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Do we Need a National Happiness Index?

This January, we stand at an intersection – at the crossing point of several sweeping narrative arcs. We honor the birthday of Dr. Martin Luther King, Jr., who led the struggle for equality and justice for African Americans. Dr. King articulated a vision of a different society – a “beloved community” in which all Americans would participate fully. The stated mission of the Southern Christian Leadership Conference, which Dr. King founded, was nothing less than “to save the soul of America.” And on Tuesday, we will witness the inauguration of an African-American president, something I did not expect to see in my lifetime. Barack Obama stands on the shoulders of Dr. King and so many others who fought for equality and justice for all Americans – something that Mr. Obama often acknowledges.

We also stand at an important crossroads concerning the ways we look at our world and the people in it. Will we continue to live out a narrative based on fear – fear of the “other?” And will we continue to engage the world with the belief that we can make the world better through military might; through force and violence? The belief that we have to get “the other guys,” before they get us? Or can we look at the world through a new lens? Can we broaden our understanding that survival in the world depends not on overwhelming “others” with force and violence, but on learning how to engage each other and to live side-by-side. These past three weeks, we have been seeing the results of the fear-based world-view, as we recoil in horror at images of the carnage in Gaza. At our service in two weeks (on February 1st, right here), I am planning to talk about Israel and Palestine, and whether peace is still possible in that blood-drenched land. So I will

be talking then, too, about changing our world-view from one based on fear to one based on hope.

Another important narrative arc is embodied in the worldwide financial meltdown we are experiencing. Are we indeed headed into another great depression? And if so, how will we manage; how will we get by? Money is important, and we all worry now – am I making enough; have I saved enough? But this current crisis has also exposed -- for all to see -- the dangers of a system based on unrestricted competitiveness, on materialism, on unconstrained consumer spending, on an emphasis on economic growth above all other values. As consumers, we are bombarded with conflicting messages – we need to go out and spend more to help the economy recover; but at the same time we're criticized because we don't save enough. Such are the contradictions in a time of economic crisis!

But perhaps in all of this there is an opportunity rather than something to fear. We have seen that a system that measures our well-being wholly in dollar terms has its weaknesses and flaws. Maybe economic growth isn't such a good thing if it is based on a growing inequality between the richest and the poorest. Maybe unregulated capitalism isn't so wonderful if it means that millions of people lack health insurance and are thus denied much needed medical care. Maybe it isn't such a good thing if we can fight expensive wars, but we don't have enough money to maintain our education system, and our roads and buildings, and so on.

Well, perhaps some of you have noticed a recent trickle of stories about a tiny kingdom on the other side of the world – a country named Bhutan. The stories are based on several audacious things that the Bhutanese have done – things that were

first dismissed as impractical nonsense, but that have been attracting more and more attention from economists and government leaders around the world. Let me explain!

Bhutan is a country of some 700,000 people located in the Eastern Himalayas – at the northeast corner of India, north of Calcutta, east of Nepal, and south of Tibet. Most of its inhabitants are followers of the Vajrayana school of Buddhism that originated in Tibet, and the countryside is dotted with monasteries and temples. For many centuries, Bhutan was essentially a protectorate of India, and it was extremely isolated from the outside world. When I was living in India in the late 1960s, I tried to get authorization to travel to Bhutan, but I was unable to do so. Bhutan remains a kingdom, but one that is essentially democratic. A National Assembly was created in 1953, and a cabinet in 1968. Bhutan was admitted to the United Nations only in 1971, and it has undergone an orderly process of democratization and modernization since.

But Bhutan's significance for us -- and for the rest of the world – lies in its approach to economic development. Bhutanese leaders realized the dangers for poor countries that open themselves up to development. Around the world we have seen examples of poor countries that have welcomed unplanned development, and then seen their populations flock to the cities, where slums proliferate, crime and homelessness increase exponentially, and very little of the development is actually enjoyed by the people. So Bhutan has sought to modernize itself differently. In 1972, it launched its economic policy, which it calls Gross National Happiness. The king was being criticized in the West for overseeing the stagnation of this tiny economy, which was mainly based on agriculture and forestry. So he and his cabinet came up with a Buddhist alternative to western-style development. Bhutan's economic policy takes into

account such things as: respect for all living things, nature, community participation, and the need for balance among work, rest, and reflection or meditation. At a recent international conference, the Bhutanese foreign minister said that “Happiness is a very serious business. . . The dogma of limitless productivity and growth in a finite world is unsustainable and unfair for future generations.”

So, rather than measuring the well-being of its people in strictly economic terms, the Bhutanese shifted the focus of development from productivity to four areas of human well-being:

- Promotion of equitable and sustainable socio-economic development;
- Preservation and promotion of cultural values;
- Conservation of the environment; and
- Good governance. (Now there's a concept!)

Since then, guided by GNH policies, the government has adopted a series of five-year plans. And it has not been without results. Household incomes in Bhutan remain among the world's lowest, but its life expectancy has risen dramatically in just a few years. In one widely cited study, Bhutan ranked 8th out of 178 countries in Subjective Well-being, a metric that is increasingly used by psychologists. According to this study, it is the only country in the 20 “happiest” countries that has a very low GDP. The government has committed itself to retain the land's forested character, requiring that at least 60 percent of its lands remain forested. It welcomes western tourists in limited numbers, but it requires a minimum level daily expenditure for each tourist. And Bhutan sells hydro-electric power to India.

Well, at first, as you can imagine, Bhutan's policies were met with much scoffing from the west. "Fine for a tiny country, but it would never work here." Some economists criticized it for not taking advantage of one of its main assets – its forests. And so on. But increasingly, economists, social scientists, and corporate leaders are beginning to take notice of what Bhutan is doing. They are trying to devise measurements that take into account not just the flow of money, but also things like access to health care, free time with family, conservation of natural resources, and other non-economic factors. The noted economist Joseph Stiglitz has been working on this issue; at a recent conference, he said: "I think that on all sides of the political spectrum there is a recognition of these deficiencies, and a recognition that it is important that we develop better metrics, no matter whether you are on the left of the right." And a Canadian group is working on creating a non-economic index that would include assessment of community health, living standards, and division of time among work, family, volunteerism, and other activities. Over the next several years, the group is looking to include measurements of education, environmental quality, "community vitality," and government responsiveness.

All of this may remind some of you of E. F. Schumacher, who enjoyed a brief period of recognition in the 1970s. Schumacher was not some hippy; he was an economist who had been chair of the National Coal Board in England. He wrote a wonderful book, entitled: *Small is Beautiful: Economics as if People Mattered*. The subtitle pretty much says it all. Schumacher criticized prevailing western economics that insisted on valuing people's well-being in strictly economic terms and ignoring non-factors that contribute to quality of life. For example, he saw the value of work in terms

of its contribution to a person's sense of dignity and worth, fulfillment, companionship, and so forth. As we heard in our reading, Schumacher found that Buddhism provided a good foundation for a view of human well-being that de-emphasized the importance of money, and focused on other factors as well. Under our system, consumption is the sole end and purpose of all economic activity, and the sole measure of human well-being. Under a system based on "Gross National Happiness," we would take other factors into account.

Now, I have to say that I have some trouble with the term "happiness" as the standard. Many critics have focused on this term and it has often caused them not to take Bhutan's economic policy seriously. But my quibble is with the term, not the policy. Being a westerner, and not, strictly speaking, a Buddhist, I might prefer a term such as "satisfaction," or "fulfillment." But this is a minor cavil – the important point, it seems to me, is that the people of this tiny Himalayan kingdom have shown us that there are alternative ways to measure our well-being. As Bhutan's Education minister remarked:

"the goal of life should not be limited to production, consumption, more production and more consumption. There is no necessary relationship between the level of possession and the level of well-being.

So the Bhutanese experience might cause us to ask ourselves some questions. Can we be said to be well-off when we have a high Gross National Product, but millions of our people lack access to affordable health care? Can we be said to be well-off if we have a high GNP but millions of our people live below the poverty level? Can we be said to be well-off if we have high salaries, but we lack free time to spend with our families, and if we are stressed-out from working so many hours? Can we be said to be a truly

wealthy nation if have lots of material goods, but we use up our resources in an unsustainable way?

I believe it was Rahm Emanuel, President-elect Obama's chief of staff, who said something to the effect that "it would be a shame to let a crisis go to waste." We are in a crisis – in fact, we are in the midst of many crises. But crises can also be opportunities. We have seen the flaws of our present system exposed so clearly. Wouldn't it be wonderful if we could take advantage of this opportunity to make some real change? And isn't this what we are really talking about when we talk about building Dr. King's beloved community? Suppose we did begin to look at our economic policies as if people matter? When Dr. King was killed, he was in Memphis in support of striking sanitation workers, who were mostly black, and who were paid substandard wages. Many criticized Dr. King for straying off into labor relations and working conditions. But Dr. King saw something important. He saw how all these things interconnect – how people can't be free when they don't have enough to live on. And his vision of beloved community also included the dignity of work honestly done; it included loving families interacting with each other; it included people forming communities to worship together, and it included the indomitable strength of the human spirit.

So we stand at a crossroads – so many long narratives meet at this one point. May we see it as an opportunity, and not give in to our fear. May we maintain our hope for a better future for all peoples. May we learn from the tiny Kingdom of Bhutan, which has bravely set out to say – "Wait a minute. Maybe production and consumption aren't a very good measure of our well-being, after all."

May we learn from the Bhutanese and others who are working to create standards of well-being that take into account all of those factors that lead to a fulfilled and satisfied life.

May we take joy in the inauguration of an African-American president.

And may we continue the difficult but rewarding task of building Dr. King's "beloved community."