HAPPINESS ECONOMICS (GNH): A NEW PARADIGM IN ECONOMICS

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Abstract: The Happiness Index is a comprehensive survey instrument that assesses happiness, well-being, and aspects of sustainability and resilience. Gross national happiness (GNH) is a measure of economic and moral progress that the king of the Himalayan country of Bhutan introduced in the 1970s as an alternative to gross domestic product. It focusing strictly on quantitative economic measures, gross national happiness takes into account an evolving mix of quality-of-life factors. It is the only instrument that freely available worldwide and translated into over ten languages. This instrument can be used to measure satisfaction with life and the conditions of life. It can also be used to define income inequality, trust in government and sense of community and other aspects of well-being within specific demographics of a population.

Keywords: Gross national happiness, Gross Domestic Product, Happiness Index

Introduction:

“Yat tad agrevihamivapariname
Mitopamam tat sukham sattvikam
proktamatma-buddhi-prasada-jam”

Meaning “Satvik or Pure happiness which in the beginning may be just like poison but at the end is just like nectar and which awakens one to self-realisation is said to be happiness in the mode of goodness”.

Bhagavad Gita, Chapter 18, Verse 37

Earlier money was everything. To measure any countries success ration specific metrics was used like Gross Domestic Product (GDP) and Gross National Product (GNP). Everything was counted in for of money but as the time passes and society get exposure. Under developed countries become developing countries and developing countries become developed countries, economists and national leaders are increasingly talking about measuring a country’s status with other metric like happiness. A study done in 2009 which shows the commissioned the year before by French president Nicolas Sarkozy and led by the economists AmartyaSen, Joseph Stiglitz, and Jean-Paul Fitoussi, has become a global work sensation. Each year since 2007 the private Legatum Institute has published a global Prosperity Index, a sophisticated mix of economic and other indicators. Individual nations are getting into the game, with Prime Minister David Cameron of the UK making the biggest waves by unveiling plans to measure national well-being. There are decades-old challenges to GDP as
well, such as the United Nations’ Human Development Index and the Kingdom of Bhutan’s insistence that it is out to maximize not GNP or GDP but Gross National Happiness (GNH).

Happiness economics is a comparatively new branch of research. It pursues to identify the economic factors of well-being, mainly by asking people to fill out surveys. Earlier economists did not bother to compile such research, preferring to define what drives happiness from far based on their own understandings. Determining the well-being and preferences of individuals is not an easy task. Happiness can be difficult to categorize because it is a subjective measure. Irrespective of these challenges, those who study happiness economics continue to argue that it is essential to examine factors affecting quality of life, beyond typical areas of economic studies such as income and wealth. They set out to achieve their goal by sending out surveys that directly ask people to rank their level of happiness. They also analyse indices tracking the quality of life in different countries, focusing on factors such as access to health care, life expectancy, literacy levels, political freedom, gross domestic product (GDP) per capita, cost of living, social support, and pollution levels.

**Gross National Happiness :**

Gross National Happiness is a term coined by His Majesty the Fourth King of Bhutan, Jigme Singye Wangchuck in the 1970s. The concept implies that sustainable development should take a holistic approach towards notions of progress and give equal importance to non-economic aspects of wellbeing. The Gross National Happiness Index is a single number index developed from 33 indicators categorized under nine domains. The GNH Index is constructed based upon a robust multidimensional methodology known as the Alkire-Foster method.

The concept of GNH has often been explained by its four pillars: good governance, sustainable socio-economic development, cultural preservation, and environmental conservation. Lately the four pillars have been further classified into nine domains in order to create widespread understanding of GNH and to reflect the holistic range of GNH values. The nine domains are: psychological wellbeing, health, education, time use, cultural diversity and resilience, good governance, community vitality, ecological diversity and resilience, and living standards. The domain represents each of the components of wellbeing of the Bhutanese people, and the term wellbeing here refers to fulfilling conditions of a "good life" as per the values and principles laid down by the concept of Gross National Happiness.

**Happiness Index :**

The Happiness Index is a comprehensive investigation instrument that measures happiness, wellbeing, and aspects of sustainability and resilience. The Happiness Alliance developed the Happiness Index to provide a survey instrument to community organizers, researchers, and others seeking to use a subjective well-being index and data. It is the only instrument of its kind freely available worldwide and translated into over ten languages. The Happiness Index measures life satisfaction, the feeling of happiness, and other happiness
domains: psychological well-being, health, time balance, community, social support, education, arts and culture, environment, governance, material well-being, and work.

The index was formed with the intent to promote social change by making the survey instrument and data freely available to community organizers, educators, researchers, students, organizations, government, and more. The index is unique in that it is the only widely comprehensive index available for free online that survey takers to access their own scores in comparison the entire data set, while also allowing users to customize the tool for a target population, add their own questions to the survey instrument, and readily access data for their own sample as well as comparison data to the entire data set. The qualities measured in the domains are as follows:

- Psychological Well-Being: optimism, senses of purpose and of accomplishment;
- Health: energy level and ability to perform everyday activities;
- Time Balance: enjoyment, feeling rushed, and sense of leisure;
- Community: sense of belonging, volunteerism, and sense of safety;
- Social Support: satisfaction with friends and family, feeling loved, and feeling lonely;
- Education, Arts, and Culture: access to cultural and educational events and diversity;
- Environment: access to nature, pollution, and conservation;
- Governance: trust in government, sense of corruption, and competency;
- Material Well-Being: financial security and meeting basic needs;
- Work: compensation, autonomy, and productivity.

India and World Happiness Index:

The World Happiness Report is a milestone survey of the state of global happiness that ranks 149 countries by how happy their citizens recognise themselves to be. The World Happiness Report 2021 emphasises on the effects of Covid-19 and how people all over the world have fared. The annual report ranks nations based on gross domestic product per person, healthy life expectancy and the opinions of residents. Surveys ask respondents to indicate on a 1-10 scale how much social support they feel they have if something goes wrong, their freedom to make their own life choices, their sense of how corrupt their society is and how generous they are. The World Happiness Report 2021 has been released by the UN Sustainable Development Solutions Network and Finland was once again topped as the world's happiest country.

India has been ranked 139 out of 149 countries in the list of UN World Happiness Report 2021. For the survey both in person and telephonic methods was used for India. The in-person responses was lower than telephonic responses as compare to the responses received in 2019. The in-person responses were lower than telephone responses, while significantly higher than in-person responses in 2019. Therefore the reversal in 2020 of the longer term slide in Indian life evaluations was not attributable to mode effects. Finland has been ranked as the happiest country in the world. The Nordic nation is followed by Iceland, Denmark, Switzerland, The Netherlands, Sweden, Germany and Norway.
In 2020 India was ranked 144 out of 156 participating countries with index 3.573. India was ranked at 133 in the UN Sustainable Development Solutions Network’s (SDSN) 2018 World Happiness Report which ranked 156 countries according to things such as GDP per capita, social support, healthy life expectancy, social freedom, generosity and absence of corruption. It slipped 11 places as it was placed 122nd with index 4.315 last year, which was a drop from 118th rank the preceding year. From the above table it is clearly observed that India’s rank has been constantly declining in the World Happiness Report, almost thirty ranks down in less than a decade. The parameters on the grounds of which the happiness index is to be measured are evidently not being under compliance of either individuals or the organizations.

In 2020, first time in India Happiness Report has been released. As per the report, Mizoram has been ranked the happiest state, followed by the Andaman and Nicobar Islands and Punjab. Gujarat and Uttar Pradesh also made it to the top 10 happiest states in India. Chhattisgarh, Odisha and Uttarakhand ranked at the bottom in the said report. It is for the first time in the country that all the states and Union Territories were included in the Happiness Survey. The report was prepared by Professor Rajesh K Pillania, who is one of the leading management strategy experts of the country. Reportedly, the survey was conducted between March 2020 and July 2020. And as per the information gathered, around 16950 people from all over the country participated. Compiling their feedback, it has been found that people living in Mizoram, the Andaman and Nicobar Islands, and Punjab are the happiest, whereas those living in Odisha, Haryana, and Chhattisgarh have reported otherwise.

**Conclusion:**

The Happiness Economics approach has several advantages, which makes it of interest to policymakers, academics, civic organizations, and masses. However using these methods in policy and economic analysis requires a solid understanding of their promises and challenges. The Happiness Index is a comprehensive investigation instrument that measures happiness, wellbeing, and aspects of sustainability and resilience. The Gross National Happiness Index has been used from since 2011. It was developed for the growing interest to understand and evaluate personal and community well-being as it relates to happiness, sustainability, and quality of life. It also helps to understand the adoption of wider measures.

<table>
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<th>Date</th>
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<th>World Happiness Index of India</th>
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<td>2013</td>
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Source: https://countryeconomy.com/demography/world-happiness-index/india
of well-being by governments protecting and securing people’s right to life, liberty, and pursuit of happiness. India’s rank has been constantly declining in the World Happiness Report almost thirty ranks down in less than a decade.

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