by Gaurav Daga talks how the world measures the success of a nation presently—primarily through GDP (Gross Domestic Product)—is no longer sufficient. GDP gives us the amount that the country is producing, but it does not tell us if people are happy, healthy, and living well, it's also does not include the important issues such as pollution, inequality, and mental health. Rather than focusing solely on money and production, GNH examines a broad set of factors that actually impact people's lives, including health, education, emotional well-being, time with family, and the environment. It divides all of this into nine main areas and 33 indicators to determine how happy and satisfied people actually are. The thesis describes how GNH functions, how it quantified, and how it can assist governments in making more effective policies. It also identifies the advantages of GNH—such as its emphasis on sustainability, culture, and mental well-being—but also mentions its limitations.

(Al Malki, 2023), this essay discusses how sustainable growth—developing a business that good for the economy, environment, and society—is becoming more significant.. The article clarifies that sustainability is not a buzzword—it about balancing profits, people, and the planet. It points out that sustainable growth is important for SMEs since they contribute significantly to economies globally. Nevertheless, most

SMEs are challenged by becoming or remaining sustainable because they have limited funds, fewer employees, and less access to sophisticated technology.

(Burgess et al., 2023), *The IGC White Paper on Sustainable Growth* describes how developing nations can develop their economies without destroying the environment. The report states the silver lining is that with innovation—such as solar energy, clean transportation, and more efficient agriculture—nations are now able to develop in a manner that beneficial to humans and the world. The report identifies six key areas that require attention. Firstly, it states nations must invest in clean sources of energy such as solar and wind, rather than coal and gas. Second, they must safeguard nature—forests, oceans, and wildlife—since these are needed for health, food, and climate protection. Third, it is concerned with assisting businesses and generating good jobs, particularly among young people, by equipping them with the skills and assistance they require to work in greener sectors. Fourth, it mentions cleaning up both cities and the countryside and making them safer and more livable by improving things like public transportation and energy networks. Fifth, it demands more robust governments that can plan and manage all this efficiently. And lastly, it states that richer nations must assist, as much of the present-day environmental destruction has resulted from their previous activities.

(Thinley & Hartz-Karp, 2019), this article considers how a country measures its progress and whether the method we usually use (GDP - Gross Domestic Product) actually gives us an indication of whether people are better off. GDP emphasizes money and economic growth, but ignores issues such as mental health, environment, culture or happiness. The article indicates that wealthy countries with strong GDP records may actually not be very happy, and that ongoing economic growth is doing damage to our planet. Instead of this common approach, the article talks about

Bhutan alternative measure which is Gross National Happiness (GNH). They measure success on nine areas of life instead of money – living standards, health, education, environment, culture, community, time use, psychological well-being and good governance. Their underlying premise is that real progress is creating a society in which people can lead healthy, sane and meaningful lives. The GNH system enables Bhutan government to structure decisions about spending or campaigns and policies based on whether they will make people happier and better their well-being. Under this concept, Bhutan runs annual surveys to measure how people feel, and the government can respond accordingly each year. This approach won't survive unchallenged - some commentators argue that GNH is too inwards looking.

The Bhutanese document “In Pursuit of Sustainable Development” (2012), articulates a distinctive developmental approach through Gross National Happiness (GNH), which focuses on integrated well-being alongside environmental stewardship and cultural heritage preservation within governance frameworks. Bhutan demonstrates its dedication to sustainability through constitutional requirements for 60% forest coverage, along with its carbon-negative status and the incorporation of international frameworks such as the Millennium Development Goals and the Rio Conventions. Through the exhibition of advanced techniques such as organic farming alongside ecotourism and grassroots initiatives, the nation positions itself as a leader in sustainable and inclusive growth.

The research presents evidence for its stated objectives, yet consistently fails to include essential critical analysis. The concept of meeting gender bias along with poverty in rural areas and technological limitations still lacks in research despite knowing its importance. Though this research paper has its imperfections, it presents an interesting argument for building a global development framework that shows equal treatment for

the well-being of humans, environmental balance, instead of old economic standards.

“Sustainable Growth and Development” (2020), by P. J. P. Ginting examines sustainability through a multifaceted lens that stresses the need to harmonies economic development with social justice and environmental preservation. Through examination of historical and theoretical frameworks, including Malthusian concerns and contemporary UN principles, this paper argues that genuine development requires the fulfillment of current needs while ensuring future generations can prosper. The paper emphasizes the crucial role of local government in implementing sustainable policies that emphasize reducing poverty and providing basic needs like clean water and education, while promoting fair economic opportunities. The report concludes by advocating for a united Management structure that evolves from short-term economic objective goals and towards sustainable practices that combine social, ecological, and economic aspects to create resilience for the future.

(Wangchuk, 2010), the academic examination “Gross National Happiness (GNH): The Middle Path to Development” demonstrates that GNH emerged during King Jigme Singye Wangchuck's reign in Bhutan as an intricate development mechanism for long-term progress. GDP solely measures economic production, while GNH evaluates national advancement through human well-being alongside social justice and spiritual satisfaction. The study advocates for the simultaneous use of GNH with GDP to achieve a broader representation of progress, although GDP continues to be the primary global standard. The paper intertwines philosophical reflections with empirical studies to present GNH as an essential adjunct to traditional economic metrics, seeking to motivate both policymakers and emerging thinkers to pursue a more balanced developmental approach.

The study “Gross National Happiness: The Middle Path to Development”, discuss the origin of the concept. The study advocates for the simultaneous use of GNH with GDP to achieve a broader representation of progress, although GDP continues to be the primary global standard. The paper intertwines philosophical reflections with empirical studies to present GNH as an essential adjunct to traditional economic metrics, seeking to motivate both policymakers and emerging thinkers to pursue a more balanced developmental approach.

(Elliott & Jennifer A, n.d., 2013), An Introduction to Sustainable Development, the author in this book explores the concept of sustainable development, it has become globally recognizable after the 1987 Brundtland Report. It is defined as meeting present needs without sacrificing the ability of future generations to meet theirs. It talks about how the idea emerged from the concerns about environmental degradation. Sustainable development also emphasizes economic, social and environmental considerations concurrently. Various incidents such as the 1992 Earth Summit and the development of Agenda 21 propelled sustainable development into global politics. It is an idea shaped by different political, scientific and cultural views. As time passes by we notice that poverty, inequality, globalization and environmental are interconnected challenges and must be tackled simultaneously.

(Turner & Wangchuk, 2025) In this study the author tried to highlight the remarkable development achievements of Bhutan since 1960s by using the five-year national plans whereas other developing countries had already abandoned this model. Bhutan’s development is grounded in the philosophy of Gross National Happiness [GNH], they also improved education, healthcare, income levels and environmental protections which led to them becoming the first carbon negative country. Bhutan also maintained a stable political system and gradually they

also decentralized the decision making. They used revenue from the hydropower and India's support to fund. Though they faced many challenges like climate change, failure of decentralization and outmigration of skilled workers Bhutan remained consistent, adaptive and through its local planning it led them to sustainable development.

(Gross-National-Happiness-Index, n.d.) This report shows us that The Gross National Happiness Index [GNH] is a unique way of measuring progress. It focuses on the happiness and wellbeing of the people rather than just economic growth. This index is made up of nine domains that is health, education, time use, cultural diversity and resilience, good governance, community validity, ecological diversity and resilience and living standards. The 2021 report of GNH survey which covered all 20 districts of Bhutan found out that the percentage of people who were extremely happy increased compared to the previous survey. However, the happiness level varied across region, gender, age groups and income levels.

(Lama & Dorji, 2017) In this chapter the author attempted to point out that Bhutan is a tiny Himalayan nation, However, challenges remain especially for rural communities and vulnerable groups. Bhutan’s development is guided by GNH which includes four main Pillars: sustainable economic growth, cultural preservation, environmental conservation and good governance. These principles are also used to support sustainable consumption and production [SCP] in the country.

(Sustainable Development Goals and Gross National Happiness Dorji Penjore, n.d.) In this article the author explains the relationship between Sustainable Development Goals [SDGs] and Gross National Happiness [GNH]. They have similar objectives because SDGs is a part of GNH, but it also has some difference, SDGs are a set of goals aimed at ending poverty, improving life and promoting sustainable development. Whereas on the other hand,

GNH seeks holistic wellbeing through social and economic changes that align with deeper values.

3. Sustainable Development

Sustainable development represents an approach to economic progress that ensures environmental integrity for future generations. Economic expansion, when pursued recklessly, often results in environmental degradation—manifested through land depletion, pollution, deforestation, and erosion—which can ultimately negate the benefits of increased production and economic gains.

The principle of balancing growth with long-term environmental preservation is central to sustainable development. Although multiple definitions exist, the most frequently cited is from the World Commission on Environment and Development's 1987 report *Our Common Future*, which describes sustainable development as meeting present needs without compromising the capacity of future generations to meet theirs (Elliott, 2013).

This report marked a turning point by integrating environmental issues into the discourse on economic and social development—areas traditionally treated separately. The Commission recommended harmonizing environmental policies with development planning and emphasized the importance of international cooperation in addressing shared challenges.

These recommendations provided the foundation for the 1992 Earth Summit in Rio de Janeiro, the largest international gathering at that time. A major outcome was Agenda 21, a comprehensive action plan involving governments, international organizations, and civil society in sustainable development efforts.

The implementation of sustainability goals was seen as a collective responsibility involving global, national, and local stakeholders. The summit also led to key

conventions on biodiversity and climate change, highlighting the urgency of conserving global ecosystems.

Despite these initiatives, by the early 2000s, the world continued to witness environmental degradation, persistent poverty, and widening inequality. The UN responded with the Millennium Development Goals (MDGs) in 2000, of which one explicitly focused on sustainable development strategies.

A dominant concern during this period was the unequal impact of globalization. Although global markets expanded, the benefits were unevenly distributed, exacerbating poverty and social exclusion. These inequalities were not only seen as economic or environmental threats, but also as risks to global peace and democracy.

To revisit progress and address emerging concerns, the Rio+20 summit was scheduled for 2012. Its central themes included advancing the green economy and restructuring global governance to support sustainable development. As the 21st century unfolds, interlinked crises—climate, economic instability, energy scarcity, and poverty—underscore the urgency for sustainable solutions. The green economy model promotes a system that fosters environmental protection, economic resilience, and social inclusion. Governance, across all scales and sectors, is crucial in achieving these aims.

Thus, sustainable development remains a global imperative, encompassing environmental, social, and economic dimensions. It is now recognized as a shared responsibility not just of governments, but of businesses, institutions, and individuals worldwide (Gibson, 2005).

4. Sustainable Growth through the GNH Lens

While comparing the concept GHN and sustainable development we can find compatibility as well as incompatibility.

Talking about the compatibility both the concept promotes the idea of democracy and incompatibility is how they define, measures the development and they way they addressed the development. In fact, some argue that GNH is more favourable than the sustainable development, because its more holistic in nature.

Bhutan's approach to development is inherently sustainable. Its constitution mandates that are forested, making it one of the only carbon-negative countries in the world. Hydroelectric power, mostly generated through rivers fed by melting Himalayan glaciers, supplies clean energy both domestically and for export, primarily to India.

Let's talk about the sustainability in GNH, firstly the indicators and the methodology for the survey on GHN index are characteristically sustainable. The GNH is more sustainable than GDP specially in the context of capital, as we can find different types of capital like economic, human, cultural, ecological and social capital. However, the GDP mainly measures on economic capital and for some extent human capital and ignored the other, while GNH give equally important to all forms of capital. In fact, the ecological and cultural resilience are more inclined in Bhutan's custom and values.

Furthermore, Bhutan has placed strict limits on tourism through its "High Value, Low Impact" strategy, balancing economic benefit with the preservation of its unique environment and cultural identity.

Economically, Bhutan focuses on inclusive growth, ensuring rural communities, often marginalized in other countries' development efforts, benefit from basic services like education, healthcare, and infrastructure. Rather than rapid industrialization, Bhutan's policies favour measured, organic growth that aligns with long-term well-being..

5. Challenges and Criticism

Despite its unique and innovative approach, and attempt to make philosophically and econometrically rational, the concept Gross National Happiness (GNH) has faced several criticisms over the years.

Subjectivity and Measurement Challenges: many people argue that the happiness is the subjective in nature. Happiness is a complex and multifaceted concept that can vary greatly from one individual to another, it is a state of the mind. Since, happiness purely subjective in nature, it is non-quantifiable and immeasurable, and the attempt of state or government alone to impose a uniform definition of happiness is useless. It will better to left the happiness to individual and state focus on actual development and need of people.

Focus on Traditional Values: GNH places a significant emphasis on preserving Bhutan's traditional cultural values and heritage. Critics argue that this emphasis on cultural preservation may hinder social progress and limit individual freedoms, especially in a rapidly changing globalized world. Some also argued that the Bhutan's culture symbolise the element of hierarchy which unmatched with the principle of egalitarian society and good governance.

Limited Economic Growth: Some critics argue that the focus on GNH might prioritize social and environmental goals over economic growth, potentially impeding the country's economic development and poverty reduction efforts. Many critics point out that even today there are approximately 20% of population are living under poverty (Bhutan Poverty Analysis Report, 2022), and the country is categorised as lower-middle income country and the economy of the country is precarious due to too much dependence on imported goods. While analysing these situations of Bhutan, the idea of GNH can be point as an ideological distraction from the real issues and problems (Phuntsho, 2014).

6. Conclusion

Despite all above criticisms, Gross National Happiness remains a unique, interesting and thought-provoking approach to development, offering an alternative lens that prioritizes well-being and sustainability rather than purely economic growth. While many agree that the ideas provided by the GNH can be a useful framework for development to many policy makers.

In, 2011, the UN General Assembly unanimously passed the resolution on the idea of GNH initiated by Bhutan and place happiness on the global agenda. On April 2012 on the High-Level Meeting on the sidelines of the UN General Assembly draw a road map for GNH as new global economic paradigm (Phuntsho, 2014).

Bhutan's Gross National Happiness is not a rejection of economic growth, but a redefinition of it. It is a reminder that

progress must be sustainable, equitable, and grounded in values that nurture both people and the planet. As the world grapples with the shortcomings of traditional economic models, Bhutan's example stands as a beacon of hope—a call to envision development not merely as a race for more, but as a journey toward wholeness, harmony, and happiness.

In conclusion, GNH is a widely recognized and influential approach that has impelled a shift towards a more holistic and multi-dimensional approach to development. However, its practical implementation and measurement pose challenges and raise several doubts, its impact on global thinking about progress and well-being is significant. Even though, there is challenges, criticism and different perspectives on the concept of happiness, the rest of the world is looking Bhutan as happy nation.

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