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HAPPY VALLEY —*Bhutan*

Preface

In just 30 years, Bhutan has gone from underdeveloped status to having the highest per capita GDP in South Asia. But does the march towards modernisation threaten its Gross National Happiness?

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As the Drukair aeroplane dips steeply on its descent to Bhutan's Paro International airport, the tiny Himalayan country looks as it might have for centuries: snow-capped mountains interspersed with green valleys and dotted with traditional red-and-white buildings.

But after a two-hour drive to the capital Thimphu, the busy streets are decidedly different and signs of development are everywhere. A new Oberoi hotel is under construction in the centre, while across the country large tracts of land are being turned into hydroelectricity plants. One of the world's last countries to embrace modernity, Bhutan is now, finally, coming into its own.

For a long time the tiny land-locked kingdom of just 725,000 people was seen as a curiosity: a place where the monarchy



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wielded absolute power, and host to the unique concept of Gross National Happiness (GNH) – considered a far more important marker than GDP. But in the 1970s Bhutan started to cautiously open up to the outside world, finally converting to democracy in 2008. It's why Bhutan is often viewed as a kind of petri dish of the social, cultural and economic changes that accompany modernisation.

Now Bhutan is becoming a progressive and outward-looking society with a per capita GDP of just under \$7,000 (£5,100) – the highest in South Asia. Hydroelectricity is its fastest growing industry, largely underwritten by India – its main customer. It is emerging as an important regional player, particularly given that it is positioned between India and China, two countries vying for Asian superiority.

"You're talking about a country that 30 years ago was completely isolated, totally underdeveloped and probably one of the poorest countries in South Asia," says Lily Wangchhuk, a prominent former diplomat, writer and spokesperson who now heads a fledgling political party. We meet



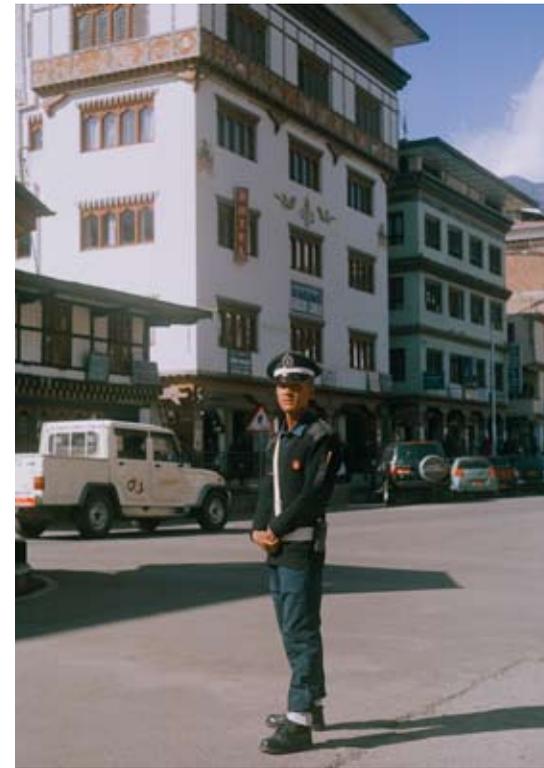
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in a restaurant on the upper floor of a new supermarket in Thimphu; tiramisu is on the menu and K-pop blares from the speakers. Through the expansive picture windows, mountains stretch out into the distance.

"We've seen a lot of infrastructure development and economic growth," she says, in between sips of her Illy coffee. "The change in a short time has been immense, particularly for the older generation like my mother who is 86 and who grew up in a Bhutan that was completely undeveloped and cut off."

Traversing this divide is difficult for any country, particularly when it comes to retaining strong links with indigenous culture. The monarchy and government in Bhutan have pledged to keep close watch over the country's modernisation; some say their leaders can be a little too watchful. But their intention is sound: they don't want to make the mistake they've seen other developing nations make of losing values and traditions in the quest for economic development.

So strict measures are in place: 70 per cent of the country is forested and will



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remain so, all buildings must have traditional exteriors and government employees must wear Bhutanese garments. In February the government placed a large order for electric cars as part of a carbon-neutral drive. It all makes for a country that is, despite pockets of poverty, exceedingly picturesque. Buddhist chortens and prayer wheels mingle with intricately painted wooden door and window frames, while *dzongs* (forts) tower over many towns.

Last July the country held its second democratic elections and the then opposition party, led by Harvard graduate and now prime minister Tshering Tobgay, swept to power in an unexpected victory.

Many took the People's Democratic Party's victory as a sign of unhappiness with the former leadership – this in a country where the pursuit of happiness underpins day-to-day life. Many Bhutanese point out that with modernisation comes social problems, such as street violence, unemployment, rising corruption and drug abuse.

The GNH policy, initiated by former king Jigme Singye Wangchuck (father of current king Jigme Khesar Namgyel Wangchuck), measures quality of life based on mostly qualitative metrics including governance, conservation, living standards and cultural preservation. The former prime minister, Jigme Thinley (*see Monocle issue 28*), worked hard to promote

GNH both domestically and internationally. But Tobgay is rather less enthusiastic about the principle and has seemingly sought to distance himself from it.

And he is not alone as it appears there is a schism within Bhutan over how great a role GNH should actually play. Some, like Lily Wangchhuk, want to see GNH preserved and placed at the centre of Bhutan government policy. "Happiness is a collective achievement. We do not believe a person in isolation can pursue happiness; we are social beings and there is a need for us to interact with one another. For us, collective happiness transforms into GNH."

But Bhutan's younger generation seems to look upon it as an embarrassing relic. Revellers at the Thimphu live music venue Mojo Park groan when the topic is broached. "You're not here to write about GNH are you?" says Tenzin Jamtsho, 30. "There are so many other things going on in Bhutan." Jamtsho, a government engineer, part-time radio DJ and singer, studied in Osaka but prefers the relaxed Bhutanese lifestyle. "There, I was ruled by this," he says, pointing to his watch. His attitude is echoed by Mojo Park's owner, 35-year-old Kinley Wangchuk, who gave up a government job to work in entertainment. "Happiness is a choice, it's a philosophy," he says. "It's about having the opportunity to do whatever you want in life." — (M)
Overleaf, we speak to Bhutan's prime minister



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Q & A

Tshering Tobgay
Prime minister
Thimphu, Bhutan

Monocle: *You've been in office for just over six months. It was a surprising election result to many. Were you surprised?*

Tshering Tobgay: Yes and no. Yes we were surprised because you don't take anything for granted, right? We worked hard and we heard the people saying they wanted change. Although we are a young democracy, people seemed to want to give us the opportunity. We felt we were better able to get our vision across and organisationally we were more sound. So, in that way, the results were not very surprising.

M: *What are your main priorities?*

TT: To ensure growth while keeping what we treasure: our institutions, our culture, our identity and our environment. And while we're preserving them we need to grow as a country and an economy. So our greatest priorities are to improve the quality of education and make sure everybody has access to free and quality healthcare. At the same time we want to ensure we develop economically. Our farmers must be allowed to move away from subsistence farming to more profit-oriented commercial farming. We also have to focus on helping the private sector to develop and fulfil its potential.

M: *Are there any industries in particular you're looking to target?*

TT: Hydropower is one that has a lot of potential. The tourism industry has been performing well but nowhere near the

potential, so we need to focus on developing it. When it comes to agriculture, even though we have a very small population and most of our population are agrarian farmers, we are still importing a lot more food than we should. So the whole agricultural group of industries, from farming to processing to marketing, packaging and exporting, will receive our attention.

M: *How do you ensure Bhutan's forest cover is preserved while developing the hydroelectricity industry?*

TT: Well it's not one or the other. Economic growth does not mean we have to cut down our forest. We don't have to forsake our culture in order to grow. With hydropower we use some of the world's most environmentally friendly technologies in constructing our projects, so it's not at the expense of the environment. In addition, tourism and environment go together. You protect the environment, you protect culture, you can enjoy larger numbers of tourists. So we are being very careful in choosing safe, clean industries that are good for the environment.

M: *What will be your approach to Gross National Happiness (GNH)?*

TT: There will be no reversing it nor winding it back. It is too important to us. This is something that was started in our country by the fourth king in the early 1970s and has served us well. If we want to protect our environment and enjoy a healthy economy, we better be mindful of GNH. If we want to protect our culture and enjoy our identity and, at the same time, enjoy advanced levels of prosperity we'd better be mindful of GNH. However, what

I have made clear is that I can't participate in and lead international discourse on GNH. We have experts, scholars and academicians. They are much more well versed in the matters and in contributing towards the evolution of this as a development philosophy, so that it perhaps has a place on international stage. [But] that is not my job.

M: *Now that Bhutanese people are getting more opportunities, how is GNH working out? How happy is the nation?*

TT: Our kings developed strong institutions, they inculcated the rule of law and prepared our citizens to exercise choice and democracy. So what you see today is a vibrant democracy and something that we couldn't even think of just seven years ago. Even though there are now pressures of finding jobs and better jobs, we should be more content than we were in the past. That said, because we are now a lot more vocal, we are hearing more voices of dissent, which I think is a good thing. So in terms of GNH I think we are making progress as a society.

M: *Bhutan is located in between India and China, both of which want to take a leadership role in the region. Does this concern you?*

TT: Our relationship with India is very good; we've been extremely close for decades. We're economically tied to them; we benefit from Indian aid and more than 85 per cent of our trade is with India. We have friendly relations with China; there is no cause for any concern. Bhutan is not a battleground for big powers. We are sovereign, we are secure, and our security is not under threat. — AB



Journey to the top
Tshering Tobgay,
CV

- 1965** Born in the Haa district in southwestern Bhutan
- 1990** Graduated from the University of Pittsburgh with a degree in Mechanical Engineering
- 2004** Gained a Masters degree in public administration from Harvard
- 2007** Co-founded the People's Democratic Party after working as a civil servant
- 2013** Elected Bhutan's prime minister after having spent five years as opposition leader

01 A room in Bhutan's parliament house, where ambassadors meet the prime minister
02 The PM's guards